

Sign up for the Industry's only EIUL Education/Marketing Training—April, 21-22 in Dallas, Texas

Finally "Real" EIUL Training for our Industry!

To say that the insurance and financial services field is lacking when it comes to "real" training on Equity Indexed Universal Life (EIUL) policies would be an understatement.

The industry is full of IMO's pushing EIUL policies as a cure all for virtually every fact pattern. They want agents to blindly sell the product that the IMO thinks is best (when in reality IMO's are pushing products that pay the highest commissions—not the one(s) that are best for individual clients).

What is "real" training? It's training that is "unbiased" (which is virtually unheard of in our industry). What you will be given at this unique training:

Training Agenda-

- Actuarial Aspects of Individual Life Insurance Products
- Understanding Whole Life (WL) (a must if you want to compete against it)
- EIUL Product Positioning and Product Overview
- Understanding Indexing
- Participating/Variable Loans
- EIUL Sales Strategies to Avoid
- Living Benefit Riders
- Underwriting Tips and Tricks to Place more Business
- Understanding and Comparing Crediting Methods
- Comparing EIUL to Mutual Funds and Tax Deferred IRAs/401(k) Plans
- Why Every Advisors Needs to have a Series 65 License
- Marketing and Marketing Tools

For more information on training, go to www.eiultraining.com

Speakers

Jon Salomon- Founder of Optima Financial. Over 27 years' experience in the insurance industry primarily focused on EIUL. Jon is a MDRT member. Also, he has earned the National Quality Award from the National Association of Life Underwriters seven years in a row.

Roccy DeFrancesco, JD,- Founder of The Wealth Preservation Institute and author of Retiring Without Risk, Bad Advisors, and Peace of Mind Planning: Losing Money is No Longer an Option.

Who Should Attend This Training?

-Advisors who want to make sure they are offering the best EIUL products to their clients.

-Advisors who want to learn EIUL products inside and out so they can be armed with the needed knowledge to educate and motivate clients.

-Advisors who want to learn time-tested sales techniques that have been proven to work.

-Advisors who want to learn what EIUL sales strategies you should **AVOID selling!**

Name as it appears on your credit card:

Address : _____

City _____ State _____ Zip _____

Phone _____

Email _____

_____ I average \$50k in target life sales of EIUL annually (Yes/No).

_____ I am interested in obtaining a Series 65 license (Yes/No).

Credit Card Payment: ____ Visa or ____ MC Card Number **Cost \$250**

Exp. Date: _____ 3-digit ID on the back of the card _____

To make hotel reservations at **Element Dallas Fort Worth Airport North**, call **972 929 9800** and use "OPTIMA" as the discount code or [click here](#) to make a reservation online.

Mail or fax this form to 3365 Circle Dr., St. Joseph, MI 49085 -- Fax: **313-887-0532**. Phone: 949-485-2598. The address above needs to be the billing address for the credit card. If you have questions, please e-mail info@eiultraining.com or call 949-485-2598.

Actuarial Guideline [YY]

THE APPLICATION OF THE LIFE ILLUSTRATIONS MODEL REGULATION TO POLICIES WITH INDEX-BASED INTEREST

Background

The Life Insurance Illustrations Model Regulation (Model Regulation #582) was adopted by the NAIC in 1993. Since that time there has been continued evolution in product design, including the introduction of benefits that are tied to an external index or indices. Although these policies are subject to Model Regulation #582, not all of their features are explicitly referenced in the model, resulting in a lack of uniform practice in its implementation. In the absence of uniform guidance, two illustrations that use the same index and crediting method often illustrated different credited rates. The lack of uniformity can be confusing to potential buyers and can cause uncertainty among illustration actuaries when certifying compliance with Model Regulation #582.

This guideline provides uniform guidance for policies with index-based interest. In particular, this guideline:

- (1) Provides guidance in determining the maximum crediting rate for the illustrated scale and the earned interest rate for the disciplined current scale.
- (2) Limits the policy loan leverage shown in an illustration.
- (3) Requires additional consumer information (side-by-side illustration and additional disclosures) that will aid in consumer understanding.

Text

1. Effective Date

This Actuarial Guideline shall be effective as follows:

- i. Sections 4 and 5 shall be effective for all new business and in force life insurance illustrations on policies sold on or after September 1, 2015.
- ii. Sections 6 and 7 shall be effective for all new business and in force life insurance illustrations on policies sold on or after March 1, 2016.

2. Scope

This Actuarial Guideline shall apply to any life insurance illustration that meets both (i) and (ii), below:

- i. The policy is subject to Model Regulation #582.
- ii. Interest credits are linked to an external index or indices.

3. Definitions

A. Alternate Scale: A scale of non-guaranteed elements currently being illustrated such that:

- i. The credited rate for each account does not exceed the credited rate for the Fixed Account, or, if the insurer does not offer a Fixed Account with the illustrated policy, the average of the credited rate for the illustrated scale and the guaranteed credited rate for that account.
- ii. If the illustration includes a loan, the illustrated rate credited to the loan balance does not exceed the illustrated loan charge.
- iii. All other non-guaranteed elements are equal to the non-guaranteed elements for the illustrated scale.

B. Benchmark Index Account: An Index Account with the following features:

- i. The interest calculation is based on the percent change in S&P 500[®] Index value only, over a one-year period using only the beginning and ending index values. (S&P 500[®] Index ticker: SPX)
- ii. An annual cap is used in the interest calculation.
- iii. The annual floor used in the interest calculation shall be 0%.
- iv. The participation rate used in the interest calculation shall be 100%.
- v. Interest is credited once per year.
- vi. Account charges, if applicable, do not exceed the account charges for any other accounts within the policy.
- vii. There are no limitations on the portion of account value allocated to the account.

C. Fixed Account: An account where the credited rate is not tied to an external index or indices.

D. Index Account: An account where the credited rate is tied to an external index or indices.

4. Illustrated Scale

The credited rate for the illustrated scale for each Index Account shall be limited as follows:

- A. Calculate the geometric average annual credited rate for the Benchmark Index Account for the 25-year period starting on 12/31 of the calendar year that is 65 years prior to the current calendar year (e.g., 12/31/1950 for 2015 illustrations) and for each 25-year period starting on each subsequent trading day thereafter, ending with the 25-year period that ends on 12/31 of the prior calendar year.
 - i. If the insurer offers a Benchmark Index Account with the illustrated policy, the illustration actuary shall use the current annual cap for the Benchmark Index Account in 4 (A).
 - ii. If the insurer does not offer a Benchmark Index Account with the illustrated policy, the illustration actuary shall use actuarial judgment to determine a hypothetical, supportable current annual cap for a hypothetical, supportable Index Account that meets the definition of a Benchmark Index Account, and shall use that cap in 4 (A).
- B. The arithmetic mean of the geometric average annual credited rates calculated in 4 (A) shall be the maximum credited rate for the illustrated scale.
- C. For other Index Accounts using other equity, bond, and/or commodity indexes, and/or using other crediting methods, the illustration actuary shall use actuarial judgment to determine the maximum credited rate for the illustrated scale. The determination shall reflect the fundamental characteristics of the Index Account and the parameters shall have the appropriate relationship to the expected risk and return of the Benchmark Index Account. In no event shall the credited rate for the illustrated scale exceed the rate calculated in 4 (B).

5. At the beginning of each calendar year, the insurer shall be allowed up to three (3) months to update the credited rate for each Index Account in accordance with 4 (B) and 4 (C). Disciplined Current Scale

The earned interest rate for the disciplined current scale shall be limited as follows.

- A. If an insurer engages in a hedging program for index-based interest, the assumed earned interest rate underlying the disciplined current scale shall not exceed 145% of the annual net investment earnings rate (gross portfolio earnings less provisions for investment expenses and default costs) of the general account assets (excluding hedges for index-based credits) allocated to support the policy.
- B. If an insurer does not engage in a hedging program for index-based interest, the assumed earned interest rate underlying the disciplined current scale shall not exceed the annual net investment earnings rate of the general account assets allocated to support the policy.

- C. These experience limitations shall be included when testing for self-support and lapse-support under Model Regulation #582, accounting for all benefits including illustrated bonuses.

6. Policy Loans

If the illustration includes a loan, the illustrated rate credited to the loan balance shall not exceed the illustrated loan charge by more than 100 basis points.

7. Additional Standards

The basic illustration shall also include the following:

- A. A ledger using the Alternate Scale shall be shown alongside the ledger using the illustrated scale with equal prominence.
- B. A table showing the minimum and maximum of the geometric average annual credited rates calculated in 4 (A).

ALTERNATIVE 1

- C. **{For each Index Account illustrated}**, a table showing actual historical index changes and corresponding hypothetical interest rates using current index parameters for the most recent 20-year period.

ALTERNATIVE 2

- C. **{For each Index Account illustrated}**, a table showing actual historical index changes and corresponding hypothetical interest rates using current index parameters for the most recent 20-year period.
 - (i) Index parameters include, but are not limited to, participation rate, cap rate, index load spread rate, index floor rate, index asset charge, and any policy expenses or index risk management charges in direct support of the index investment account that contribute to the calculation of the net index rate for the contract.

8. Professional Responsibility

This guideline has asked illustration actuaries to use judgment in certain areas. The illustration actuary is reminded to consider applicable professional guidance, such as the code of conduct and standards of practice, when exercising professional judgment and is encouraged to consult with professional bodies as appropriate such as in a request for guidance from the ABCD. Similarly, the illustration actuary is encouraged to consult with regulators, as appropriate. When choosing regulators to consult, the illustration actuary should consider the volume of illustrations expected to be issued in various states. The illustration actuary is reminded of the responsibilities imposed by state regulations similar to NAIC Model 582, sections 11 B.-E. Very specifically, the exercise of poor judgment by the illustration actuary may demonstrate “incompetence, lack of cooperation, or untrustworthiness” and result in a loss of qualification to act as an illustration actuary as described in Section 11C (3).

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Are you thinking of becoming an Investment Advisor Representative (IAR) (or are you already an IAR)? If so, you need to check out Peace of Mind (POM) Planning. POM Planning is a one-of-a-kind RIA designed to work with advisors who want to help clients grow wealth with low risk while still accomplishing their investment/retirement goals.

POM Planning understands that there are thousands of insurance-only licensed agents who almost lost their ability to earn a living when 151A passed. POM Planning is here to help those same agents protect themselves from further federal and state regulations that are already having a chilling effect on the industry. On this site, you will learn why you should obtain your Series 65 and become an IAR under our RIA.

POM Planning “gets it.” We understand the proper use of Fixed Indexed Annuities (FIAs) and Equity Indexed Universal Life (EIUL) insurance as protective wealth-building tools and how they can be utilized in an overall financial/retirement plan.

POM Planning also has a unique low risk money-management platform ([click here](#) to learn more) that will help advisors gather millions of dollars under management.

We invite you to surf our site so you can learn about the unique value POM Planning brings to the table so you can determine if NOW is the right time to move your career/business forward by becoming an IAR under our RIA.

When you have come to the conclusion that you are serious about becoming an IAR, please feel free to e-mail POM Planning (info@pomplanning.net) with your questions; or if you'd like to have additional information (company brochure, ADV, etc) sent out about our firm, please [click here](#) to fill out a request for more information.

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CAREER CHANGING TWO-DAY TRAINING/WORKSHOP

Meaningful training in our industry is nearly gone. What makes POM Planning absolutely unique in the RIA/IAR space is our extensive two-day training. Our training will not only help you learn your core competency, but we also teach you how to prospect for and pick up new clients.

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Why is this story so amazing? Because this unique low drawdown model was only fully introduced to the industry a little over two years ago.

-Of the advisors who have checked out <http://www.pomplanning.net/>, over 400+ advisors have gone to training.

-Of the 400+ who went to training, over 175 got contracted to start working with POM Planning.

-Of the over 175+, over 100 have picked up Assets Under Management (AUM) (keep in mind, many are true newbies to the assets-under-management game; and they are having immediate success).

-The 100+ advisors have collectively picked up over \$400 million in AUM in approximately 30 months. That's truly crazy. Crazy good.

Why are advisors working with POM Planning doing so well and having so much success in picking up AUM?

1) POM Planning offers a very unique low risk/high yield money-management platform. For example, one of the POM Planning strategies has a Beta of only .30 and 23-years without a down year (with a 8.78% average ROR ("net" of fees)). Click on the following to learn about this unique AUM platform: <http://www.pomplanning.net/ummp>.

2) POM Planning offers a no-load VA where its unique platform can grow without annual capital gains taxes for only \$20-a-month fee. Click on the following to learn about their no load VA: <http://www.pomplanning.net/noloadva>.

3) POM Planning has the best training in the industry when it comes to teaching advisors how to pick up new clients and, in turn, millions of dollars under management. Click on the following to learn about their training: <http://www.pomplanning.net/training>

So what are you waiting for?

If you want to take money away from your local Edward Jones, Merrill Lynch, Wells Fargo, etc., brokers and build for yourself a substantial reoccurring revenue stream with a low risk/high return platform (one that dovetails well with fixed products like FIAs and EIULs), you should act now to sign up for more information. To sign up for a due-diligence packet on POM Planning, click on the following link:
<http://www.pomplanning.net/signup>.