



DMG Annual Meeting, October 2019

DMG ANNUAL MEETING SYNOPSIS **Lago Mar Resort, October 25 – 26, 2019**

Attendees include: Andrew (Karen) Kalinowski, Liz Casper Gary Victorson, James Buchanan, Karen (Bill) Nalley, R. Neil Sperling, Mark Levy, Philip Panarella Sr, Robert (Maria Delmar) Rosenthal, Ryan (Melissa) Hogan, Marjorie Gelbwaks Schaefer, Tim (Linda) Hatzinger, Jeffrey (Diana) Weiss, Sean Giroux, Linda (Bob) Wolonick, Stephanie Owens.

Thank you to our 2019 Sponsors!



The meeting started Thursday, October 23, 2019 with a Welcoming Cocktail Party at 7:00 pm. Most of the members and sponsors attended this party for an enjoyable evening of networking.

Friday, October 24, 2019 the day started with breakfast and the meetings started at 8:00 am with a welcome from our President Andy Kalinowski. Andy talked about many of the great reasons to belong to DMG.

Jim Buchanan provided the financial report:

Checking Account:

- As of 9/30/19: \$36,248.37
- As of 10/15/18: \$37,988.26

Money Market Account:

- As of 9/30/19: \$37,069.12
- As of 10/15/18: \$37,049.75

Totals Checking/Money Market:

- As of 9/30/19: \$73,317.49
- As of 10/15/18: \$75,038.01

Insurance Company Revenues

- 2019 Carrier Revenue = \$128,806.24
- 2018 Carrier Revenue = \$134,687.42

Top Five Insurance Company Revenues

- IMS Associates & Insurance Services
- Ameritas
- Lincoln Financial Distributors
- Comprehensive Planning-Goodman
- Smart Money

Top Five Member Production

- Philip Panarella with New England Brokerage
- James Buchanan with Appletree Financial Network, Inc.
- Jeffrey Weiss with Life & Health Associates, Inc.
- R. Neil Sperling with Financial Markets, Inc.
- Art Jetter and Company

Stephanie Owens gave Executive Director's report:

- New Member Brochures – these can be used for recruiting
- Webinars – monthly webinar – discussed having webinars same day/time each month
- Update Rules of Procedures – look over the rules and we will be making updates in the shareholder meeting on 10/26/19
- New Company Contract – Sons of Norway contract recently added to DMG direct contracts
- Website – updated regularly, all corporate records stored under Member Docs
- DMG Group Email: dmg@npogroups.org

Linda Wolonick gave secretary's report.

- Commission accounting going well, occasionally need to find who a producer belongs to

There were no objections to the financial report, executive director report or executive secretary's report. **The reports were approved as presented.**

Nominations

The floor was open for nominations and Stephanie Owens presented the nominations from the nomination committee:

- Ryan Hogan nominated for the President position for term 2019-2021
- Robert Rosenthal nominated for the Vice President position for term 2019-2021
- Brent Giroux nominated for a Director position for term 2019-2021
- R. Neil Sperling nominated for a Director position for term 2019-2020

Reviewed the Board of Director positions and currently 2 positions are voted in even years and 4 are voted in odd year. Stephanie asked the members to consider moving a director's position to the even year so that the board will be elected evenly, and 1 board of director position will be a one-year term for this year. Robert Rosenthal made a motion to have one board of director position as a one-year term for this year, then return to 2-year term for future. R. Neil Sperling seconded the motion.

Motion approved.

Nominations were closed and elections will take place at the end of the day.

The business meeting ended on time and the presentations started at 9:00 am. All presentations are available on the DMG website:

<http://www.dmgusa.org/Tools/LagoMarConvention.aspx>

SALES DEVELOPMENT: National Guardian Life

Largest underwriter on LTCi, very competitive LTCi, A- with A.M. Best, mutual company formed in 1910, specialty focused on LTCi, has no history of LTCi rate increase with no foreseen increase for 5-10 years, partnered with LifeCare Assurance. Prudent underwriting with competitive premium rates, rich LTCi features and specialty flexibility – this is everything you want in LTCi. NGL offers lifetime benefit period on true LTCi, also have single / 10-year / lifetime premium. 4 ROP options.

Currently, not available in NY. Residency requirement; if have residence in 2 states, application can be signed in either state.

Worksite LTCi opportunities available for small businesses in most states.

Upline doesn't need to be licensed in all states, there are a couple state that requires the upline to be licensed including VA and PA.

Every applicant will need to do a PHI.

Ideal candidates:

- Small Groups: Closely held businesses or Executive carve out groups.
- Mid-Sized Groups: Groups “too small” for other carriers or Groups that won’t meet a high minimum participation requirement.
- Groups with legacy LTCi that no longer offer new plans to employees.
- Groups wanting comprehensive benefit options: Lifetime LTC Benefits, 10-Year or Single Premium Payment, Return of Premium / Surrender, and more.

Updating Asset Guard – separate contract with NGL for Medicaid planning – SPWL typically for overage 70 works around Medicaid eligibility, this is through a NGL trust up to \$15,000 and applicant can put in additional \$100k that is from non-Medicaid NGL trust.

GROUP DISCUSSION:

Karen will talk to NGL on AssetGuard to see if they would be able to offer DMG a direct deal. BGA contract has bonus starting at \$10k. IMO contract has bonus starting at \$20k

CONTACT INFO:

Joe Guyotte, CLU, ChFC, CLTC
 National Sales Manager, Individual Products
 National Guardian Life Insurance Company
 2 E Gilman Street Madison, WI 53703
 Agent Services: 888-505-2332
 Mobile: 608-535-1169
 Jguyotte@NGLIC.com
 www.nglic.com

SALES DEVELOPMENT: Eric Ojeda from Ameritas

FLX Living Benefit Term – repriced in August 2019 and more competitive now and has a discount approach death benefit rider; benefit amount depends on the client’s life expectancy at the time of claim. The benefit can be up to 90% of the client’s available death benefit with a maximum benefit of \$1.5 million. The rider is automatically included on all policies issued with a rate class of Table D or better. There are 18 living benefit triggers.

Policies with face amounts of \$300k or less are available on a SI basis for people ages 60 or less. No medical underwriting; these policies can be issued from Preferred to rapid standard rate class for mildly substandard risks, rated Table A – D.

Premiums are banded by face amount; there are four bands and several available underwriting classes.

Ameritas FLX Living Benefits Term offers 10, 15, 20, 25- and 30-years terms. Premiums are guaranteed to remain level during the entire term. Policies can be issued with face amounts of \$50k on up.

The same payor discount reduces policy fees by one half. This is available when two policies are paid for from the same checking or savings account.

In most states, we also offer an employee/producer 4% discount and an association discount. Either the association or the producer/employee discount can be combined with the same payor discount. Employee discount and association discount may NOT be combined. Employee and association discounts are NOT available in CA and FL.

Terminal illness is defined as the presence of an illness or condition where life expectancy does not exceed 12 months. To qualify to ADB based on a CI the insured must be unable to perform at least two activities of daily living for at least 90 days or have a severe cognitive impairment.

F-L-X Living Benefits Term features more qualifying critical illness conditions than many competitors.

Sales promo Baby BOGO – sell parent/juvenile policy, see 3 combo policies and received \$100 bonus

GROUP DISCUSSION:

Ameritas has people that can meet with your agents and will do webinar. This is a great contract through DMG and if possible, members should utilize it.

CONTACT INFO:

Eric Ojeda, LUTCF, ACS, ASRI, ALMI
Ameritas - Supervisor, Internal Sales Development
5900 O St. Lincoln, NE 68510
P: 800-390-2361 ext 87800
eojeda@ameritas.com

SALES DEVELOPMENT: Nicholas Lines from Protective Life

Protection focused company that has been around over 110 years, specialized in term, bought Liberty Life book of business and has acquired 54 companies.

Can convert anytime within first 20 years or to age 70 – whichever is less.

Custom Choice UL offers best 5-year term in the industry – can 1035 into this policy.

Income Provider Option available on this policy and can list up to 6 different beneficiaries, set up at policy issue, benefit payment periods from 2 to 30 years or can be lump sum payment

TeleLife EZ App makes is easier to get business in the door; text message reminders, direct transfer to TeleLife representative. Voice signature done at end of the phone interview (within certain parameters). All forms/results are available electronically. E-app not available in NY.

Indexed Choice UL – provides great protection, play-it-safe product, guaranteed death benefit – look at the performance of each product and this product has lower internal fees comparative in the industry, which makes the cash value more impressive long-term – simple, low cost design.

Extend Care Rider – dollar for dollar benefit, benefit payments can be used towards medical and non-medical. Any death benefit left over will be paid out to the beneficiaries. 2 of 6 ADL, waiver of charges – no policy expense when on claim, premium is waived, policy cannot lapse while in claim status, charges resume if recovery occurs prior to 25 consecutive months of chronic illness, if on claim 3 times, If on claim, you DO NOT have to take the benefits; Sales Idea: could market this a WOP for ages 60+.

www.SellWhatMatters.com – co-branded materials in pdf format that is agent and consumer approved – this can be added to your website, you do not need to be licensed to use this co-branded material

GROUP DISCUSSION:

Many members are doing business with Protective and have found them to be competitive. DMG doesn't have a direct deal but can contact Nicholas for sales.

CONTACT INFO:

Nicholas Lines
Regional Vice President
BGA Life Sales
Protective Life Insurance Company
Phone 415-823-7084
nicholas.lines@protective.com

SALES DEVELOPMENT: Kevin Pohmer from IXN

Technology is changing - 90% of all data today was created within the last two years. The marketplace has shifted from baby boomers to millennials – every wants technology and we want is mobile. You should start considering technology and take small steps into the digital age. IXN is working with different CMS for status updates to mobile from BGA and/or carrier. Vision is to provide sales opportunities everywhere with the mobile apps. You can brand everything on your mobile app with your agency's information.

Agent Quoting: Quote and compare products across carriers of your choice. Choose from product types, table rates, riders, and other criteria.

E-Ticket Integrations: Send quote information directly to E-Ticket platforms (like ExpressComplete), or to 3rd party custom forms.

Life Needs Analysis Calculator: Help customers determine how much life insurance coverage they need through a series of questions.

Quote Analytics: We track and provide you with valuable quote analytics that can be filtered based on quote criteria

Ad Campaigns: Create, schedule, and run ad campaigns with quote results to promote specific carriers and products.

DMG offer: \$500/M for mobile app, forms engine, agency life quoter and \$1500 implementation cost

GROUP DISCUSSION:

IMS just launched last week with IXN and seems to be going well. They treat you like a partner, mutually respectful. Members concerned on how this will integrate with the current systems; conversion cost could be costly and a lot of work internally. IXN doesn't have every carrier on their forms. Members suggested DMG to pay for i-Pipeline forms so member have access to all the forms.

Members would like to have a webinar to see what package includes (mobile app, forms engine, agency life quoter. Propose that the members who are interested pay \$1500 up front and get first 3 months free

CONTACT INFO:

Kevin Pohmer
Chief Executive Officer
IXN - Insurance Experts Network

917-273-4706
kevinp@ixntech.com
<https://ixn.tech/>

SALES DEVELOPMENT: Sherri Finke with Legal and General

No questions on Child Rider

Not available in NY

A-List Term – employer paid – ART product, portable and convertible, meant for employees making \$100+, if 25+ lives - will only have 1 medical question, issue agent 20-75. If 10-24 lives, there are 3 medical questions.

GROUP DISCUSSION:

Need more competitive UL and better conversion program. AppAssist is a great system.

Not good on financial underwriting.

CONTACT INFO:

Sherri Finke, CLU, FLMI, ACS
Regional Vice President – FI
Cell: 240/618-5738
sfinke@lgamerica.com

SALES DEVELOPMENT: Oliver O'Brien with John Hancock

LTC rider should be on everything! Who pays for LTC? Medicare, Medicaid, Self Insure.

Combination of life insurance and LTC coverage

6 Hot Sales Ideas in 60 Minutes

#1: Tax Diversification

#2: Retirement Backstop

#3: LTC Riders

#4: Wait & See Loans

#5: Personal Key Person

#6: Executive Bonus

The John Hancock Advantage:

Unique Product Features - Vitality GO/PLUS, Reimbursement LTC rider, Critical Illness Benefit Rider

ExpressTrack Underwriting - Faster, easier underwriting decisions in as little as three days, Available on face amounts up to \$3M

Large Case Concierge - Generous capacity limits, Dedicated case management team, Available for \$10M +

Underwriting shop – works with agents to get cases placed.

GROUP DISCUSSION:

Good to talk to them on one-on-one cases – really works with agents. Good on foreign nationals. Vitality program competitive on bigger cases.

CONTACT INFO:

Oliver O'Brien
Regional Vice President | John Hancock Insurance
Orange County and Southern California

949-299-6302
oo'brien@jhancock.com

DMG General Meeting

Reviewed the Board of Director positions and currently 2 positions are voted in even years and 4 are voted in odd year. Stephanie asked the members to consider moving a director's position to the even year so that the board will be elected evenly, and 1 board of director position will be a one-year term for this year. Robert Rosenthal made a motion to have one board of director position as a one-year term for this year, then return to 2-year term for future. R. Neil Sperling seconded the motion.

Motion approved.

Elections:

Ryan Hogan was voted unanimously into the position of President for the 2019-2021 term.

Robert Rosenthal was voted unanimously into the position of Vice President for the 2019-2021 term.

Brent Giroux was voted unanimously into the position of Director for the 2019-2021 term.

R. Neil Sperling was voted unanimously into the position of President for the 2019-2020 term.

Meeting adjourned for the day. Reception and dinner at 7:00 pm tonight.

DMG Panel Discussion

Saturday, October 21 began with breakfast with then the Panel Discussion started at 8:00 am. The panel of experts included Oliver O'Brien, Regional VP at John Hancock, Karen Nalley, Senior Vice President and Chief Marketing Officer, Art Jetter and Associates and Sean Giroux, Vice President, IMS. Many of the questions were submitted in advance and the questions lead to great discussion among the members. The members were very engaged in conversation and recommend this type of discussion happen more frequently, even possibly via webinar on a quarterly basis.

General Meeting / DMG Shareholder Discussion

Andy thanked the board for their service and the opportunity to serve DMG members. Ryan talked about the value of DMG is the vision and execution to: "Help General Agents Grow & Thrive" to whatever level of success they aim for. Ryan shared his goals as President as 1.) Promote growth in member sales, 2.) Operational efficiency, 3.) Increase value to membership, 4.) Increase membership and membership retention, and 5.) Increase direct contracts. Ryan proposed the idea of a Marketing Library as Values for members, where members would add current information, such as advertisements. Another vision Ryan presented was services and tools phone book, such as photostock or valuable services congruent with our industry. Sales or marketing focused webinars on quarterly basis; webinar would add value to Sales and marketing – allow this webinar

to be reproduced for the members and shared outside DMG. Ryan thinks we need a marketing budget to recruit. Target agent/agencies to recruit DMG members. Onboarding procedures implemented; we need better process for new members with possibility with a mentor opportunity for new members.

Neil made a motion to explore a fee-based subscription membership with the option of EFT to make effective 1/1/20. The 2019 holdbacks would still be invoiced in 2020. Robert Rosenthal second the motion.

Motion approved unanimously.

A committee for the fee-based subscription membership will include Neil, Brent/Sean, Ryan and Stephanie.

Updates were provided to the members on the Rules of Procedures 14 days prior to this meeting. The following updates were suggested by Stephanie and updated with the members in attendance:

- Change wording to be consistent throughout as *two-thirds (2/3)*
- V. Associates e., change to: *Once a year, at the annual meeting, associates who have completed a two-year waiting period and attended two DMG meetings, MAY be offered stock at the discretion of the Executive Committee.*
- VI. Finances c., change to: Executive Team
- VI. Finances d., change to: *Income from commission, overrides and bonus which accrue to the Corporation shall be distributed to the Shareholders...*
- VII. Officers d., change to: *Only a Shareholder of the Corporation, or principal officer of the shareholder's Corporation may be an officer of DMG and may vote the share.*
- VII. Officers e., remove wording: *(Approved at the St. Louis meeting 10/2000).*
- VIII. Voting g., remove wording: *(Amended at 10/2007 Meeting)*
- VIII. Voting g. 6., change to: *Be subject to 25% holdback on commission, bonus and override, until such time as the maximum holdback is reached.*

Phil Panarella made motion to approve the updated Rules of Procedures. Marjorie Gelbwaks Schaffer second the motion.

Motion approved unanimously.

DMG Member: What's Working in Your Agency?

- Marjorie Gelbwaks Schaefer working for financial estate planning and getting referrals and getting to know financial planners. She works closely with the planners and she doesn't stray from the planner's instruction.
- Sean Giroux cross-selling annuities is continuing to be successful. Life Settlements are generating good sales
- Gary Victorson being doing fixed and indexed annuity business this year. Set up Medicare business and picking up new agents from this business.
- Phil Panarella working with life and DI.

- Karen Nalley seeing more DI sales with life agents; good first year commission and really good renewal commissions. Doing DI lunch and learn bi-monthly. Include overhead quote on every outgoing quote. Short-term recovery care is another sales idea that is growing, and she has top contracts available if anyone is interested.
- Tim Hatzinger works with P&C shops, works mostly life and a little DI and LTC. Getting referrals and consistent growth over past 15 years.
- R. Neil Sperling texting from the computer - Captivated. Works; works really well for his office. The text message is linked to work phone number. Active in NAIFA and Big I groups. Working on Life Settlements through IMS. Federal Training Systems is another sales opportunity for federal employees moving TSP to fixed indexed annuity.
- Ryan Hogan diversifying portfolio to senior markets. All his agents go through onboarding process to help them be more successful.
- Robert Rosenthal working more on personal production coming from producers who are preparing for retirement; he is splitting cases with producers who are slowing down. He lets the producers know that he has annuities, DI and life settlements
- Jim Buchanan is highly interested in IXN and wants to learn more about the products.
- Andy Kalinowski digitized all files in his office. Working on transition to Liz Casper running the business. Trying to outsource everything within the office. Liz has been working with financial planners on a few cases and hoping to expand on these sales. If Ameritas DI case is declined, Ameritas packages case with another company out of FL to get case placed.

Respectfully submitted by,
 Stephanie Owens, FLMI
 Executive Director - Diversified Marketing Group
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2020 DMG Conference at Lago Mar Resort
Thursday, October 22 – Saturday, October 24
Mark your calendars and plan on attending!

Thank you to our 2019 Sponsors!



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