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The Marcus Agency Newsletter

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November 1, 2010 marked the 50th Anniversary of The Marcus Agency. Thank you for helping us achieve this milestone!

Prudential Announces More Competitive Term/UL Rates

Effective January 3rd, Term Essential, Term Elite and PruLife Universal Protector will be repriced!

Term will receive targeted rate decreases up to 10%.
No rate increases!

UL Protector will be repriced and enhanced with increased competitiveness in "Pay to Age 100" scenarios, full-pay rate decreases up to 10% and minimum initial premiums reduced. In addition, new

Late Premium Tolerance provision has been created. As long as premiums are paid within the month they are due, the no-lapse guarantee will remain in effect!

Call for complete details.

Return of Estate Taxes Causes Rise In Survivorship Sales

Federal estate taxes will be returning on January 1st, after a one-year moratorium. Unless Congress intervenes, estates will be subject to taxes as high as 55 percent after the first \$1 million exemption. The state of Massachusetts will especially feel the impact of this return, ranking seventh among all states in people with a net worth of \$1.5 million or more.*

With this anticipated tax burden approaching, the door has been opened for many financial planners to present survivorship life insurance as a solution to their client's estate planning needs. With many competitively-priced, lifetime guaranteed products still on the market and several unique liquidity riders, we've seen a major increase in survivorship sales over the past 6 months.

Call us today to discuss any financial planning situation in this extremely lucrative market.

Carriers such as Lincoln Benefit and Transamerica are offering liquidity riders that provide several windows to surrender a policy for 90—100% return on premiums paid. Ask for details and state approvals.

*According to IRS estimates.



Want to hear a recording of our recent conference call, A Time of Change For Long-Term Care? Replay is still available until 12/30/2010. Please call 888-203-1112. Conference ID is 77919770.

Important LTC Market Updates

MetLife, 11/10/2010

- MetLife announced a decision to discontinue the sale of their individual LTC products. The last date for submission of new cases will be 12/30/2010.
- Group business and multi-life products will also be discontinued.
- Employer Group in-force policies are expected to receive a significant rate increase.

Genworth, 10/21/2010

- Seeking an 18% premium increase on two old blocks of comprehensive LTC insurance

policies, PCSI and PCSII. (Products last sold in 2004.)

- A Look Back—These products were part of a 2007 rate increase request of 8-12%. The implementation has been ongoing since the 2007 filing. This was caused by the ultimate lapse rates being less than the original pricing assumptions.

John Hancock, 9/20/2010

- John Hancock has announced, after a study of their LTC insurance claims, that they will seek an increase on some of their individual

and group LTC policy series. The average increase will be about 40% and will vary based on policy series, issue age, inflation option and benefit period. All rate increase will be subject to state acceptances. The need for the increases is based on morbidity and termination experience of their in-force policies.

- Individual LTC Policies—The 2010/2011 in-force rate increase will affect most of their portfolio, excluding the Leading Edge and Custom Care II Enhanced products.



LINKED BENEFITS
Requests for linked products are on the rise with all the recent long-term care announcements. Call for your Life/LTC and Annuity/LTC quotes today.

Guarantee Your Client's LTC Premiums

Transamerica's new long-term care product offers benefit options that allow you to guarantee your client's premiums with no chance of future increases. The formula is simple...

10-Year Rate Guarantee + 10-Pay Premium = No Rate Increases!

For example, a male, age 65, preferred underwriting with spousal discount purchasing a \$7,500 monthly (\$250/day) 5-year benefit with compound inflation, premiums paid annually.

10-Year Guarantee, 10-Pay Premium.....\$9,301.47
(Total Paid-Up By Year 10 = \$93,014.70, Total Benefit Pool = \$456,250)

Other Payment Options Available:

5-Year Rate Guarantee, Lifetime Premium.....\$4,208.33
10-Year Rate Guarantee, Lifetime Premium.....\$4,414.62
Single Payment, Guaranteed Paid-Up.....\$70,724.09

Policy issued by Transamerica Life Insurance Company's long-term care division of Hurst, Texas. Call to confirm rates and state approvals.

Lincoln Financial LTC Fixed Annuity



Give your clients an innovative and tax-advantaged way to help manage the impact of long-term care expenses.

Lincoln Financial Long-Term Care Fixed Annuity can provide your clients the ability to leverage their single premium two or three times to pay for long-term care expenses if the need should arise.

If your clients never need long-term care, they still receive...

- Predictable growth through a fixed rate

- The power of tax-deferral
- Guaranteed death benefit and emergency access to contract value
- Several options for meeting retirement income needs

Call for state approvals, product details and to inquire about our other plans from carriers such as Genworth Financial and United of Omaha.

IMPORTANT ANNOUNCEMENT

As of 8/4/2010, Sun Life announced their exit from the no-lapse guarantee market and those products are no longer available for sale. Ask for details.

Banner Life Reduces Term Rates...Again

Effective with policies issued October 11th, many OPTerm series rates have been lowered. No increases!

A comparison was done in 1,040 cells (against three top term competitors) resulting in Banner Life having the lowest premium every 6 out of 10 times!

Accelerated Death Benefit Rider Added

This benefit is automatic on all policies in approved states. A no cost, standard provision to pay a portion of the death benefit as a lien to those diagnosed with less than a year to live.

Other Reasons To Sell Banner Life

1. Competitive Term Rates
2. Superior Financial Ratings
3. Aggressive Underwriting
4. Ease of Processing
5. Online Applications

Don't forget to ask about Banner's new Medical Second Opinion benefit!

MetLife Announces New Rapid eUnderwriting

Gain scale and efficiency in younger age and lower face amount markets with MetLife new Rapid eUnderwriting.

Eligibility Criteria

- Ages 18—40
- \$100,000—500,000
- 10, 15 and 20-Year Term

Program Highlights

1. Online Application
2. No Exams, Lab Work or APSs
3. Policies May Be Issued Within 10 Days or Less

Spend more time prospecting and less time processing. Have

better penetration in this under-served demographic. Spend more of your valuable time with larger and/or more complex cases.

Call our marketing department for details and state approvals.

GOT SMOKERS?
Check out United of Omaha's extremely competitive term life smoker rates!

Marcus Works Underwriting Magic

Example of a recent case where The Marcus Agency went above and beyond to get the most aggressive underwriting for its agent...

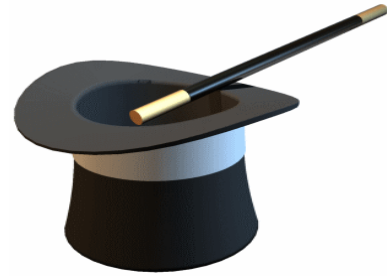
- Male, Age 53
- Adenocarcinoma of prostate
- T2c, Gleason 6
- PSA 4.8 prior to surgery
- Prostatectomy 1-1/2 years ago

Offers

- Table 3
- Table 4
- \$10 flat extra for 4 years
- \$7.50 flat extra for 3 years
- \$5.00 flat extra for 2 years

MARCUS' BEST OFFER

Non-Smoker Plus with no flat extras and no table ratings!



Call our underwriters or on-staff RN today for your difficult cases.

Aviva Lifetime Income, 7% Bonus

Aviva Income Preferred Bonus indexed annuity offers both a 7% premium bonus on 1st-year premiums and a lifetime income rider that provides a regular stream of income—either for a certain period of time or for the rest of your life.

Current Rates as of 12/3

(\$75k+ Initial Premium)

- 4%—1-Year P-to-P S&P 500 (cap)
- 1.7%—1-Year Monthly Cap (cap)
- 3.50%—1-Year Average (cap)
- 1.65%—Fixed (1-Year Guarantee)

Call for details, current rates and state approvals. Also be sure to ask about our extensive annuity portfolio!



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