



A positive approach to (un)certainty

Helping your clients remain optimistic
during uncertain times

CONVERSATION GUIDE

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How do top financial professionals respond to crisis? They reach out.

Clients are looking to you for guidance and a sense of optimism in the face of uncertainty. A recent survey revealed that 80% of financial professionals are communicating with their clients more often now. And the top two issues clients want to discuss?¹

Market volatility: 81%

Low interest rate environment: 31%

While these times may be uncertain, they bring the opportunity to help your clients bring back feelings of control and strengthen your relationships for the long term.

Financial professionals who were the most active in communicating with their clients during the 2008–09 recession received an elevated level of referrals over time.²

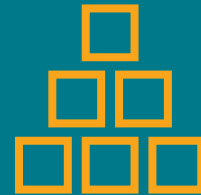
Get the conversation started. Here's how:



¹ LIMRA, "Coronavirus Advisor Pulse Survey," 2020.

² Cerulli, "The Cerulli Edge, U.S. Retail Investor Edition," 1Q 2020.

Stability during (un)stable markets



Saving-focused clients may be concerned with every market movement that their retirement plans are at risk. They may be asking:

“How can I protect my savings from this volatility?”

The conversation

These clients may need to keep their money growing to keep their retirement goals on track, even as they become more sensitive to risk. Help them talk through their concerns and consider the value of protection.

- How would you feel about investing in the market if you knew you'd be protected from loss?
- Would you be more comfortable handling market ups and downs if you knew your savings would be protected?

Your action step

For clients at this stage, this volatile market may be a wake-up call to put a strategy in place that offers downside of protection during times like these.

- Annuities linked to a market index can provide the potential for growth or predictable growth with a fixed rate.
- Annuities can offer 100% downside protection to help guard against market losses.

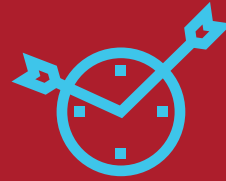
Why it matters



The stock market entered bear market territory for the first time in 11 years.

Source: Bloomberg, Lincoln Financial Group. Bear markets are defined as instances of at least a 20% market decline.

Predictable income for (un)predictable times



Spending-focused clients may worry about how they can maintain their lifestyle in retirement. They may be asking:

“How can I protect my monthly income in retirement when rates are so low?”

The conversation

While these clients may have saved well, they may not know if their current plan will provide the income they need for as long as they need it. Help them focus less on concerns and more on solutions.

- Would having a set amount of monthly income help you feel more in control of your money in retirement?
- Is it important to have a source of income to cover both you and your spouse for life?

Your action step

When clients are looking for reliable income to deliver over decades, consider where a source of income fits within their plan.

- Diversifying clients' income strategies to include an annuity with payment options provides predictable income that's protected from market stumbles.
- For clients who want income that also covers their spouse, an annuity can do that, too.

Why it matters



At the end of Q1 2020, the 10-year government yield rate was 0.68%.

Source: FactSet, all data as of 3/31/2020.

Protect the (un)protected



Giving-focused clients may be concerned that the legacy they hope to leave their loved ones could be vulnerable to taxes. They may be asking:

“How can I protect my legacy from taxes?”

The conversation

Give these clients added comfort today by helping them leave their families a legacy that lasts well into the future.

- Would you be interested in making the wealth transfer process more tax-efficient for your family?
- What concerns you about the way your financial legacy could impact your heirs?

Your action step

Help clients take control by exploring tax-smart strategies.

- An annuity can be an effective way to make sure their assets will be passed on to loved ones while still giving them the income they need today.
- An annuity can allow beneficiaries to stretch the taxes on any gains they inherited over their lifetime, reducing the tax impact.

Why it matters



The top 50% of all taxpayers pay 97% of all individual income taxes.

Source: The Tax Foundation, “Summary of the Latest Federal Income Tax Data, 2018 Update,” November 2018. www.taxfoundation.org/summary-latest-federal-income-tax-data-2018-update/

Help clients face the future with confidence

Your clients worked hard while saving for retirement. Now they look to you to help them protect what they've saved and secure income in retirement. In fact, assuring a comfortable standard of living in retirement is ranked the most important financial goal by affluent investors.³



Over 8 in 10 investors think it's important for those age 50+ to have a strategy that protects against significant investment loss.⁴



71% of consumers say adding guaranteed lifetime income to cover their basic expenses in retirement sounds like a good strategy for their own portfolio.⁴

Embracing confidence amid uncertainty has never been more important – for you and your clients.

With the support and strength of Lincoln, you can help your clients feel optimistic about the future. Contact your Lincoln representative for more resources.

³ The Cerulli Report, "U.S. High-Net-Worth and Ultra-High-Net-Worth Markets," 2019.

⁴ Greenwald and Associates, "Guaranteed Lifetime Income Study," 2019.

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