

NAIFA-sponsored LUTC Classes

Frequently Asked Questions

As of 1-5-05



This document was written in the spring of 2004 and revised January 2005. It is intended for direct use by the NAIFA National, State and Local Leadership. While some of the questions and answers provided on the following pages aren't necessarily appropriate for your members, we encourage NAIFA leaders to cut and paste the relevant questions and answers into an FAQ for your own distribution purposes.

General Questions/Overview

What is LUTC?

LUTC is a curriculum of courses focused on sales skills, selling procedures, and the application of knowledge in the sales process. In addition to attending weekly moderator-led classes, students participate in homework projects, field sales action projects, self-management planning and business management planning activities.

How will this Program help you succeed?

LUTC courses teach you “what to say, how to say it, and when to say it” to capture and retain your clients’ business. At the same time, courses focus on fundamental product and service concepts that are essential to your long-term success. Topics in the program include:

- Basic planning concepts and needs applicable to the personal insurance market.
- Effective communication skills.
- Identifying target markets, prospecting, fact finding, making sales presentations, and servicing policies.
- Life-cycle segmentation.
- Examining the needs of the senior market.
- Products and services such as:
 - Disability income insurance
 - Business insurance
 - Employee benefits policies
 - Long-term care insurance
 - Annuities
 - Retirement plans
 - Social insurance
 - Trust and estate planning

Why should an Association want to sponsor The American College’s LUTC courses?

Courses in The American College’s LUTC Program offer high-impact sales training and education to insurance professionals to enable them to better understand and solve the financial needs of their clients. Through this program, professionals learn how to help families develop a plan that will protect them and their loved ones.

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Centered on life and health insurance products, LUTC courses offer the sound foundation for a long career in the industry.

How are LUTC classes delivered?

While there is an online option, known as the LUTC Online Training Center found at www.LUTCOTC.com, for more than 58 years, the preferred method of delivering high-impact sales training is the live classroom. Local NAIFA's and local agency offices of some companies host these career-enhancing classes.

What are the most important duties of the LUTC Chair?

LUTC Chairs are responsible for:

- Setting a schedule and announcing the courses that will be available and when (a sample effective schedule can be found in the Helpful Hints section of the Association Information pages of the College's website at www.theamericancollege.edu);
- Recruiting moderators and submitting the necessary paperwork for their approval by The College's office of LUTC Volunteer and Student Administration;
- Marketing to and recruiting students – this must include a strong focus on the local agencies in your NAIFA community;
- Selecting and obtaining free classroom space; and
- Ensuring each class sponsored by the Association has a NAIFA presence, promoting membership, the LUTCF designation, other opportunities for education both within NAIFA and The American College, etc. through visits to the class by the Chair.

What are the distinct features within the LUTC Program?

The following are some of the distinctive features of the LUTC Program.

- The LUTC courses deliver current information on essential products specific and relevant insurance and financial services concepts.
- Students sharpen selling skills, acquire knowledge, sell financial products more effectively, increase income, become more professional, get off a plateau, earn state-granted CE credits, and ultimately earn the LUTCF Designation.
- The field projects associated with the courses focus on applying knowledge to help students become more competent and increase confidence.
- Students learn the “what to say, how to say it and when to say it” of the insurance and financial selling/planning process.
- Survival skills – newer advisors quickly learn what they need to do to endure and be successful.
- Students are exposed to tried & proven sales techniques – LUTC has provided over 58 years of proven success.
- Students gain both product knowledge and the sales skills needed to effectively advise clients.
- Students apply their knowledge, enhance their sales, and increase their earning potential.

Are there any unique features to the LUTC Program?

The following are unique reasons for considering the LUTC program.

- High Impact Sales Training – sales planning projects and action projects immediately put classroom learning to the test in the field as part of each course.

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- Practitioner driven – courses are written based on direct empirical input and field research obtained from practitioners. The finished material is then delivered directly by experienced practitioners to student practitioners.
- The program’s study group atmosphere, using experienced moderators in the classroom, creates a unique learning environment and an interactive educational experience.
- The classroom becomes a trust-building forum that is conducive to sharing successful sales ideas and experiences weekly.
- It provides a thorough, comprehensive, and multidimensional learning experience by blending the five methods by which people learn – reading, listening, watching, discussing, and doing.
- The courses focus on sales skills, selling procedures, and the application of knowledge in the sales process designed to apply what students are learning in the classroom.
- Frequent role-playing, small group exercises, panel discussions, and team presentations in class reinforce the applied learning model.

Questions from the Association’s Perspective

Who do I contact at The College for assistance and support in getting my classes up and running?

The Association Coordinators (Sally Conlon and Arlene Evans) in the office of LUTC Volunteer and Student Administration are your dedicated resource for assistance and support in marketing and organizing your LUTC classes. They can be reached Monday-Friday between the hours of 8:00 am and 4:30 pm, Eastern Time via the department’s toll-free number (800-992-4352) or general email address (association.marketing@theamericancollege.edu).

What is the recommended time frame I should allow for the organization of my class?

The first step in organizing an LUTC class is submission of the Moderator Application for approval, which ideally is done 30-45 days in advance of the date in which you plan to start the class. This ensures enough time for the class to be posted for a period of time in which students can enroll; and it helps ensure both the moderator and students receive study materials in advance of the first class.

Is there an Internet site where I can find tools and resources?

The most comprehensive web pages designed for NAIFA Volunteers are the Association Information Pages of The American College main website. Go to www.theamericancollege.edu, click on Current Students, then click on Sales Training: LUTC, then click on Association Information.

There you will find marketing information and materials as well as administrative forms and helpful hints and documents.

What answers can The College’s LUTC Customer Service Reps assist with?

The LUTC Customer Service Reps provides **assistance to Students, LUTC Chairs, Moderators, Association Executives and Company Coordinators relative to the topics listed below**. These Reps can be reached Mon. thru Thur: 8:00 a.m. – 8:00 p.m., Eastern Time; and Friday: 8:00 a.m. – 6:00 p.m., Eastern Time, via a toll-free line at **877-655-LUTC [5882]** or by email at customer.services@theamericancollege.edu

- Assistance with the Registration/Enrollment Process
- Moderator Approval Status
- Continuing Education (requesting certificates & general questions)

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- Status of shipping of Moderator and Student Text and Materials
- Requesting a Refund or checking on the status of a requested refund
- Status of shipping of Final Exams Packet
- Requesting a Course Completion Certificates (\$25 processing fee)
- LUTCF Designation Approval Status
- Requesting a Re-Exam or Alternate Exam
- Ordering Ethics Text and Exam Material
- LUTCF Online Directory Questions
- Requesting Enrollment and Designation Applications
- LUTCF Online Training Center (OTC) – general questions
- LUTCF Designation Qualification Info
- LUTCF Diploma Status
- Status of Receiving Course Grade Report or Requesting a replacement Grade Report
- Requesting Official Certification – Letter of Course Completion

How can the Association know who is registering for the classes being offered?

Each year, in the months of June and July as each Association LUTC Chair is appointed and reported to The College, we send said volunteer a welcome or welcome back packet. The cover letter in that packet provides the Chair with a User ID and Password to access and use the “Create a Report” feature on our website. This data is revised/refreshed nightly and available on the College’s website 24/7; go to www.theamericancollege.edu, click on Current Students, then click on Sales Training: LUTC, then click on Association Information. Once there, click on Create a Report and then follow the quick and easy prompts. Contact Association Marketing at 800-992-4352 for assistance or to request your association’s user ID and password.

What are the specific Moderator approval requirements?

Classroom LUTC Moderators are top producers with at least **five years experience** in the business. In addition, they must possess an **active life license**.

What qualities do I look for when selecting a Moderator?

Beyond the two requirements of experience and licensing, the **ideal moderator** will be:

- MDRT-qualified or have production levels in the top 20% of local agents; if the candidate is in management, his/her agency should be in the top 20% production bracket of local agencies in the market covered by the course.
- A college graduate and/or has earned a professional designation such as the LUTCF, CLU, ChFC, CPCU, RHU, CFP, etc.
- Approval by the applicable State Department of Insurance as a CE Instructor, Monitor or Proctor, where needed.
- A member in good standing of a local AIFA & endorsed by the Association’s LUTC Chair or President. (*While membership by the Moderator and endorsement by the association are both highly desired, lack thereof will not prevent the commencement of a class.*)
- Willing to complete moderator training (if available) and assist the LUTC Chair in recruiting students and obtaining classroom space. The LUTC Moderator Training Handbook currently serves as the primary training resource, sent to each Moderator every time they serve.
- Should be in a position of authority or have the respect of the participants.

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- Should be willing and able to motivate participants to attend class, pay attention, participate and ask questions.

How do I find classroom space?

The classroom should be comfortable, well lighted and ventilated, and there should be a chalkboard, whiteboard, flipchart or other writing surface available. Below are tried and proven suggestions:

- Home office classrooms or a local agency meeting/training room
- Private clubs, YMCA, YWCA, or bank directors' rooms
- Meeting rooms of public utilities or the local Chamber of Commerce
- Park buildings, community centers or other publicly-owned facilities
- Hospitals, churches or fraternal organizations
- Classrooms in local colleges, high schools or other educational institutions

Should the Association pay for classroom space?

No. You must find complimentary classroom space, as there is no budget for submitting expenses related to such space. Given the ideas shared above, this issue can be avoided.

Will the association receive any revenue sharing for sponsoring LUTC classes?

Yes. In recognition of the role Local NAIFA's play in promoting, offering, organizing and administering LUTC core courses (*all 200 series courses, except Ethics titles*), The American College will pay the sum equivalent of 6% of actual revenues collected (typically \$325) for those students participating in classes sponsored by the Local NAIFA organization. This includes all students in classes organized by Local Associations **AND** all students in classes organized by Agencies. In addition, The College will pay 3% for all students enrolled in the LUTC Online Training Center (OTC). Company driven programs where a licensing agreement is established with the College are excluded.

All revenue share payments for both the LUTC and Horizons classes are remunerated on a quarterly basis, payable to the Local NAIFA. Checks are sent in care of the LUTC Chair, or the President or the Association Executive, depending on who has been reported to The College.

Are there other opportunities for the Association to earn revenue for sponsoring these classes?

Yes. Students who are non-members of your Association are asked to pay a surcharge not to exceed \$50 per course, collected by your local Association. This is another great reason why the LUTC Chair needs to ensure a NAIFA presence in each class as described under the answer to the question of "What are the most important duties of the LUTC Chair?" at the bottom of page one of this FAQ.

Questions from the Student's Perspective

Why should I take an LUTC course?

A key component in being a successful professional in the insurance and financial services industry is knowing what to say, how to say it and when to say it. Learning and mastering these fundamental sales skills is what the LUTC sales training program is all about, and it can make the difference in surviving in the wealth protection profession you've chosen.

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What is the tuition fee for an LUTC course?

Tuition for all LUTC courses (including the Online Training Center) is \$325 for NAIFA members PLUS \$10 shipping and handling of study materials and examinations. Non-members are asked to pay a surcharge not to exceed \$50 per course, collected by the local NAIFA organization. ***Do not mail the surcharge fee to The American College. Effective January 1, 2005, all new students entering into the LUTCF program will pay an admission/non-refundable fee of \$70.***

Given the current tuition structure and the LUTCF requirements (as listed below on page 6 within this FAQ), one will spend approximately \$2,010 to obtain the LUTCF designation. (5 courses x \$325 + \$85(Ethics) = \$1,710 plus average of \$300 membership dues).

It is critically important to note that MANY industry companies provide tuition support in either the form of a tuition voucher or prepaid certificate or they reimburse the student once a passing grade is received.

Will I receive state-granted continuing education credits?

Yes. The American College and the LUTC courses are approved in every state. While there are three components to passing an LUTC course, you must pass the course examination in order to qualify for your state-granted CE. In all states but Georgia, the CE credits for an LUTC course are self-study credits.

Since the number of credits and the rules and regulations for obtaining those credits are different in each state, the best resource to see what your state offers is The College's website. Go to www.theamericancollege.edu, click on Current Students, then click on Sales Training: LUTC, then click on Continuing Education.

How long after I complete an LUTC course can I expect to receive my CE certificate and Grade Report?

A grade report is mailed directly to you approximately 2-3 weeks after the final examination is received at The American College. Grades are stated only as 'pass' or 'non-pass'.

A continuing education certificate is mailed to you approximately 3-4 weeks after we received your examination.

Is there a designation to be earned from taking LUTC courses?

YES. The LUTC Fellow designation is conferred jointly by The American College and NAIFA. Since its inception in 1984, more than 65,000 professionals have earned this credential.

What are the requirements for earning the LUTC Fellow designation?

Currently, a student must have completed 300 designation credits. Each of the 200 series courses earns 60 designation credits (with the exception of any of our Ethics course titles). **In addition** to completing these 300 designation credits, the student must complete and pass an LUTC Ethics course **AND** must be a member in good standing of a local NAIFA in the year of conferment.

The designation is not automatically granted; **the student must complete and submit a designation application.** More detailed information can be found in the 2005 Program/Catalog book

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The **2005 Class of LUTCFs** (those who earn the designation between 8/2/2004 and 8/1/2005) will be recognized during The American College Commencement & Symposium in Cancun, Mexico, November 13-16, 2005. This allows the College and NAIFA to provide a formal commencement/conferment ceremony with all of the College's new designees!! To learn more about this grand event visit the College's website at www.theamericancollege.edu and click on News Center located at the bottom of the home page.

How long after the College receives my fully paid student enrollment application can I expect to receive my course textbook materials?

We ship all student textbooks via UPS Ground. The typical time-period to process an application once received by The College is 3-5 business days, depending on method of payment. With processing and shipping time, materials are received within 7-14 business days from the date in which The College received the completed and fully paid application.

Are there any opportunities to transfer credit from my LUTC course work or designation to other American College designation programs?

YES, earning or possessing the LUTCF, CLU[®] or ChFC[®] designations means more than ever before:

Transfer into LUTCF (only one can apply)

20%, or 60 of the total 300 LUTCF designation credits may be earned from elective credits. These elective credits are earned in one of two ways:

- Professionals who already hold either the CLU[®] or ChFC[®] designation may request transfer of credit based on having earned one of these designations

OR

- Professionals who are pursuing either the CLU[®] or ChFC[®] designation, by completing one course (either required or elective) within the CLU[®] or ChFC[®] designation programs may request transfer credit for one course

Transfer into CLU[®] and/or ChFC[®]

- Once the LUTCF designation is earned, a transfer for one general elective within the CLU[®] or ChFC[®] may be requested. This is limited to one designation program and one elective transfer only.
- Once a person has their LUTCF, they can transfer credit for one general elective within the CLU[®] or ChFC[®] designation programs

Questions and Answers from the Moderator's Perspective

As an LUTC Moderator, how much do I pay for the course?

Moderators are enrolled **free of charge** and during the Moderator Application process, select whether or not continuing education credits and/or designation credits are being sought.

Can I receive state-granted Continuing Education (CE) credit for teaching the course?

In order to receive state-granted CE, **Moderators are required to take and pass the course final examination.** (Georgia is the only exception – where being annual approved and being reported as the course moderator is all that is required to receive CE credit.)

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How long after The College approves my Moderator application can I expect to receive my Moderator Kit/Guide?

The Moderator approval process takes between 10-15 business days during the months of heightened activity where several hundred locations are organizing local classes. We ask that all moderator applications be **submitted at least 3-4 weeks prior** to the desired class start date. Once approved, we send all Moderator materials via UPS Ground.

What is included in my course Moderator Kit?

The moderator kit/guide includes:

- The student textbook and workbook
- The moderator Guide book
- A miscellaneous packet containing a training handbook with helpful hints on how to best moderate an LUTC class and the various forms required for administering the class.

What paperwork is necessary to record/maintain during the course I am moderating?

There are three KEY/CRITICAL pieces of paperwork REQUIRED:

- The Attendance and Grade Report (referred to as the A&GR) – It is extremely important that all attendance and grade entries be made accurately in ink each week. **The completed A&GR becomes the primary permanent student record.** Entries are considered complete, accurate and final when received by The American College. The completed A&GR **must be** returned with the packet of completed examinations.
- The Second Class Roster/Final Exam Request Form – This form must be completed and returned after the 2nd class session in order for the Moderator or Proctor to receive the course exam packet.
- The Final Exam – To receive credit for an LUTC course, all students must take a final exam for each LUTC course. Exams are typically 50 multiple choice questions and it is administered by the Moderator (or a substitute exam proctor) during the 9th or 13th week of class.

Do I receive any type of compensation for my service as an LUTC Moderator?

Yes. Each classroom LUTC moderator receives an honorarium of \$100 as a token of our appreciation. This payment is paid during the month directly following the month in which the course ended. For example if you moderate a class that's exam date is January 10th, you will receive your payment before the end of February.

Specific Administrative Question and Answers

How many courses are in the LUTC curriculum?

As of May 2004, there are ten courses in the 'core' 60-designation credit curriculum; 7 are 8-week courses followed by the exam in the 9th week; and 3 are 12-week courses followed by the examination in the 13th week.

How long is each course?

Each course is either eight or twelve chapters covered in 8- or 12-week sessions of 2 and ½ hours each week.

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What is the first step in organizing an LUTC class?

Recruit a moderator and submit a completed LUTC Moderator Application to the Data Operations department of the American College. The most efficient manner of submission is fax (610-526-1170)

After submitting the Moderator's application, what is the next step?

The next step is to immediately begin marketing the course and recruiting students. Don't wait for the approval to be received before you announce the class. Visit those local Agency offices in your community (with applications in hand) and recruit students.

What's the next step?

After the moderator application has been submitted and you've announced the class and begun recruiting students, the next step is to secure your classroom space AND KEEP PROMOTING THE CLASS.