

## **RUMORS ALMOST ALWAYS HAVE AN ELEMENT OF TRUTH**

The NAAFA office has had numerous calls lately regarding a couple of issues we need to tell you about. As is often the case, when American Family plans big changes affecting the agents, they tend to drop hints here and there in an effort, we believe, to slightly diffuse the bomb. Well, they appear to be doing it again.

We have heard from several sources that the company plans to terminate a large group of agents again soon. Evidently, the terminology they use is the dismissal of “disengaged agents.” So far, we’ve heard several guesses as to what “disengaged agents” are. Some say they are agents with the lowest 30% in production. Others say it’s the Tier 3 agents. Still others say it’s just the agents on ACP. And again, others say it’s the poor producers in the 5 to 15 year bracket. But it has also been reported to us that you might be terminated if you are under 25 years with the company. Someone estimated AmFam may be wanting to fire as many as 20% of the agency force.

So you see, we are hearing lots of rumors. There’s almost always some truth to rumors so we believe you should perk up your ears and listen carefully. If you have never considered earning a living any place other than with American Family, we believe it’s time you re-thought that strategy. If you have family responsibilities, you need to know what’s available in the area where you have expertise.....the business of selling insurance. Give NAAFA a call if you think you might be one of the “disengaged agents.”

Another rumor we are hearing is that AmFam intends to change the commission schedule. There has been talk of this for quite some time. What we don’t know is whether this new commission schedule will be presented with a new agent contract or not. Will all agents be forced (or will the company at least make an attempt to “force?”) to sign a new contract? We know what Nationwide did recently to their agents and now they’re being sued by the Nationwide Agent Association. Here is one of the complaints by the agents regarding their new contract:

**Agents who sign the addendum would have better commission rates on certain products and services than agents who do not sign; would have a lower servicing fee; and other benefits, although they would have to forfeit any further DCIC (retirement) benefits, according to the report. Agents who refuse to sign can continue to accumulate DCIC benefits, but would not have access to better rates and other benefits.**

**[You may read about this lawsuit by signing in on the member side of [www.NAAFA.com](http://www.NAAFA.com) and look under “In the Courts.”]**

So you see, if a Nationwide agent signs the addendum in the new contract, he gets better commissions, but he loses his Termination Benefits! Could this happen over here at American Family? Of course it could. We have heard rumors that go something like this: Unless you are producing at 70% of your state average, you will get only 6% new business commission on mutual auto. This is going to hurt a lot of you if this is true.

**NAAFA is asking you to document anything you can regarding any of these issues. You all know by now what documentation means. Then, get it to the NAAFA office as quickly as possible. A lot of our information comes anonymously and that is fine if it shows proper company identification. Agents, you need to join NAAFA if you are wanting any assistance from us. Oh, we've heard it a million times.... "I thought I'd be fired if I joined NAAFA." Has all your loyalty to the company protected you so far? For many, it doesn't look like it has because you might get fired anyway.**

**So join NAAFA today.**

**Then be sure to document it when someone tells you you'll be fired if you do!!**

**[www.NAAFA.com](http://www.NAAFA.com)**

**1-800-567-9668**

**Email: [NAAFAwest@comcast.net](mailto:NAAFAwest@comcast.net)**