

## Chapter 17

### Checkpoint 17.1

1. What is the term for an agent who deals with only one company's products and receives benefits and a regular paycheck from that company?

Answer: A captive agent

2. What impact did the financial markets collapse and recession have on the insurance industry?

Answer: The insurance industry lost billions of dollars in investment income as a result of the collapse. During the recession that followed, income from insurance premiums also significantly dropped.

3. What areas of growth are expected in the insurance industry over the next decade?

Answer: New markets (such as China) will be developed and there will be additional growth in the financial services sector of the industry.

4. What is a mutual fund?

Answer: A collection of stocks or bonds that help investors spread the risk of losing their initial investment.

5. What is a total account approach?

Answer: A strategy to improve agent earnings by obtaining licenses to sell mutual funds, annuities, and other financial products to provide a comprehensive service to customers.

### Checkpoint 17.2

1. What things do people who work in the insurance industry say about their careers?

Answer: They are satisfied with a career they feel helps others.

2. What is work-life balance?

Answer: How easy or difficult it is to work and also have time for personal and family interests.

3. What insurance careers were hardest hit by the financial collapse and recession?

Answer: Agents and claims adjusters.

4. What is the outlook for the insurance industry?

Answer: A recovery from the Great Recession with opportunities for well-prepared persons to establish careers in the industry.

5. What qualities must a person possess to succeed in the insurance industry in the future?

Answer: The right skills and background, a desire to succeed, and a passion for helping protect people and businesses from the biggest financial risks they face.