

EXHIBIT A II BOOKLET



A CAREER WITH THE A.M.P.



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FOREWORD

The man or woman who is considering a career as an A.M.P. Representative will, we believe, want answers to questions such as these:-

What type of work is it?

What opportunities does it offer me?

Why A.M.P. Society?

What are the drawbacks – can I do the work?

This booklet is designed to answer those questions, and others, as factually as possible.

When you have read it, the officer who handed it to you will be pleased to discuss it with you, as well as further questions which will undoubtedly occur to you. You would also do well to discuss the matter with one of our present Representatives.

There is no finer testimony to the value of a career with the A.M.P. than the fact that many of our most capable men – men whose all-round ability is such that they could fill the highest positions in other businesses if they wished – have been with us for long periods of years. Some of them have been with us for 30 or 40 years and have now brought their own sons into the business to follow in their footsteps. These men had no greater opportunities in the business than are open to-day to men of ability, commonsense and integrity. In fact the opportunities to-day are greater than ever they have been before in the long history of the A.M.P. since it was founded in 1849.

We hope you will find the information in the following pages both interesting and helpful.

SALESMANSHIP

First and foremost this is a selling career. No apologies are needed for that statement. More and more we in this country are realising that salesmanship is an honourable profession; that salesmanship is helping to dispose of greater quantities of our primary products to other nations at satisfactory prices; that salesmanship is creating increased demand for the products of our growing secondary industries.

Sometimes you will hear it said that insurance selling is most difficult salesmanship because it is selling an intangible product – there is no motor car, refrigerator, article of clothing or other desirable possession to display. On the other hand, successful insurance representatives feel that this gives them these advantages :-

- They do not need large amounts of capital tied up in a showroom and stock.
- Their earnings are never diminished by a breakdown in production of the goods they are marketing.
- They need not wait for customers to come to them nor spend large amounts on advertising.

Furthermore they do not agree that they are selling intangibles, for they know that they are selling a home free of debt; food, clothing and education for children; comfort in retirement; and security for business and home against the ravages of fire, flood and theft. This is the key to the important role the insurance salesman plays in national and family life. He is not peddling insurance policies – mere pieces of paper and ink – he is solving people's problems – the personal problems they have as individuals with families, and the problems they have in conducting their business affairs.

Unlike most other salesmen the insurance salesman has an unlimited market for his wares – there is scarcely anyone who hasn't at least one problem that insurance, and only insurance, can solve for him. Unfortunately many people

do not recognise that they have a problem — a need for insurance — or, if they do, sometimes they are reluctant to face up to it. Selling insurance consists basically in uncovering people's problems, impressing them with the importance of the problems, crystallising their problems for them in cash terms and showing how insurance is the best solution — frequently the ONLY solution.

It is a logical and reasonable process and “high-pressure selling” is neither called for nor desired. The Society believes that the person who is “pressured” into a policy rarely keeps it going and a lapsed policy can be a source of ill-will.

We want the future business of our clients too and we are not likely to obtain this by sales methods which sow ill-will. It is significant that the Society writes about 50% of its new life business each year on the lives of existing members.

However, it is important to realise that there is a difference between “low pressure” and “no-pressure” — between a mere academic discussion of problems and a discussion the aim of which is to produce action by effecting insurance. Throughout the discussion it is necessary to keep the goal in mind of producing at the finish a definite proposition which meets the needs of the case and to build up, within the prospective client, a sufficient realisation of the urgency of his position that he will be influenced to take action.

Once the proposition is arrived at the “prospect” usually has some questions to ask about it or some objections to raise and it is necessary to answer these. There is no difficulty in doing this. There are only three things in general that can happen under a policy. Either the life insured will die or he will live or he will want to “pull out” and in any of those events the policy gives a reasonable and satisfactory result which can be simply explained to a “prospect”.

In order that you may better understand the important and interesting work carried out by an A.M.P. Representative, let us examine the various problems solved by insurance.

First the personal problems faced by the ordinary individual man or woman and then the problems faced by businesses, and business and professional men and women.

PERSONAL PROBLEMS SOLVED BY INSURANCE

1. THE PROBLEM OF PROTECTING A FAMILY

The average man's wife and children (even the family of the moderately wealthy man) are entirely dependent on his earning power for their standard of living.

If that earning power were to be lost for even one year the consequences for most families would be very serious. If it were lost permanently through death it would be a catastrophe. Plans for giving children a good start in life would go by the board, the children may have to take up 'dead-end' occupations instead of being educated to follow worthwhile careers, and the family's general standard of daily living may drop very close to the breadline.

For such a man, then, the problem is to **build** an estate – to guarantee that, in the event of earning power being taken away through death there will be cash immediately available to meet the mortgage on his home and other bills which his family will face and there will be income to at least partially replace his lost earning power.

THE SOLUTION

Life insurance is the **ONLY** thing that can **IMMEDIATELY** guarantee replacement of earning power lost through death. **NO** other form of saving can do it.

Modern life insurance, meshed in, where appropriate, with Government Benefits – i.e. Widows' Pensions and Child Endowment – enables any man, regardless of his means, to purchase sufficient protection for his family that they can carry on after his death with the same standard of living, or little worse than that to which they had been accustomed.

Although many people consider life insurance a complicated matter it is really quite simple in operation and people with relatively little education are readily able to grasp the essentials.

There are basically only three main types of life insurance policy.

- (i) Whole of Life Insurance — the full amount of the policy becomes payable on death only. Premiums may be paid throughout life, or only until the end of a selected period of years or earlier death.
- (ii) Endowment Insurance — the full amount is paid out by the insurance office at the end of a selected number of years or on prior death. Premiums are usually payable over the same terms of years or until earlier death.
- (iii) Temporary or Term Insurance — the amount of the policy is payable only if death occurs during a specified term which may be anything from a few weeks to 20 or so years. Premiums are payable for a specified term, or until earlier death. Because the life office does not have to pay out if the “life” which is insured survives the selected term, the premiums for temporary insurance are quite low. There is no built-in savings element as there is with other life insurance — there is only death “cover”.

An A.M.P. Representative, after only elementary training, soon learns how to select the right combination of whole of life or endowment insurance with temporary insurance so that his client obtains sufficient protection for his family but at the same time pays only as much in premiums as he can reasonably afford to save on his present earnings. Income tax concessions reduce considerably the “net cost” to a policyholder of the premiums he pays, and this is of quite some assistance to the insurance salesman.

As the years go on, the man who was forced to cover part of his insurance needs using temporary insurance, finds that he is able to afford to replace it by more whole of life or endowment insurance and thus gain the savings and investment advantages of insurance as well as the protection advantage. Many men do this, with the result that our representatives often do business with one client many

times as he progresses in his career.

2. THE PROBLEM OF PROTECTING AN ESTATE

For the wealthy man, the problem is not to build an estate but to protect it against the inroads of death duties, trustee's and solicitor's charges and other final expenses. These bills must be met **IN CASH** within a short time after death. This may entail serious losses if assets must be sold in a hurry to raise the cash or years of debt repayment with interest if the money is borrowed.

THE SOLUTION

Whole of life insurance provides the **ONLY** satisfactory solution because the event which gives rise to the need for cash — death — simultaneously produces the cash itself. The life insurance solution means that only a very small percentage of the cash which will ultimately be needed on death need be set aside as an instalment each year and, no matter how many instalments have been paid when death occurs, the full amount of the policy is paid in cash.

3. THE PROBLEM OF SAVING AND INVESTING FOR RETIREMENT

Here again, the key to the situation is a man's earning power. Earning power is usually heavily reduced, and may even vanish, after a man passes 60 or 65. Unless some of the higher earnings during early and middle life are "sent on ahead" to 60 or 65 there will be nothing there to replace lost earning power when the time comes, and the standard of living will suffer a painful reduction.

THE SOLUTION

Endowment insurance supplies the perfect solution. It is absolutely safe, gives a good return at maturity on money invested, enjoys exceptional tax advantages over other means

of saving and, incidentally, provides substantial "death cover" from the moment the first premium is paid. In both Australia and New Zealand special taxation concessions are given to self-employed persons to assist them in providing for their own retirement. In Australia the A.M.P. was the first life office to form its own Self-Employed Persons' Superannuation Fund, thus adding further to the range of services its representatives can supply.

4. THE PROBLEM OF SAVING AND INVESTING FOR CHILDREN'S EDUCATION AND START IN LIFE

More and more people today want to give their children the advantages of education at private secondary schools and at the universities. The costs of this type of education have continually increased in recent years. If parents make no provision for these future educational costs or for cash to give their children a start in life — perhaps into a business or profession of some sort — it means the money must be found from income at that future time. This may mean a cut in their standard of living, or going into debt.

THE SOLUTION

Endowment insurance either on the father's life (or mother's life if she is the breadwinner), or on the child's life, can guarantee the necessary cash when it is needed for a child's education or start in life, even if the father should not live to see the savings plan completed.

For boys especially, whole of life or long term endowment insurance, purchased when only a child, can also provide a wonderful start in life. It will mean that, when the lad later takes on the responsibilities of married life, he will be sure of having at least some life insurance irrespective of whether his health or occupation precludes him from buying further insurance at that time. The insurance will also be a cash fund against which he can draw to help finance purchase or building of his own home, or to launch himself in business or professional life.

Furthermore the premium rate for insurance, started when a child, is only a fraction of that which must be paid for insurance started later in life. Thus his parents virtually make him a yearly gift of the saving in premiums he achieves.

5. THE PROBLEM OF SAVING AND INVESTING FOR OTHER PURPOSES

There are many other purposes for which people save and invest – an extended holiday or journey, a new home or car, bequests which they plan to make to their family or to a church, school or other worthy cause. Sometimes such a purpose is clearly established in a person's mind; other times it requires the probing and crystallisation of a salesman to bring it into the open and convert it from wishful thinking into action.

Whatever the purpose, most people need a means of saving and investing which

- (a) is systematic and “semi-compulsory”;
- (b) is absolutely secure;
- (c) is free from managerial worries;
- (d) is readily acceptable as collateral security for a temporary loan;
- (e) gives a good interest return;
- (f) if possible, enjoys taxation privileges.

THE SOLUTION

Endowment insurance fulfils all the above requirements and because premiums, within certain limits, are deductible from assessable income for taxation purposes, and the “profit” at maturity is entirely free of tax, the effective interest yield at maturity is, in most cases, much greater than it is possible to obtain from other forms of investment.

In addition, endowment insurance provides immediate death cover for the full face amount of the investment – something no other form of investment can do.

6. THE PROBLEM OF DISABLEMENT

We have already mentioned the importance of a man's earning power to his family. Long-term disablement, due to sickness or accident, is much more common than most people realise – on the average a man is disabled 17 times in his life.

Medical and hospital funds and/or Social Security Benefits provide only a partial answer to the additional costs of disablement, and, in addition, there is the problem of income for the family for the everyday costs of living. Sick pay provided by some employers is quite generous, but in many other cases it varies from nil to 3 or 4 weeks' pay.

Many families have been forced into bankruptcy by a period of disablement of the breadwinner; where permanent disablement occurs it can be a tragedy for the family.

THE SOLUTION

Every family should have a cash emergency fund, either in the bank or in readily cashable securities, which can be used to meet those hospital, medical and nursing costs which are not provided by medical and hospital benefits funds and/or Social Security Benefits.

If no such cash reserve exists, or it is inadequate, life insurance represents a further emergency fund against which cash may be quickly and easily borrowed at reasonable interest.

Special insurances are also available to provide specifically for the problem of disablement. They are of three main types :-

- (a) Lump sum insurance payable on permanent disablement, total or partial – these benefits can be purchased as additions to life insurance policies or as separate disablement policies.
- (b) Benefits attached to life insurance policies to provide that, during periods of permanent or temporary disablement, premiums on the basic insurance need not be paid.

- (c) Provision of regular income to replace partly a breadwinner's lost earning power.

In Australia (but not New Zealand) premiums for all these disablement insurances are allowable deductions for income tax purposes in the same way as life insurance premiums.

7. THE PROBLEM OF LOSS OR DAMAGE TO PROPERTY OR TO OTHER PEOPLE.

Fire, storm, burglary, theft, inadvertent loss or damage—these are some of the ways in which hard-won property may be damaged or lost, perhaps causing the savings of a lifetime to be lost and throwing families into indebtedness. In addition, accidental injury to another person or his property may involve the ordinary individual in heavy liability for damages.

THE SOLUTION

Many different types of fire, accident and marine insurances have been devised over the years to meet almost every conceivable risk of damage or loss. They represent the only logical solution for the average person. Yet it is surprising that, even today, many individuals, and businesses, carry inadequate insurance, or no insurance, against some of these fairly obvious risks of everyday living.

BUSINESS PROBLEMS SOLVED BY INSURANCE

1. THE PROBLEM OF PARTNERSHIP PROTECTION

In the absence of an express agreement to the contrary, the death of a partner dissolves a partnership and produces serious problems either in liquidating the business or re-organising its financial structure.

THE SOLUTION

The partners have their solicitor draw up an agreement that if any of them should die the others will buy out his interest on an agreed basis of valuation and that the deceased's estate will sell on that basis. To guarantee performance of the agreement each partner's life is insured by his co-partners so that if he dies they will immediately have the cash to buy out his interest.

Then when a partner dies, the surviving partners come into exclusive possession of the whole business as a going concern while the heirs of the deceased get a full and fair cash price for his interest. All possibility of argument with the heirs of the deceased over the value of his interest or the future management of the business is avoided.

2. THE PROBLEM OF PROTECTION OF PRIVATE COMPANY SHAREHOLDERS.

If a shareholder in a private company dies it does not dissolve the company as in the case of a partnership, but very frequently sharp differences arise with the heirs of the deceased (who then would exercise a voice in the control of the company) over the future management of the business.

THE SOLUTION

Exactly as in the case of a partnership the shareholders agree to buy each other's shares out if they die and they guarantee performance of the agreement through life insurance. The advantages are very similar to those in the case of a partnership.

3. THE PROBLEM OF THE KEY-MAN

Profits are made by men – not by machines – and the problem is to compensate a business for the losses inevitably associated with the death of any director or employee upon whose skill and ability the success of the business depends.

THE SOLUTION

The business insures the life of the key-man for the benefit of the business.

4. THE PROBLEM OF SINKING FUNDS FOR DEBT REPAYMENT, REPLACING MACHINERY, ETC. AND OF INVESTING BUSINESS RESERVES.

A business needs to provide systematically that when a debt falls due for repayment (e.g. a debenture issue) or plant needs replacement the CASH will be there to do it. It also needs to find a means of investing reserves in such a way that their safety and accessibility will be independent of the fortunes of the business – readily available in emergency.

THE SOLUTION

Endowment insurance effected by the business for its own benefit on the life of a director or employee provides the solution and incidentally provides “key-man” insurance if the life chosen is that of a man who is vital to the success of the business.

5. THE PROBLEM OF SUPERANNUATION FOR EMPLOYEES

Today most employers recognise that they have a moral obligation to help loyal employees –

- (a) To retire on a reasonably comfortable standard of living.
- (b) To provide for the widows and children of those who die before retirement.

They know, too, that a well-organised superannuation plan is almost a "must" in attracting the right employees to their service, reducing turnover, and improving staff relations.

Despite this, surveys by the Australian Commonwealth Statistician show that over 25% of medium-size Australian businesses (i.e. with approx. 40 to 250 male employees) and over 50% of small businesses (approx. 10 to 40 male employees) have no superannuation plan at all for employees. In New Zealand, as far as can be ascertained, a similar situation exists.

THE SOLUTION

The great majority of businesses entrust their superannuation plans to the life insurance offices and the A.M.P. predominates in this field as it does in all types of life insurance in Australia and New Zealand. The Society has a number of different types of superannuation plans suitable for large and small employers, and for modern-day conditions. Specialist superannuation officers assist representatives to analyse the particular needs of each employer and to present a plan best suited to each case.

6. THE PROBLEM OF LOSS OR DAMAGE TO PROPERTY OR TO PEOPLE.

A business, and the people who run it, face the same sort of problems of loss or damage as do the individual and his family. However a business generally has assets of greater value and variety which run the risk of loss or damage by fire, burglary etc. A business also needs to protect itself against injury to its employees, against injury to the public as a result of its negligence, and against loss of its profits resulting from a fire or other similar occurrence.

THE SOLUTION

Insurance policies to cover all these risks are available from a modern insurance office.

SERVICE AND MANAGEMENT

Yes, selling is the most important part of an A.M.P. Representative's work, and the commission he obtains on sales of new insurance contracts is the greatest part of his income.

However, any successful Representative will tell you that, like any other business owner, he must look after his existing clientele if he wants repeat business from old clients and recommendations to new ones.

A successful A.M.P. man maintains an efficient but simple system of records to ensure that he keeps regularly in touch with his policyholders. Through follow-up service and periodic reviews, he converts policyholders to satisfied clients. In many cases, strong friendships develop.

Sometimes a policyholder wishes to alter his insurance in some way, or he is unable to meet premiums when due or overlooks them, or he wishes to borrow against his policy. If, at these times, he finds that the help of his A.M.P. Representative is freely available in making the necessary arrangements with the office, then he is much more likely to do further business with that Representative and recommend him to his friends and associates.

Full commission is paid on new individual life insurance sales, provided the first two years' premiums have been paid. But the successful A.M.P. man knows that the greatest good-will comes from life insurance which is maintained in force to perform the functions of saving and family protection for which it was purchased. As we have said, lapsed policies can bring ill-will and sometimes they bring tragedy to an unprotected home and family.

Commission on fire, accident and marine insurance is spread over a longer period — it is paid each year on renewal of the policy. Good records and regular service are, therefore, most necessary with that class of business also.

Successful A.M.P. men take an active part in the affairs of their community for they know that the more they widen their circle of friends and acquaintances the more business will come to them "the easy way".

Successful A.M.P. men devote a certain number of hours each week to study and self-improvement, gaining more knowledge of their business and greater skill in conveying that knowledge to the public.

To give all these activities their rightful place yet still maintain a happy home and family life requires that an A.M.P. Representative be a good self-manager and a good "self-starter". In this, as in the other aspects of his work, he receives the help and guidance of the A.M.P. through a proven training and supervision system.

However, the ultimate result rests with each man himself. Successful Representatives know that their time represents money and that time, once lost, cannot be regained - they make time their friend, not their enemy.

THE OPPORTUNITIES OF AN A.M.P. CAREER

Probably no other career offers greater opportunities than those available to an A.M.P. Representative.

It has been truly said that it is a career which is worth as much as the man.

Let us examine some of these opportunities.

1. THE OPPORTUNITY TO MAKE SALES AND KEEP ON MAKING THEM.

We have mentioned some of the problems solved by insurance and the vital role the insurance salesman plays in helping people to recognise these problems and provide for them. But questions such as these are often asked—

“Won't the market become saturated?”

“Look at all the insurance offices and their agents. Surely once a man insures his house, his car, his life and so on, that is that?”

“And what if a depression comes again?”

Well the A.M.P. Society is the oldest Australian life office — it was founded in Sydney in 1849, and was followed by many others — some stable companies still operating today; others, not so stable, have gone out of existence. The Society was also the first life office to operate in New Zealand — through an agent appointed in 1854.

By 1950 after 100 years of sales effort, Australians owned \$2,571 million of life insurance excluding bonus additions. But only 15 years later, at the end of 1965, life insurance in force had grown to \$14,927 million -nearly six times the 1950 amount. The corresponding figures in New Zealand were -

1950 \$NZ774 million

1965 \$NZ4070 million

But most important to you is this; in spite of the tremendous increase in life insurance in force, the life insurance industry has made very little progress when the amount of insurance in force is compared with the increased national income and the needs of the insuring public.

Currently the average Australian family has insurance cover for only 14 months' income and the average New Zealand family for 18 months' income. In North America the average family carries insurance to the value of 23 months' income and the industry in that country considers that Americans are greatly under-insured. Far from the market being saturated, there is an urgent need for more insurance Representatives to carry the message of life insurance to the people of Australia and New Zealand.

Obviously public acceptance of life insurance has grown in recent years, and it will continue to grow. As the public becomes more "insurance conscious" its dependence on insurance as a savings and protection medium will also grow. Individual and family purchases will be more frequent and larger.

Only a few years ago a young single man bought \$1,000 or \$2,000 as his first policy. Today he thinks nothing of purchasing \$10,000 of life insurance as a first policy in a planned programme of protection — for a future wife and family and to cover a home mortgage and other future debts. When he marries he adds family income or other temporary insurance benefits to his basic insurance. Later, as his income permits, he takes more whole life or endowment insurance to provide for children's education, his own long service leave or retirement. Later again policies on his children's lives and his wife's life become necessary, and the problem of death duties on his estate must be faced.

NO, SO LONG AS CHILDREN ARE BEING BORN, GROWING UP, STARTING WORK AND BECOMING ENGAGED AND MARRIED, THERE WILL NEVER BE SATURATION OF THE LIFE INSURANCE MARKET IN ANY COUNTRY.

And so long as this country continues to grow as it is doing today — in population and world stature — there will be no better market for the life insurance salesman than here.

Turning from life insurance to fire, burglary, accident and other forms of general insurance, the public's need for this class of protection is of a more obvious and selfish nature. However, the A.M.P.'s outstanding success since entering this field has demonstrated beyond doubt that there is an ever-present market for this class of business among people who —

- (a) have not increased the amount of insurance they own to keep pace with the value of their house, car or other risk,
- or (b) have not bought some types of insurances at all because of their youth or because of recent development of newer types of cover,
- or (c) prefer to do business with A.M.P. because they know that its profits belong entirely to policyholders and do not go to shareholders.

Despite the sound and expanding market for the services of its Representatives, the Society has always strictly limited the number of men it will appoint in any area in terms of the population and economic conditions existing there. The first consideration is that the number of men in any area should be such that each man of average ability, willing to apply himself reasonably well, should be able to earn an income in keeping with the status that we wish our Representatives to maintain in the community.

As for depressions or recessions, these do not remove the need for men to safeguard their families and their possessions against the financial effects of death, fire, flood or other disaster — they only intensify the need. Men are less prone to take a chance on living, on not having a fire, and so on.

They are also less prone to take a chance with their investments. In a boom time, life insurance must compete with the stock market, unit trusts, and the like. But in

a depression people want safety and security – so they come back to life insurance.

It is certainly true that, in such periods, the public holds its purse a little closer and that the salesman must scratch a little deeper to find buyers. But find them he does and always has.

If you doubt that statement ask any one of the Representatives who served the A.M.P. during the depression years of the 1930's (many of our Representatives actually secured their start with us during those years) or the post-war recessions. He will tell you that when other men were being re-trenched – even some from Government Departments – he retained his employment and earned a much higher income than most of his fellows. He will tell you that this is not a "fair-weather" job, that the A.M.P. has weathered many wars and depressions since its foundation more than 120 years ago, that a career as an A.M.P. Representative is 100% secure for the man who gives it his full support and that every man, wherever he works, makes his own security.

2. THE OPPORTUNITY FOR A TOP-BRACKET INCOME

Successful A.M.P. men earn incomes well in excess of average. There is no limit on their earnings other than their own ability and energy. Increases in their income do not depend on age or seniority; they are paid in proportion to performance.

In 1971 there were 1,466 Representatives who worked the full year with the A.M.P. Society, in agencies throughout Australia and New Zealand.

Of these 1,341 or 91% earned over \$6,000
1,085 or 74% earned over \$8,000
828 or 56% earned over \$10,000
621 or 42% earned over \$12,000
380 or 26% earned over \$15,000
161 or 11% earned over \$20,000

Naturally you are interested in knowing what you can expect as you begin in the business. From your first day your earnings are limited only by your ability to produce.

It is not unusual for new men to go straight into the \$8,000 – \$10,000 per annum earnings bracket and unless a man earns approximately \$6,000 in his first year it is unlikely that he will be confirmed in his appointment.

In other words, unlike some of the other professions, you don't have to go through a long training period with little income and in addition invest many \$'s in equipment or the purchase of a clientele. You'll begin to earn a good income while you're learning to earn more.

However, the A.M.P. recognises that some men are slower starters than others and that newer Representatives need some time to build up a back-log of "prospects" from which they can produce a steady stream of new business. For these reasons a training allowance is paid during your early months and a financing system provides for a regular allowance to be paid to you, according to your personal and family needs, as an advance against future commissions to be earned.

3. OPPORTUNITIES TO ACHIEVE FINANCIAL INDEPENDENCE

We have already mentioned that as the years go on an A.M.P. Representative who is continually servicing, and gradually widening, his clientele finds that business comes to him the easy way – by personal recommendation and by repeat business from people who, as we have said, are friends as well as clients. Such men find that, in the natural course of events, the amount of new business they are able to write, and the income they are able to earn, grows from year to year – frequently with less selling effort on their part.

In 1958 the A.M.P. formed two new subsidiaries – A.M.P. Fire and General Insurance Company Ltd. and A.M.P. Fire and General Insurance Company (N.Z.) Ltd. Since then these two "babies" have grown lustily and could well become the same leaders in fire, accident and marine insurance in Australia and New Zealand as their parent is in the life insurance field.

A.M.P. Representatives who enthusiastically embraced this new medium for "all-lines" service to their clients are finding that commission on renewals of general insurance soon builds up to a worthwhile regular income. Some of our men already have renewal "registers" which contribute over \$2,000 per annum to their total income and they are building on these at a rate which is producing a further \$200 to \$500 recurring annual income with each year that passes.

Provided a Representative is able to give adequate service to his fire and general register, it is the A.M.P.'s intention that, in most cases, he will be allowed to continue to receive the renewal income from it in his retirement, thus augmenting the substantial funds he should have built up over his years of high earnings as a Representative. Alternatively he will be allowed to sell his "register" to his successor.

In addition, a generous superannuation plan financed by the Society provides at retirement age a lump sum and a pension which are related to years of service and annual earnings. This plan also provides benefits upon death or disablement prior to retirement, and Representatives are allowed concessional premium rates to enable them to provide further protection for themselves and their dependants against these contingencies.

Many of our Representatives with 20 to 30 years' service have built up large estates and achieved a degree of financial independence seldom seen in other businesses or professions. And this with no investment of capital on their part other than their own time and effort.

4. THE OPPORTUNITY FOR PERSONAL SATISFACTION

It is an old and true saying that "men do not live by bread alone".

People coming into the insurance industry for the first time sometimes express amazement, even disbelief, at the almost missionary fervour which seems to characterise so

many insurance representatives. It is this conviction of the social rightness of the work they are doing which keeps a bounding enthusiasm burning in many of our men well beyond their desire for a comfortable income. It carries them past the knock-backs and the occasional rudeness because they know that their work is necessary and important to widows and children, to people in their old age and to the nation as a whole.

Perhaps it will take a little time for you to understand this feeling and to be seized by it yourself. Many experienced men say that they did not begin to really understand the importance of their work until the first time a man to whom they had sold life insurance — or one they had failed to sell — died.

“Insurance sells because it is based on needs. It is related, and closely related to the two greatest things on earth. The greatest thing in the world, they say, is love — the love of a man or woman for those who matter most in all the world to them and who depend on them physically, mentally, and spiritually. The second greatest thing (in my book) is peace of mind. What we are selling is intrinsically and inextricably bound up with these two ‘greats’.

“For a man, life insurance embodies the elements of peace of mind for the present and security for the future. For his widow (if she becomes such) freedom from financial anxiety, perhaps even from the icy blasts of actual poverty. And, for his children, possibly food and clothing and shelter and education and a chance in life.

“I’d like to tell you of my experience with one typical “put-er off-er”. You know the kind. One of the nicest chaps. Just an ordinary man, in an ordinary job, living in an ordinary home. Genial, likeable, kindly and happy-go-lucky. But this was one man who couldn’t afford to be happy-go-lucky because he had a wife and four little kids, the eldest an invalid son. No insurance, no superannuation, no provision of any kind. But do you think he could be persuaded to insure? Yes, he was all for it. He thoroughly believed in it. He wanted to do it. But not today. There was always some good reason, or excuse, for postponing. “Don’t worry,” he’d laugh, “we’ll get around to it”.

On such occasions, or when a policyholder is receiving money sorely needed to provide some comfort in retirement, an insurance man begins to understand the great social importance, the human values, in the work he is doing.

You may gain some insight into the feeling of our men for their work by reading the words of Hedley Palmer below. Hedley was forced by ill-health to retire prematurely in 1963—much to his regret and ours — but he gave 28 years of faithful service to the Society and to his fellow-man. The last 18 of those years were as an Ordinary Representative, and in that time he wrote over \$9 million of life insurance.

“Early one morning I was going through some cards when his name came up in front of me. I was on the point of tearing it up. No, I thought, I’ll give him just this one last chance. I reached for the telephone. He got out of bed to answer, and wasn’t terribly happy. It was a cold morning. Without any preamble I asked “May I come across and see you at home tonight?” “Why?” he said, “what’s your hurry?” and then, to my surprise, “Oh, alright. I suppose so”. I journeyed to Manly on a cold wet night in July. I said this man lived in an ordinary home. No. That wasn’t right, because if ever a home pulsed with love this one did, and as husband and wife looked at each other and at their children I knew that I didn’t have to do any more selling. I wrote a thousand, which was as much as they could afford. (There were no W or R units then.) We had supper. As we parted at the door he gave me a warm handshake and thanked me for coming. I was never to see him again. Six months later I sat with his widow in her grief and as she cried quietly into her handkerchief I silently thanked God that I had been led to give this service and that this family would have a thousand pounds, without which their plight would have been grim indeed.”

—From a talk by Hedley R.W. Palmer in Sydney,
December, 1963.

Once an insurance man understands his work as Hedley Palmer did he goes away from a successful sale with more than just the thrill of the sale and money in his pocket – he experiences a warm feeling of satisfaction at a job well-done, of knowing that he has so ordered a man's affairs that he has made his future, and that of his family, more secure.

He knows, too, that the savings dollars flowing into the A.M.P., and into other insurance offices, are performing a national service. Invested wisely by the offices, those dollars are helping to build schools, roads, bridges, provide water and electricity, develop country properties and business undertakings and do all the other things that “money at work” can do to develop our young country and to improve the lot of “man at work”.

In case you may have any remaining doubts that insurance is a respected and honoured profession from which any man may gain great satisfaction, let us look at the words of some of the great men of our time.

Sir Winston Churchill said:

“If I had my way, I would write the word ‘Insure’ over the door of every cottage and upon the blotting book of every public man, because I am convinced that for sacrifices which are inconceivably small, families can be secured against catastrophies which otherwise would smash them up for ever. It is our duty to arrest the ghastly waste, not merely of human happiness, but of national health and strength which follows when, through the death of the breadwinner, the frail boat in which the fortunes of the family are embarked founders, and the women and children are left to struggle helplessly on the dark waters of a friendless world.”

Dwight D. Eisenhower said:

“One of the clearest evidences of the faith of our people in the free institutions and the future of America is the fact that 90 million of our citizens own life insurance policies.

Their ownership of life insurance is more than a 304 billion dollar bulwark of family protection. It is also a kind of thrift which provides productive capital. This capital, invested in farms, factories, homes, transportation, utilities and other resources, helps to give this nation the economic power needed to buttress freedom in the world."

Sir Robert G. Menzies said:

"I would think myself that the institution of Life Assurance had in many ways done more for Australian community life than perhaps any other civil organisation. Governments of all kinds have encouraged this form of provision – by tax deductions, by special tax provisions, by a variety of means, because it doesn't take very much imagination to realise that Life Assurance is one of the greatest stabilising factors; and on top of that, one of the greatest instruments of national growth that could possibly be imagined."

The Late Pope John XXIII said:

"Life insurance men of all creeds can take pride in the work they are doing. The work of an insurance man brings him into contact with humble and silent forces of the family, that marvellous unit on which rests the well-being and happiness of individuals and nations. You are the witness of the sacrifice of so many parents, who, through the guarantees offered by your companies, wish to assure their children of a serene future by accumulating with difficulty savings that they probably will not enjoy. Your co-operation, given, I am sure, with the greatest respect and with the most profound sincerity, throws a brilliant light of goodness on your work."

5. THE OPPORTUNITY FOR ADVANCEMENT

To different people, the word "advancement" has different meanings.

Many of our representatives prefer to seek "advancement" through progress in their own agency – building their clientele,

building their earnings and financial independence, building their knowledge, building their opportunities to serve people, and building their own personality and their standing in the community at large.

This freedom to build their own business in their own way is highly prized by veteran agents, and the development in personality and community-standing of many of our Representatives is a source of great pride to us.

The insurance field is so extensive that one never reaches the point where there is no more to learn. Estates, death duties, income and gift taxes, partnerships, companies, estate planning, superannuation planning — all these present a challenge to the man who wants to learn and who keeps himself mentally alert by study.

More than this, he has an inexhaustible field for the study of human nature. An insurance representative is the opposite of the man who is tied to a desk — he works with people, not with things. His daily contacts with people are the best possible training ground for developing an alert, attractive personality and for continually broadening his interests. He discovers how to win men's confidence, gains a capacity for making and holding true friendship, develops poise, self-confidence and sincerity. And because of these qualities, successful A.M.P. Representatives frequently occupy positions of considerable standing in their community. One became Mayor of Perth; many are office-bearers on hospital boards, church councils, in Rotary, Apex, Chambers of Commerce and other fund-raising and charitable bodies.

For the Representative who seeks advancement through an appointment to sales management, and displays suitability for this work, there is also ample opportunity. The Society's entry into fire and general business, and its planned, rapid agency expansion in recent years, have opened up many new sales management positions. Also a number of men in responsible executive positions in our capital city offices, and in our Head Office in Sydney, were formerly field Representatives.

There is a sound future in both selling and management, and the Representative can take the route best suited to his inclination and to his capacity.

WHY A.M.P. SOCIETY?

An interesting account of the birth, history and traditions of the A.M.P. Society, and of its place in the insurance industry, is to be found in a booklet "Insurance and the A.M.P.", which we will be glad to supply on request.

Suffice at this stage to mention a few main points so that you may understand why so many people say – "If you are going into insurance – you should 'go with the strength' – the A.M.P.".

- Founded in an upstairs room in George Street, Sydney, in 1849.
- Founded by a few public-spirited men – not for their own benefit but for the benefit of the policyholders.
- The policyholders are the sole owners of the business and the profits thereof, i.e. the A.M.P. is a "purely mutual" Society with no shareholders. Not all life insurance offices are conducted in this way – many have shareholders.
- Total assets over \$2,500 million. The Society is by far the largest life insurance office in Australia and in New Zealand and has a large and fast-growing business in the United Kingdom.
- Each year A.M.P. writes about 30% of the new life insurance in Australia and 25% in New Zealand - the other 49 Companies in Australia and the other 22 in New Zealand share the balance.
- Because of low operating costs and high interest earnings, A.M.P. has been able to give a return on their investment to its policyholders which has been unexcelled over the long term by any other life office in Australia or New Zealand.
- Has always adhered firmly to the highest business principles and has a world-wide reputation for honesty, fair-

dealing and good management. The public have confidence in the Society and its contracts, and its name is so well-known as to be a household word.

- A progressive outlook has gone hand-in-hand with size and efficiency. A.M.P. has led the insurance industry with many modern innovations. Its senior officers make frequent overseas trips and bring back the latest trends in policy contracts, selling methods, training, electronic data processing etc. Modern visual aids, leaflets and other sales promotion pieces are provided for fieldmen – we will be pleased to show you samples of these.
- The backing of national advertising and public relations campaigns.
- A full-time training course is given to new Representatives for their first two weeks. This is followed up by regular classroom and on-the-job training under the guidance of a salaried sales supervisor.
- The latest aids and techniques – films, tape-recorders, printed training course, discussion groups, meetings etc. – are used in training. The Society was the first insurance office in Australia or New Zealand to develop its own films for the training of Representatives.
- Pays commission rates which are comparable with other major insurance offices. In addition, the A.M.P. name, the excellence of its contracts, its existing clientele of about “1 in 3” and the soundness of its training, ensure that A.M.P. fieldmen on average, earn at least as much, and probably more, than their counterparts elsewhere.

Retirement, death and disability plan, car and home finance, and other “fringe” benefits provided are of a very high order.

- Although these fringe benefits, normally associated with an employer/employee relationship, are provided, the relationship between the Society and its representatives is strictly that of principal and agent. Experience has shown that unless a man is prepared to put in certain minimum standards of work, continued success will not come his way. However, the Society's endeavours, through its Regional Managers and Supervisors, are bent to educating Representatives to become efficient masters of themselves. The type of man we seek is not the type who would be stimulated by "whip-cracking" nor would he submit to it.
- The general atmosphere is one of mutual helpfulness. In particular any A.M.P. Representative who encounters any problem related directly or indirectly to his career knows that he will always find fellow Representatives, and supervisory and other salaried staff, glad to discuss it with him and to give all the help they can.

An Association of A.M.P. Representatives exists for the purpose of presenting to management the views of fieldmen on all matters affecting them. This includes not only commission terms and other benefits but also the quality of the Society's contracts, advertising, etc. Once your appointment as a Representative has been confirmed you will be invited to join this Association. In the meantime we are certain that you will find its office-bearers can, and will, give you every assistance.

CAN YOU DO IT?

We have tried to show you, as objectively as possible, the type of work an A.M.P. Representative does and the tremendous opportunities of such a career — the high earnings potential, the status and stature you can carve for yourself, the freedom to run your own business.

But can you be successful in this work? What are the drawbacks and what are the requirements?

To be successful, first and foremost a Representative must believe in the value of insurance. Then he must demonstrate the desire and ability to learn the job thoroughly and be prepared to work to perfect his skill as a salesman.

This is a challenging profession. There is the challenge of finding and interpreting a prospect's needs accurately, of finding and presenting the correct solution to his problems. This will often involve several interviews and considerable time. And, of course, time alone does not ensure a sale.

There are many times when every Representative — even the most successful — feels discouraged. A high degree of persistency and patience is needed to cope with the vagaries of human nature.

It is most important that a Representative should have the ability to answer objections and accept rejections. It is only through continuous practice that he will learn to anticipate objections and answer them satisfactorily. But even the "correct approach" and the right amount of persistence cannot guarantee a sale, and it often happens that a prospect's objections cannot be overcome.

Every successful Representative has had to learn to accept the disappointments and frustrations which are an integral part of insurance selling. It is necessary to develop a philosophical approach — to accept the "downs" with the "ups", to carry on with belief and enthusiasm undiminished, strong in the knowledge that the man who consistently sees a sufficient number of people, with a sufficiently intelligent approach must win out.

This is a career which can mean personal sacrifices as well as personal benefits. It can mean working three or four nights a week in the early stages; it can mean postponing a special outing or an evening at home.

A new Representative needs to feel certain that he has the full and active co-operation of his wife particularly in these early days. As he gains more experience in selling, and becomes more skilful in managing his time it becomes easier for him both to increase the volume of his sales and to regularise his working hours. But initially his wife must be prepared to give up some of his time and put up with some inconveniences in order that she may share in the greater leisure and prosperity which success will surely bring. She can also help a great deal by her active encouragement, by receiving telephone calls and messages, and by keeping constantly alert for prospective clients in the course of the many contacts she makes during her own day.

For its part, the Society does everything possible to ensure that you have every chance of success. However, there is no infallible way to determine in advance whether any one man will or will not be successful in insurance selling.

Our experience is that formal education and previous insurance knowledge have little to do with success. Our successful men have come from a wide variety of previous occupations, many of them quite unconnected with selling. Plain commonsense, good health, tact, ability to get along with people, sincerity and integrity – plus those qualities mentioned earlier – a firm belief in insurance and a real willingness and ability to work – these seem to be the main requirements for success.

Discussions between yourself and several officers of the Society, are designed to give you the chance to weigh up the A.M.P. career and at the same time to enable us to try to determine whether you have “what it takes”. Experience has added weight to our judgment but the real key to the situation lies with you.

Are you willing to pay the price of success? It has been said that all men who have become successful formed the habit, at the very start, of doing the many things that failures don't like to do.

Here are some actual situations which face every A.M.P. Representative. Think about how you would react to them – this should help indicate whether or not you should pursue an insurance sales career.

- A Representative spends several hours preparing a sound insurance programme for a family – only to be turned down during the second interview.
- A Representative completes the sale of a policy only to have the proposal rejected by the office on the grounds of the prospect's health.
- A Representative is sincerely interested in helping people plan their futures wisely, but, time after time, people say "No" to his recommendations.
- A Representative makes the personal sacrifice of making a sales call on a stormy night only to find that the prospect has forgotten the appointment and is not at home.
- A Representative plans to attend an eagerly anticipated social event – but has to postpone it because it is the only night a prospect can see him.
- A Representative pays a call on a prospect to discuss insurance only to be subjected to uncomplimentary – even though unwarranted – remarks about salesmen.

How would you react to problems like these? Could you take them in your stride?

IN CONCLUSION

An insurance sales career offers tremendous opportunity.

But it is a career that requires painstaking effort and a capacity to rise above disappointment. In the beginning there are many obstacles to overcome.

There are records to be kept – study assignments to be completed – lists of names to be compiled – letters to be sent out – phone calls to be made – appointments to be verified – interviews to be conducted – propositions to be worked out – rates to be checked – services to be provided – sales tracks to be memorised – interview techniques to be practised – meetings to attend – more records to be reviewed – and so on. These are all part of selling insurance – they are landmarks on the road to success.

Most men want many of the same things in life. The successful man keeps his goals before him constantly so that he can overlook temporary hardships; those men who don't succeed are usually so distracted by temporary setbacks that they lose sight of their goals. HOW ABOUT YOU?

Have you ever set your sights on something you really wanted and then kept after it until you got it? Or have you given up when things became difficult? Have you had to struggle to get what you wanted? Would you be able to adjust to “going back to school” again? Are you willing to work long hours while you are learning the job? How does your family feel about insurance selling?

Consider thoroughly all the advantages and disadvantages of a sales career with A.M.P. and, if you are a married man, discuss them carefully with your wife. If you feel that you can meet the qualifications and the challenge, then the officer who handed you this booklet will be glad to carry you one step closer to – A Career With The A.M.P. Society.