




# Life Checkup Program

Life changes—quickly.

To better serve clients, we can help you review their current life insurance coverage and ensure that it continues to meet their changing needs.



Keep clients in good financial health. Offer them a valuable insurance “checkup”

# Are Your Clients in Good Financial Health?

## Find out with an Insurance Checkup and Open the Door to More Life Insurance Sales!

“I already have life insurance.” “I have life insurance coverage from my employer.” Sound familiar? Although your clients may already have life insurance, you can help them be sure they have the coverage they need. Offer them an Insurance Checkup. Simply ask your clients, “When was the last time you reviewed your life insurance policies? Do the policies still match your financial goals?”

## What is an Insurance Checkup?

As a financial professional, you can provide a valuable service for your clients by making sure that their current life insurance coverage is appropriate to help them meet their stated financial goals.

Although clients regularly review financial goals and investments, they often forget to update their life insurance policy to meet changing goals or life situations.

Basically, you will be reviewing your clients' current coverage and assessing any life changes that have taken place since the policy or policies were issued. You help your clients determine if the insurance still meets their financial needs.

The enclosed brochure and worksheet offer step-by-step details to complete the review, plus questions to ask your clients during the Insurance Checkup.

## Who are your prospects?

Good prospects for an insurance review usually have at least one of the following characteristics:

- 45-65 years old
- Owns a policy that is at least 3 years old
- In good health
- Has estate planning issues
- Owns a small business
- Has had recent life or financial changes

## Prospect Checklist

Good candidates for an insurance checkup are individuals who have had recent life or financial changes. Here are a few questions to ask clients that can help guide your review:

- Recently married or divorced?
- New baby?
- Recent death of spouse or child?
- Purchased a home?
- Has the policy ever been reviewed?
- Is cash value close to death benefit in the contract?
- Does the policy have an outstanding loan?
- Has the client started a business?
- Has the client recently received an inheritance?
- Does the client need to plan for retirement or fund college education?
- Has there been a change in employment or salary?
- Have any children left the household?

## Other Important Areas to Explore with Clients

- Do existing policies fulfill current needs?
- Financial needs may have changed since the client bought the life insurance policy(ies).
- Term policy premiums may be about to increase.
- Client's long-term needs may require a permanent policy.
- Insurance company's financial strength.

# Give Your Clients Assurance

## Issues you may **Uncover**

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### **Clients may own life insurance policies that**

- Need no changes, giving client peace of mind
- Need beneficiary designations updated
- Could be more efficiently consolidated into a single policy
- Are under-funded
- Don't have desired features such as:
  - Secondary Guarantees
  - Preferred Plus Underwriting
  - Extended Maturity
- Are not meeting clients' current needs

### **Some policies may be in danger of lapsing because of**

- Low interest rate environment/low interest crediting rate
- Lower than anticipated investment performance (VUL)
  - Review subaccount allocations
- Increased cost of insurance
- Reduction in dividend rates (PAR WL)
- Increasing premium (Term)
- Loans on participating whole life that have lower dividends on the policy
- Taking multiple policy loans
- Making excessive withdrawals
- Not making premium payments
- Changing the face amount or death benefit

**Offer** a complimentary  
Insurance Checkup today.

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**Your Producer's XL Life Consultant  
can help you complete the review.**

The Insurance Checkup kit from Producer's XL  
has all the pieces you need to get started.

*More premium  
may be needed  
to fulfill the  
original goal.*

and **Grow** Your Business.

# Why conduct an Insurance Checkup?

Because client lives are not static! Their needs, financial, and family situations change over time and life insurance coverage should be reviewed periodically to keep with those changes.

## Re-evaluation of Underwriting

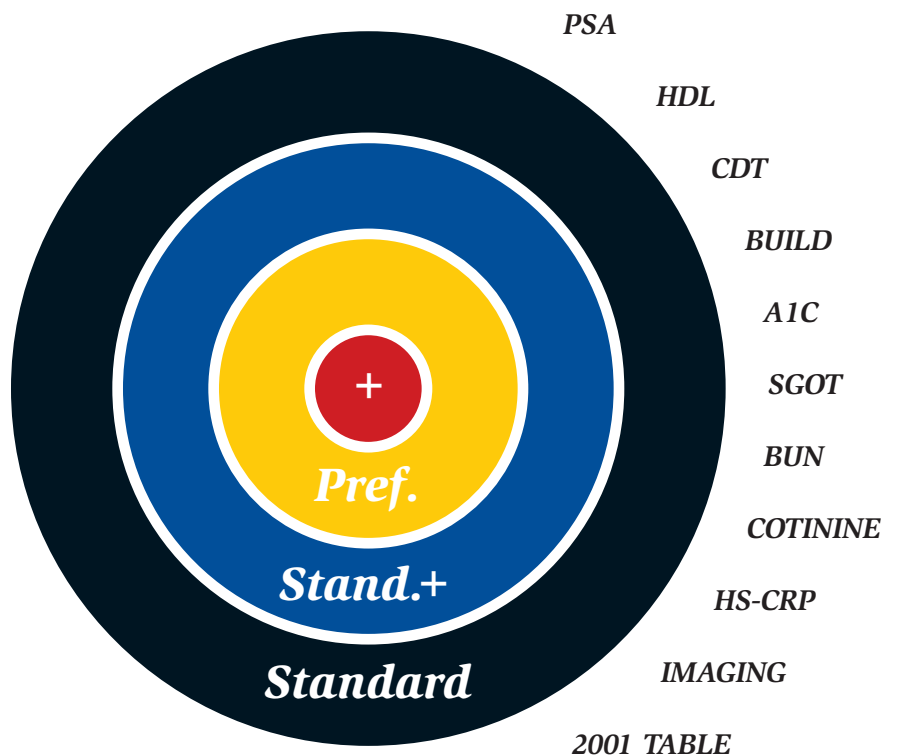
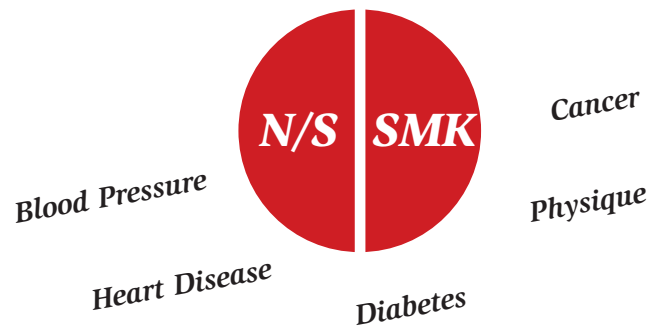
- More history since health occurrence
- Improved health, lost weight, healthier lifestyle
- Change in smoking status
- Do they qualify for one of the new, improved underwriting classes available today?
- Change of avocation status
  - More experience (pilots, divers)
  - Age of traffic violations

## Product Features that may Interest Clients

- Policy Guarantees
- Extended Maturity
- Riders and Features
- Long Term Care
- Critical Illness Coverage
- Policy Cost and Load Structure
- Policy Loan Provisions

## Quality of the Current Company

- Increases in policy costs and expenses
- Client comfort
- Company ratings





# How to do it. Five Steps to conducting a Life Insurance Checkup

## Step 1

**Collect** copies of current policy(ies).

## Step 2

**Determine** face amount, cash value, annual premium, surrender period, amount of any outstanding loans, ownership and beneficiary information, and financial strength of insurance company.

## Step 3

**Follow** *Prospect Checklist* to see if any life changes affect the amount of coverage needed.

## Step 4

**Follow** worksheet to determine how much coverage is currently needed. (Include amounts needed for checklist items in worksheet.)

## Step 5

**Compare** the worksheet amount to coverage in existing policy(ies).

**Need assistance or want to learn more?**

Contact Producer's XL



# Does your life insurance coverage meet your goals?

Below are some questions that can help you decide. To find the policy information requested below, refer to your most recent policy statement. Your broker/dealer representative can also work with you to collect this information and make the process even easier.

Name: \_\_\_\_\_ Age: \_\_\_\_\_

Marital status: \_\_\_\_\_ Number of children, if any: \_\_\_\_\_ Ages: \_\_\_\_\_

- |                                                                |                              |                             |
|----------------------------------------------------------------|------------------------------|-----------------------------|
| Have any children left the household recently?                 | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Are you recently married, divorced or widowed?                 | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Do you need to fund your retirement or a college education?    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Do you currently own any life insurance policies?              | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Did you buy a home recently?                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Any recent changes in income, including salary or inheritance? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

If yes, please provide the following information:

## Policy 1

Insurance company: \_\_\_\_\_

Date of policy issue: \_\_\_\_\_

Policy face amount: \_\_\_\_\_

Policy cash value: \_\_\_\_\_

Any outstanding loans? \_\_\_\_\_

Policy type:

- |                                                  |                                         |
|--------------------------------------------------|-----------------------------------------|
| <input type="checkbox"/> 10-year term            | <input type="checkbox"/> 15-year term   |
| <input type="checkbox"/> 20-year term            | <input type="checkbox"/> 30-year term   |
| <input type="checkbox"/> whole life              | <input type="checkbox"/> universal life |
| <input type="checkbox"/> variable universal life |                                         |

other: \_\_\_\_\_

Annual premium payment: \_\_\_\_\_

Interest rate (if applicable): \_\_\_\_\_

Policy owner: \_\_\_\_\_

Surrender penalty period (if applicable): \_\_\_\_\_

Insured name: \_\_\_\_\_

Relationship to you:

- |                               |                                 |
|-------------------------------|---------------------------------|
| <input type="checkbox"/> self | <input type="checkbox"/> spouse |
|-------------------------------|---------------------------------|

other: \_\_\_\_\_

Beneficiary name: \_\_\_\_\_

Relationship to you:

- |                                 |                                |
|---------------------------------|--------------------------------|
| <input type="checkbox"/> spouse | <input type="checkbox"/> child |
|---------------------------------|--------------------------------|

other: \_\_\_\_\_

## Policy 2

Insurance company: \_\_\_\_\_

Date of policy issue: \_\_\_\_\_

Policy face amount: \_\_\_\_\_

Policy cash value: \_\_\_\_\_

Any outstanding loans? \_\_\_\_\_

Policy type:

- |                                                  |                                         |
|--------------------------------------------------|-----------------------------------------|
| <input type="checkbox"/> 10-year term            | <input type="checkbox"/> 15-year term   |
| <input type="checkbox"/> 20-year term            | <input type="checkbox"/> 30-year term   |
| <input type="checkbox"/> whole life              | <input type="checkbox"/> universal life |
| <input type="checkbox"/> variable universal life |                                         |

other: \_\_\_\_\_

Annual premium payment: \_\_\_\_\_

Interest rate (if applicable): \_\_\_\_\_

Policy owner: \_\_\_\_\_

Surrender penalty period (if applicable): \_\_\_\_\_

Insured name: \_\_\_\_\_

Relationship to you:

- |                               |                                 |
|-------------------------------|---------------------------------|
| <input type="checkbox"/> self | <input type="checkbox"/> spouse |
|-------------------------------|---------------------------------|

other: \_\_\_\_\_

Beneficiary name: \_\_\_\_\_

Relationship to you:

- |                                 |                                |
|---------------------------------|--------------------------------|
| <input type="checkbox"/> spouse | <input type="checkbox"/> child |
|---------------------------------|--------------------------------|

other: \_\_\_\_\_

## Policy 3

Insurance company: \_\_\_\_\_

Date of policy issue: \_\_\_\_\_

Policy face amount: \_\_\_\_\_

Policy cash value: \_\_\_\_\_

Any outstanding loans? \_\_\_\_\_

Policy type:

- |                                                  |                                         |
|--------------------------------------------------|-----------------------------------------|
| <input type="checkbox"/> 10-year term            | <input type="checkbox"/> 15-year term   |
| <input type="checkbox"/> 20-year term            | <input type="checkbox"/> 30-year term   |
| <input type="checkbox"/> whole life              | <input type="checkbox"/> universal life |
| <input type="checkbox"/> variable universal life |                                         |

other: \_\_\_\_\_

Annual premium payment: \_\_\_\_\_

Interest rate (if applicable): \_\_\_\_\_

Policy owner: \_\_\_\_\_

Surrender penalty period (if applicable): \_\_\_\_\_

Insured name: \_\_\_\_\_

Relationship to you:

- |                               |                                 |
|-------------------------------|---------------------------------|
| <input type="checkbox"/> self | <input type="checkbox"/> spouse |
|-------------------------------|---------------------------------|

other: \_\_\_\_\_

Beneficiary name: \_\_\_\_\_

Relationship to you:

- |                                 |                                |
|---------------------------------|--------------------------------|
| <input type="checkbox"/> spouse | <input type="checkbox"/> child |
|---------------------------------|--------------------------------|

other: \_\_\_\_\_

Total face amount for all policies currently in force: \$ \_\_\_\_\_

Were you a smoker when any policy was issued? \_\_\_\_\_

If yes, have you recently stopped smoking? \_\_\_\_\_

Do you consider yourself to be in generally good health? \_\_\_\_\_

## How much life insurance **do you need?**

	<b>Sample</b>	<b>Your Information</b>
<b>Monthly Income needed</b> Enter the estimated amount your family would need every month to maintain their current standard of living if you die unexpectedly.	<b>10,000.00</b>	
<b>Combined Federal and State tax rate</b> Enter your combined Federal and State tax rate expected as a decimal. e.g., 40% = .40	<b>0.40</b>	
Capital needed monthly (monthly income/ (1-tax rate))	16,666.67	
Capital needed annually (monthly capital needed x 12)	200,000.00	
<b>Rate of investment return</b> Enter estimated rate of return when investment expressed as a decimal, e.g., 8% = 0.08	<b>0.08</b>	
Capital needed to provide annual income (capital needed annually/rate of investment return)	2,500,000.00	
<b>Other expenses</b> Enter combined total of all your other debts and future expenses, e.g., car loan, student loan, credit cards, child's college tuition or wedding.	<b>50,000.00</b>	
Capital needed to provide annual income and cover expenses (capital needed to provide annual income + other expenses)	2,550,000.00	
<b>How much capital do you have?</b>	<b>500,000.00</b>	
<b>Life Insurance Coverage Estimate</b>	<b>\$2,050,000.00</b>	

Shaded areas = your input

The results generated by this formula are hypothetical and will vary due to user input and various assumptions. Producer's XL does not guarantee the accuracy of the calculations, results, explanations, nor their applicability to specific situations. We recommend that you use this calculation as a guideline only.



Date: \_\_\_\_\_

To: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

From: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Re: Policy #: \_\_\_\_\_

Dear Sir/Madam:

I would like copies of certain documents relating to my insurance policy with your company.  
Please send the items indicated in the list at your earliest convenience.

In-Force policy illustration  yes, send this item to me.

Most recent policy statement  yes, send this item to me.

Thank you for your prompt attention to this matter.

Sincerely,

(signature of Policy Owner)



Date: \_\_\_\_\_

To: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

From: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Dear Sir/Madam:

I would like copies of certain documents relating to my insurance policy with your company. I authorize the insurance company to send these documents directly to my representative listed below. Please send the items indicated in the list at your earliest convenience.

In-Force policy illustration  yes, send this item to my representative

Most recent policy statement  yes, send this item to my representative

I also authorize the insurance company to provide my representative any requested information relating to the life insurance contract I own with the insurance company.

Send to: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Thank you for your prompt attention to this matter.

Sincerely,

(signature of Policy Owner)

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(Date)  
(Client Name)  
(Address)  
(City), (State) (Zip)

Dear (Mr./Mrs.) (Last Name):

As one of my valued clients, I want to let you know about a complimentary service that I'm offering.

When you purchased life insurance, you made a commitment to protecting your family, business, and possibly your estate. But when was the last time you reviewed your policy?

In addition to helping you with your investments, I want to make sure you are aware that I am also licensed to help you evaluate your current life insurance needs. As a service to my clients, I would like to offer you an insurance checkup to make sure that your current policy(ies) are still in line with your overall financial goals and family situation.

Many things can affect your ongoing need for life insurance—an addition to the family, a change in marital status, business changes. However, most of us never take the time to review our policy after we buy it.

What is involved in a policy checkup? Basically, we'll be reviewing your current coverage, assessing any life changes that have taken place since the policy was issued, and determining if your insurance still meets your financial goals.

Getting started is easy. Contact me and I will let you know what to collect from your insurance company. Once you have all of the information on your current policies, we can schedule a consultation and complete your checkup.

I hope you will take advantage of this opportunity to review your policy by contacting me at your earliest convenience at (phone number). Remember, there is no charge for the insurance checkup, so call today.

Thank you for your continued trust.

Sincerely,

(Name)

# Target and Track Your **Prospects**

Use the information below to help you target and track clients that are good prospects for an Insurance Checkup.

Please note that these are only guidelines to help you determine those clients that may be right for an Insurance Checkup. Your prospects may include individuals that do not fall into any of these particular categories.

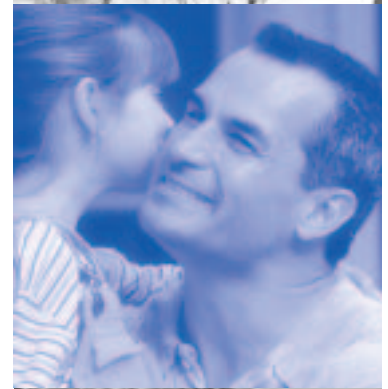
## **Insurance Checkup Prospect Profile**

- 45-65 years old
- Owns a policy that is at least 3 years old
- In good health
- Has estate planning issues
- Owns a small business
- Has had recent life or financial changes

To find out more about your clients' individual needs, help them complete an Insurance Checkup Worksheet.

## **Important areas to explore with clients:**

- Do existing policies coincide with current needs?
- Financial objectives may have changed since the client bought the life insurance policy(ies).
- Term policy premiums may be about to increase.
- Client's long-term goals may require a permanent policy.



# Prospect Tracking

Client Name	Initial Call	Sent Pre-Approach Letter/Brochure	Follow Up Call(s)	Appointment Set	Checkup Results	Sale?

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Not for distribution to the public.





# Insurance Checkup **Phone Script**

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## **Introduction**

As your representative, I would like to help you make sure all of your financial needs are met. I know that life insurance is not a topic many people like to discuss, and you probably already have some coverage, but I would like to make sure your coverage still meets your current needs.

## **Some questions to ask.**

Do you know how much coverage you have? How long ago did you buy it? After you purchased this insurance, did you ever compare it with your current goals and lifestyle? What has changed in your life since you bought it? Have you gotten married, had a child, or started a business? Will your current coverage still provide the protection you want for your family if something happens to you?

## **Let the client know how you can help.**

I can help you find out quickly and easily. I want to offer you a complimentary insurance checkup. The process is simple and you are under no obligation to purchase anything. Once we collect the information about your current situation and any existing coverage, I can help you evaluate whether you are adequately protected.

## **Explain the benefits of an insurance checkup.**

You may determine that you want additional coverage or simply change the beneficiary. Perhaps you'll be reassured that your coverage is right for you just as it is.

## **Close.**

Can we set up an appointment to begin your complimentary insurance checkup? I have some simple forms I can send to you to request information from your current carriers to help us get started.

