

CASE STUDY

POLICY

REVIEW

An advisor had a healthy 56 year old client who had a \$1,200,000 Hartford Life UL that was purchased in 2004. He chose a single pay when he purchased the coverage, but unfortunately interest rates have dropped and the cash value was not enough to carry the policy as illustrated.

The Problem

Because of the lower interest rates, the coverage was going to lapse at age 82. After talking to the client - with TBA - about his current and long-term insurance needs, the advisor determined that the client's need for a majority of the coverage was short term. However, he also wanted a guaranteed benefit that would be there for his children, as well as the option of converting the term to a competitive product should he need to extend coverage.

The Recommendation

Fortunately the client and his wife were in excellent health and able to get the best rates available. Rather than simply replacing the current individual UL for \$1,200,000, we built a portfolio of coverage that included \$2,000,000 of 10 year term should something happen in the near future and still provide the guaranteed benefit he was seeking to his children. In addition, TBA recommended \$500,000 of permanent coverage with an LTC rider, and \$1,000,000 of guaranteed survivorship life that would benefit the children after both parents were gone.

The Outcome

The advisor and TBA presented the options to the client, who was very pleased with the set-up and the point-of-sale assistance that uncovered needs he hadn't considered prior.

The client moved forward with the recommendations, and noted that he felt more at ease about the future and confident in his ability to protect his children and spouse even when he is no longer around to provide.

