NOT FOR CLIENT USE

UNIVERSAL LIFE INSURANCE

gives you more opportunities to talk with **INDIVIDUAL clients**

THE Great-West Life ASSURANCE COMPANY

For examples with business owners, see *Universal life insurance gives you more opportunities to talk with business owners* (form 99-7293).

Your clients' lives are always changing.

Fortunately, universal life insurance is highly adaptable to change. So the more change your clients experience, the more opportunities universal life insurance gives you to talk with them.

Click examples for details on each opportunity.

financial changes

- Your client's disposable income increases or their financial situation improves.
- Your client is looking for tax opportunities.
- Your client experiences short-term financial hardship (illness, injury, separation, divorce).
- Your client experiences long-term financial hardship.
- Your client purchases a significant asset (house, vacation property, boat).
- Your client pays off their mortgage.

lifestyle changes

- Your client has a baby.
- Your client becomes a primary caregiver (for elderly parent, disabled child, spouse).
- Your client's children head off to college or university.
- Your client is within 10-15 years of retirement.
- Your client becomes an empty nester.
- Your client retires.
- Your client moves into a long-term care facility or requires home care.
- Your client has joint first-to-die coverage, and the first person dies.

market changes

- Your client's taxable assets have increased significantly in value (home, cottage, investments, other assets).
- In a market downturn, the performance of the investment options in your client's policy is suffering.

Opportunities based on **financial changes**

Your client's disposable income increases or their financial situation improves.

REASON TO TALK TO YOUR CLIENT

They could increase their payments, to generate more growth in their policy's account value. This could allow them to stop making out-of-pocket payments sooner, when their policy's account value is large enough to cover their required payments.

CONVERSATION OR SOLUTION

Illustrate how a few more dollars per month could:

- Increase their policy's account value
- Accelerate the time when they might be able to stop making out-of-pocket payments

REASON TO TALK TO YOUR CLIENT

Level payments and limited-pay options may now be affordable, if they originally chose annually increasing payments.

CONVERSATION OR SOLUTION

Illustrate how a switch to level payments or limited-pay can lock in their minimum payments, while offering them flexibility to make additional payments if they wish.

Switching to limited-pay could accelerate the growth of their policy's account value and possibly allow them to stop making out-of-pocket payments sooner.

Your client is looking for tax opportunities.

REASON TO TALK TO YOUR CLIENT

Universal life insurance not only offers them protection in the event of death, it also offers them tax advantages.

CONVERSATION OR SOLUTION

Illustrate how universal life insurance creates tax opportunities and can be used as part of their overall portfolio.

Your client experiences short-term financial hardship (illness, injury, separation, divorce).

REASON TO TALK TO YOUR CLIENT

Discuss ways to keep their payments affordable during this temporary hardship.

CONVERSATION OR SOLUTION

If their policy's account value is large enough, they could temporarily reduce or stop making out-of-pocket payments.

If they've been paying more than the minimum, illustrate a lower payment that keeps their policy active and makes their coverage more affordable.

Your client experiences long-term financial hardship.

REASON TO TALK TO YOUR CLIENT

The hardship could affect their long-term ability to pay for their coverage.

CONVERSATION OR SOLUTION

Re-assess their coverage needs, payment options and investment options, to ensure their policy is as affordable as it can be.

Illustrate how reducing their coverage or changing their payment option could make their payments more affordable. (If they reduce their coverage, underwriting is required if they want to increase it again later.)

If they have annually increasing payments, consider switching to level payments. This stops their minimum payments from rising each year.

If they have Coverage Plus payout, consider changing to level payout. With level payout, when their account value increases, the amount at risk decreases, and so their required payments decrease. Depending on their policy's account value, they could potentially stop making out-of-pocket payments altogether.

If their coverage is joint first-to-die, consider switching to joint last-to-die in order to lower the cost of insurance. They could potentially reduce their payments while keeping the same coverage. When the first person dies, the policy's account value could help offset the ongoing payments.

Your client purchases a significant asset (house, vacation property, boat).

REASON TO TALK TO YOUR CLIENT

If the asset has an outstanding mortgage or loan against it, they may need to increase their coverage to pay off the debt in the event of death.

CONVERSATION OR SOLUTION

If they have a level payout, consider changing to Coverage Plus. With Coverage Plus, when their policy's account value grows, so does their potential payout.

Your client pays off their mortgage.

REASON TO TALK TO YOUR CLIENT

They could take the amount of their mortgage payment and direct it to their policy. This could increase the growth of their policy's account value. This growth is tax-free while inside their policy, subject to government limits.

CONVERSATION OR SOLUTION

Illustrate how redirecting money from their mortgage to their policy could:

- Increase their policy's account value
- Accelerate the time when they might be able to stop making out-of-pocket payments
- Let them take fuller advantage of their policy's tax benefits

Also consider illustrating a switch to limited-pay. This can shorten their payment period and increase their policy's account value.

Opportunities based on **lifestyle changes**

Your client has a baby.

REASON TO TALK TO YOUR CLIENT	CONVERSATION OR SOLUTION
Make sure their family is financially secure if one of the parents dies. Make sure the surviving spouse does not have to return to work immediately.	Discuss the need for enough coverage to ensure adequate financial protection for their growing family.
Discuss getting a policy for their child, to lock in insurability while their child is young and healthy and the cost is low.	Illustrate a juvenile universal life insurance policy with a guaranteed insurability rider. This lets them buy more permanent coverage later, at specific dates, regardless of health. Alternatively, illustrate adding a child's term life insurance rider to their universal life insurance policy.

Your client becomes a primary caregiver (for elderly parent, disabled child, spouse).

REASON TO TALK TO YOUR CLIENT	CONVERSATION OR SOLUTION
They need to be sure they have enough coverage, so if they die prematurely, their dependents will still be cared for.	Discuss how much coverage is needed to protect their dependents in the event of the caregiver's death.

Your client's children head off to college or university.

REASON TO TALK TO YOUR CLIENT

They could use their policy's account value to help pay for post-secondary school expenses.

CONVERSATION OR SOLUTION

Illustrate how withdrawing some of their policy's account value could help them pay the expense of college or university. (If they borrow or withdraw money from their policy, it can reduce their policy's account value and their payout. Withdrawals are taxable.)

Alternatively, show how a policy loan could help cover post-secondary school expenses. You can use the *Head Start* sales strategy in KeySource.

Your client is within 10-15 years of retirement.

REASON TO TALK TO YOUR CLIENT

While they still have an income, look for ways to get their policy paid up before retirement.

If they're planning to use their policy's account value for retirement income, discuss ways to increase their policy's account value today, while they have an income.

CONVERSATION OR SOLUTION

Determine how much longer they have to make payments. Assess what they need to do for their policy to be paid up at retirement.

If they have been making more than the minimum payments, illustrate how switching to limited-pay could lock in their payment amount and pay their policy off sooner.

Illustrate their policy's estimated account value at retirement. Determine if it's enough to help meet their income needs. (If they borrow or withdraw money from their policy, it can reduce their policy's account value and their payout. Withdrawals are taxable.)

Your client becomes an empty nester.

REASON TO TALK TO YOUR CLIENT

There may be less need to preserve their family income in the event of death.

CONVERSATION OR SOLUTION

Re-assess their needs and determine if a reduction in their coverage is called for. Reducing coverage reduces their minimum payments. (If they reduce their coverage, underwriting is required if they want to increase it again later.)

Your client retires.

REASON TO TALK TO YOUR CLIENT

Their insurance needs may have changed. Their mortgage may be paid off. They may no longer have children at home. There may be an opportunity to:

- Reduce their coverage, which reduces their minimum payments
- Use their policy's account value to cover the lower payments

CONVERSATION OR SOLUTION

Re-assess their needs and determine if a reduction in their coverage is called for. If they have annually increasing payments, reducing their coverage at retirement can help offset the increases, keeping their coverage affordable. (If they reduce their coverage, underwriting is required if they want to increase it again later.)

Your client moves into a long-term care facility or requires home care.

REASON TO TALK TO YOUR CLIENT

They could use their policy's account value to help them pay for the care they need.

CONVERSATION OR SOLUTION

Illustrate how their policy's account value could help pay the cost of their home care or a long-term care facility. (If they borrow or withdraw money from their policy, it can reduce their policy's account value and their payout. Withdrawals are taxable.)

Your client has joint first-to-die coverage, and the first person dies.

REASON TO TALK TO YOUR CLIENT

Their coverage may need to be adjusted to meet the needs of the survivor.

CONVERSATION OR SOLUTION

The survivor could purchase a single-life policy to cover their funeral expenses and taxes at the time of death. The joint policy's account value could help pay for the new single-life policy.

Opportunities based on **market changes**

Your client's taxable assets have increased significantly in value (home, cottage, investments, other assets).

REASON TO TALK TO YOUR CLIENT

There could be negative tax implications at time of death.

CONVERSATION OR SOLUTION

Discuss how they can adapt their policy to cover the increased taxes payable at death on their assets' growth.

In a market downturn, the performance of the investment options in your client's policy is suffering.

REASON TO TALK TO YOUR CLIENT

Their current payment amount, combined with the returns on their current investment options, may not be enough to pay for their coverage.

CONVERSATION OR SOLUTION

Determine whether:

- They need to adjust their selection of investment options
- They can afford higher payments to maintain their current coverage
- They need to reduce coverage to keep their policy affordable. (If they reduce their coverage, underwriting is required if they want to increase it again later.)

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