



Why the Life Insurance Audit applies to every one of your clients that has:

- Life policy over 2 years old
- Premium in excess of \$10,000
- Experienced any health or lifestyle improvements

Industry Changes

Event/Change	Impact to Life Insurance
Creation of UL product Line	Introduced alternatives to WL and Term
Changes in Underwriting	Rated Cases are sometimes Standard today, Standard can be Preferred
Interest Rate Environment	Reduced crediting rates on interest sensitive policies causing poor performance.
Changes in Mortality charges	Increase in mortality/COI charges have caused poor policy performance
Guarantees	Introduced in the last 4-5 years and have added a lot of security for the customer
Term Insurance price wars	Term insurance sold three years ago can be purchased at a significant savings today
CSO Reserve Tables changes	Impact to how carriers and re-insurers price products and credit interest, sometimes to the client's benefit and sometimes to their detriment
XXX	Caused a glut of Term insurance to be written in a short period of time at not necessarily the best price for the customer.

Personal Changes for your Client

Event/Change	Impact to Life Insurance
Lifestyle change	Changes in smoking, hobbies and activities and driving record can impact Underwriting and price.
Controllable health improvements	Build, Blood pressure and Cholesterol can fluctuate widely following a lifestyle change.
Change in financial goals	Term Insurance may need to be permanent and permanent may now need guarantees. Second to die may need to become individual policies.
Life Events	Children leaving home, death of a spouse, care for parents can all impact Life Insurance needs.
Policy Performance	Policy is not performing to customer expectations due to decline in interest rates or sub-account performance, increase in cost of insurance or a combination of both.