

Life Insurance Policy Review

For many of our clients, having a life insurance policy is an important part of their income protection plan. However, these policies are often purchased and then are left to sit on the shelf or in the file cabinet and never thought of again. Similar to your investment portfolio, your life insurance policy should be reviewed on a regular basis to ensure it is still the right policy for your needs. There are a couple reasons why having your life insurance policy reviewed regularly is a good idea.

Marketplace Changes Policies are usually developed with information based on projections that include market return, interest rate, and dividend assumptions. Unfortunately, many of the assumptions that were originally used have greatly overstated the potential internal returns in numerous life insurance policies.

Your Situation Changes You may need to update your policy based on changes in your life. Financial circumstances, health, and lifestyle changes can mean you need to have a review completed. These changes may result in a change in your coverage.

What All This Means to You

It simply means you may not have all the protection you think you have. The benefits you believed you would receive may not be guaranteed. Some policies will default in the future without adding more money, sometimes, substantially more. It also means you may be able to save on policy premiums based on changes in your life circumstances.

Andrews Hooper Pavlik PLC (AHP) strongly believes everyone should perform a thorough review of all their coverage. It just makes good financial sense. AHP and AHP Financial Services Inc. (AHPFS) have trusted relationships with national insurance consultants. Thus creating a network of professionals that will evaluate current insurance programs and either confirm the validity of your current plan or make recommendations for improvement. This review comes at no cost to you because we feel this is just too important to ignore.

As a business partner and consultant, we want to make sure we do all we can to help you succeed in this challenging business environment. We all have many issues to be concerned with, life insurance shouldn't be one of them.



Client Success Stories

Company owners in their early 60's had several large insurance policies, some of which were term insurance. They were looking to consolidate coverage, remove some existing cash value, change ownership on some of the policies, and make all coverage permanent with lifetime death benefit guarantees. AHPFS was able to lower their premiums, offer guarantees, and make all coverage permanent.

A 52 year old executive owned a variable policy with a well-known insurance company. Given the previous couple years of poor market performance, he decided to review future projections of his variable life policy from the existing company. The current provider required premiums of over \$7,000 per year to guarantee death benefit for life. We found a provider that required only \$1,200 per year in premiums, provided lifetime guarantee of death benefit, provided a long term care rider, and still allowed the policy owner to invest in variable accounts which left the potential open for even more positive results.