

Underwriting begins with YOU

What to include in an effective covering letter



For personally owned applications

Background & purpose	Coverage amount	Personal details	Supporting documents
<p>Provide an overview of the case that describes:</p> <ul style="list-style-type: none">• the specific need for the insurance• the value of the client's estate• the client's insurance history (be upfront about any medical or lifestyle risk factors; be sure to point out the positive as well)• any sales concepts used to determine the solution• involvement of other professional advisors (e.g. accountants, lawyers).	<p>Explain how you arrived at the coverage amount:</p> <ul style="list-style-type: none">• What is the rationale for choosing the face amount of the coverage?• How will the client finance the policy now and in the future?	<p>List important personal details such as:</p> <ul style="list-style-type: none">• career background and accomplishments• professional designations• for personally owned applications on business-owner clients, the client's company website can be an invaluable source of background information (include the web address in your letter)• if relevant, any other information that increases the client's "likeability factor" (e.g. charitable support, volunteer efforts, community involvement, social activism, etc.).	<p>Include any relevant documents, such as:</p> <ul style="list-style-type: none">• summary of estate plan• documentation from any other professional advisors involved in the case• for personally-owned applications on business-owner clients, include a copy of the most recent financial statements.

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For corporate-owned applications

Background & purpose	Coverage amount	Personal details	Supporting documents
<p>Provide an overview of the case that describes:</p> <ul style="list-style-type: none"> the specific need for the insurance the type of business, fair market value and percentage ownership any sales concepts used to determine the solution BUY-SELL- verify amounts of in-force and applied-for coverage are proportional to percentage ownership; if not, explain why KEY PERSON - provide details on the individual's experience, unique skills, contacts, etc. that clearly justify the amount of insurance coverage involvement of other professional advisors (e.g. accountants, lawyers). 	<p>Explain how you arrived at the coverage amount:</p> <ul style="list-style-type: none"> What is the rationale for choosing the face amount of the coverage? How will the business finance the policy now and in the future? 	<p>List important personal details such as:</p> <ul style="list-style-type: none"> business history and standing in the industry and/or community <p>NOTE: the company website can be an invaluable source of background information (include web address in your letter)</p> <ul style="list-style-type: none"> unique aspects of the business if relevant, any other information that increases the client's "likeability factor" (e.g. corporate philanthropy programs, volunteer efforts, community involvement, social activism, etc.). 	<p>Include any relevant documents, such as:</p> <ul style="list-style-type: none"> most recent financial statements summary of succession plan ownership structure chart (including name, title, percentage of ownership, and amount of in-force and applied-for coverage on each individual) documentation from any other professional advisors involved in the case.