SPG Life & Annuity

LIFE INSURANCE POLICY REVIEW

Your clients review their portfolios every quarter. When did anyone review their life insurance?

Like any other asset you manage for clients, a life insurance policy needs to be reviewed and evaluated. **A policy review from SPG Life & Annuity is free to you and your client**, and it opens the door to estate, business, and charitable planning.





38%
of American adults say they need life insurance or need more coverage.



52%
of Americans own life insurance.



84%
of ILIT trustees report having no stated guidelines or procedures for handling life insurance.

Sources: 38% and 52%, 2026 Insurance Barometer Study, LIMRA and Life Happens. 84%, Mark Teitelbaum, "Trust-Owned Life Insurance: Issues Trustees Face; Decisions Trustees Need to Make," Journal of Financial Service Professionals, July 2005.

FIVE SIGNS A POLICY NEEDS A SECOND LOOK

1	**Crediting rates came in below the illustration.**	Current interest crediting rates are lower than the rates illustrated when many policies were purchased, often dictating an increased premium outlay to achieve desired performance.
2	**Cash value is sitting idle.**	Accumulated cash value can be redeployed into a new policy to purchase more death benefit, or reduce ongoing premium costs.
3	**The carrier has changed.**	Mergers, acquisitions, carrier exits and declines in financial ratings make review of a life policy asset essential.
4	**Your client's health has improved.**	Improvements in health and today's more aggressive mortality pricing environment can create opportunities to reduce premium outlays.
5	**The ILIT was built for a different tax law.**	The federal estate tax exemption is now $15 million per person. Many clients with a life insurance funded ILIT no longer have a taxable estate and may be able to move to a personally owned policy with Long Term Care and Chronic Illness Riders.

Every review ends with a clear recommendation.

Keep
The policy is on track, and your client has documentation that it was reviewed.

Repair
Adjust premiums, funding or ownership so the policy does what it was bought to do.

Replace
A new policy may provide more coverage for the same premium, or the same coverage for less.

Sell
If the coverage is no longer needed, a life settlement may be worth more than the surrender value.

What the review delivers

REVIEW

- A detailed summary of all life insurance holdings providing a clear picture of how each policy is projected to perform.
- A review of the structure of policy ownership, beneficiary designations and payment methods to ensure that they're aligned with current needs.

ANALYZE

- An evaluation of the underwriting assessments on existing life insurance holdings and a clinical review to determine possible mortality pricing improvements.

EVALUATE

- A due diligence summary of the financial strength of all applicable insurance companies represented in the existing life insurance holdings.
- An objective and in-depth evaluation as to whether there is a more cost effective and planning prudent means to meet the client's current and future financial/risk protection requirements.

Start a review in three steps

1

Identify

Ask which clients own life insurance. Policies that have not been reviewed in 5 years or more are the best candidates for review.

2

Gather

With the policy owner's authorization, request a current in-force illustration and the latest annual statement from the carrier.

3

Send it to SPG Life & Annuity

Our team analyzes the policy, builds a strategy and runs illustrations to show whether there is a better outcome for your client. Already work with an SPG wholesaler? Send it to them.

Fast when the paperwork is current. A recent in-force illustration with current policy values means a quick turnaround.

WHAT A REVIEW CAN UNCOVER Hypothetical example

BEFORE

A 67-year-old client owns a $2 million universal life policy bought in 2007. At the current premium, the in-force illustration shows the policy lapsing at age 84.

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AFTER

His health has improved since issue and qualifies for a better rate class. A 1035 exchange uses the existing cash value to keep the full $2 million of coverage, with lifetime guarantees.

Three questions to open the conversation

Here are some questions you might ask the client:

1. Do you currently own life insurance, and if so, have you reviewed it recently?
2. If we can show you how your life insurance works and if it is performing efficiently, at no cost or obligation, would you be interested?
3. If we can show you a way to get more coverage for the same amount of money or the same coverage for less money, would you be interested?

Think a client could benefit from a policy review? Reach out to SPG Life & Annuity.

For over 50 years, SPG Life & Annuity has been nationally recognized for our unwavering commitment to client-centric, ethical, and professional service.

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The case shown is hypothetical, for illustration only, and does not represent an actual client or guarantee any result. Life settlements may have tax consequences, may affect eligibility for public assistance programs, are not available in all states, and mean the policy owner gives up the death benefit.
Replacing an existing life insurance policy may involve surrender charges, new contestability and suicide exclusion periods, and the loss of existing benefits. Long Term Care and Chronic Illness riders may carry additional cost, may reduce the death benefit, and are subject to eligibility and policy terms.
Products and features may vary by state and are subject to carrier underwriting approval. Guarantees are based on the claims-paying ability of the issuing insurance company.

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Request a Policy Review

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