



Being goal focussed

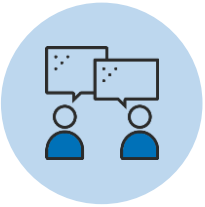
Creating great outcomes for your client and your business

Dave Butler
Market Development Manager

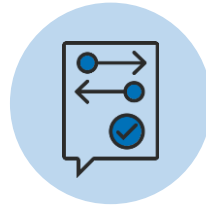


Learning Objective

By the end of this session, you will be able to do the following



- Understand different client financial objectives and how protection can underpin these.



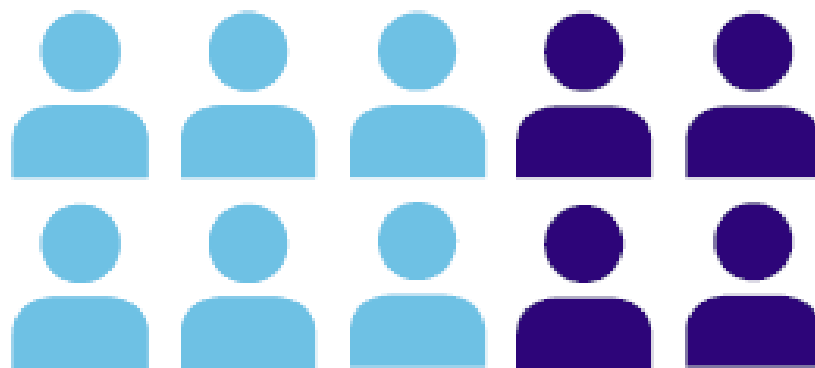
- Demonstrate how you can integrate protection conversations into all stages of your advice process.



- Identify different areas of conversation, including client income, family situations and trusts can extend the advice opportunity.

What did clients say?

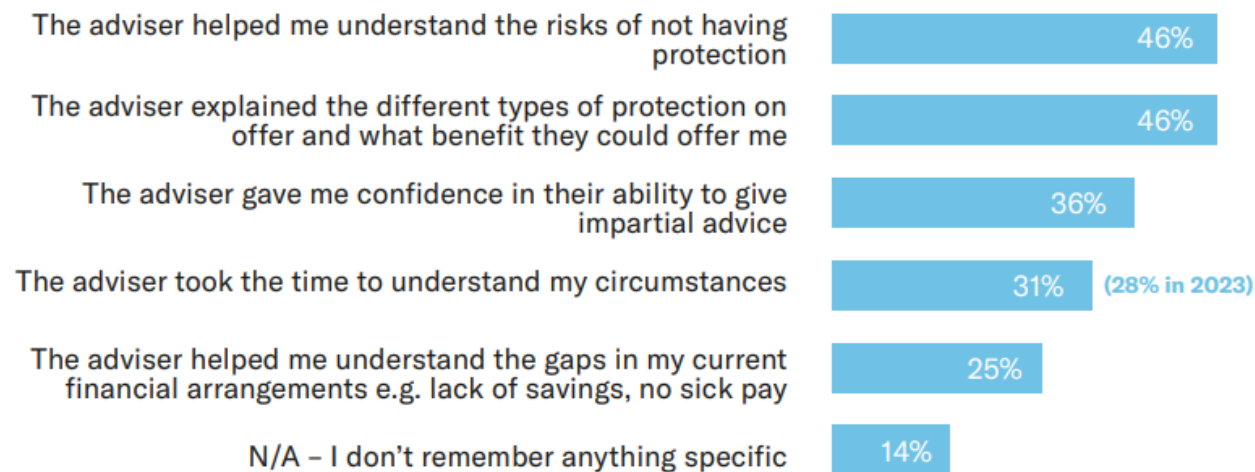
4/10 participants did not have protection
bought up by their mortgage adviser



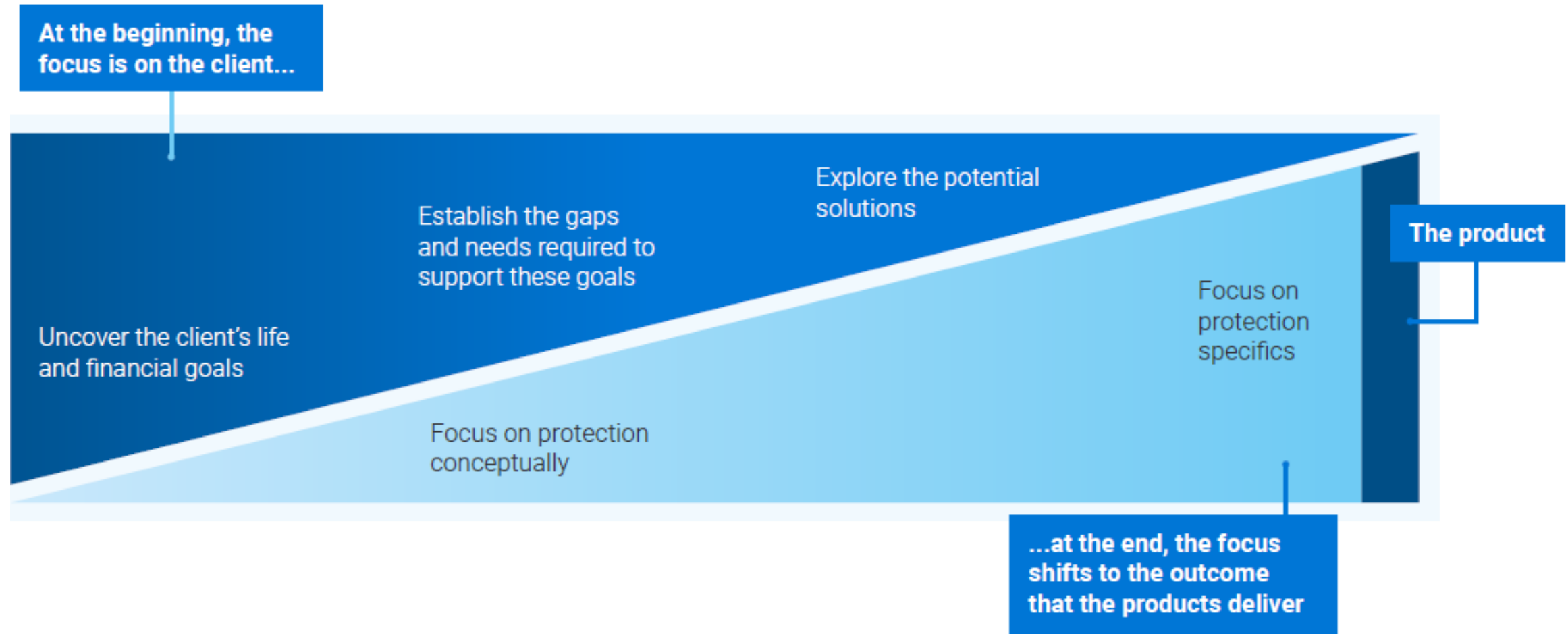
4/10

Making protection personal

You previously mentioned you recall your mortgage broker/adviser asking about protection insurance. Which if any of the following apply to you?



The pathway to success



Consumer Duty – Pursue financial objectives

New Consumer Duty



Raising the standard of consumer protection



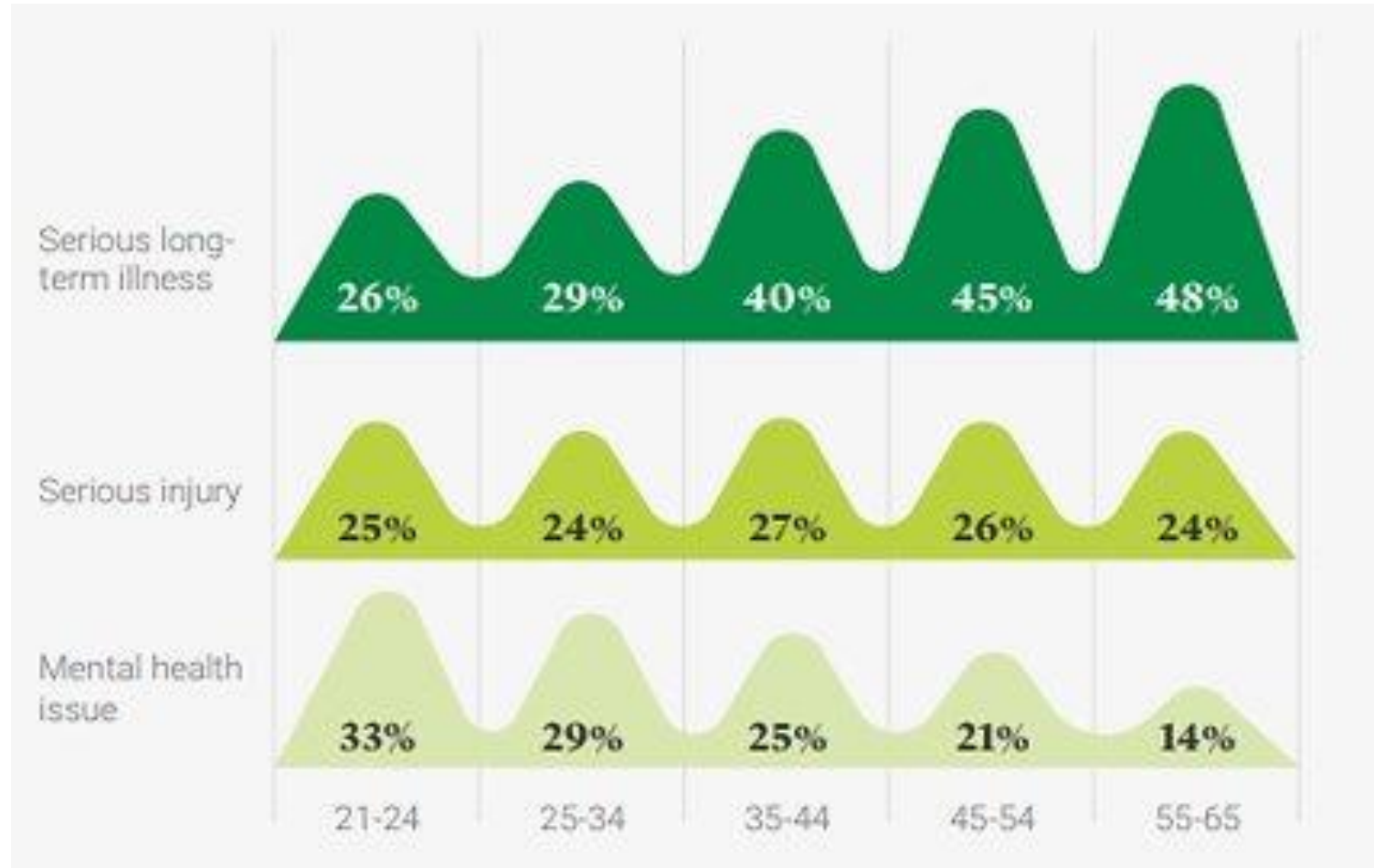
Act in good faith
towards retail
customers

Avoid causing
foreseeable harm to
retail customers

Enable and support
retail customers to
pursue their
financial objectives

What do client's think?

8 in 10 are concerned about at least one issue affecting ability to work

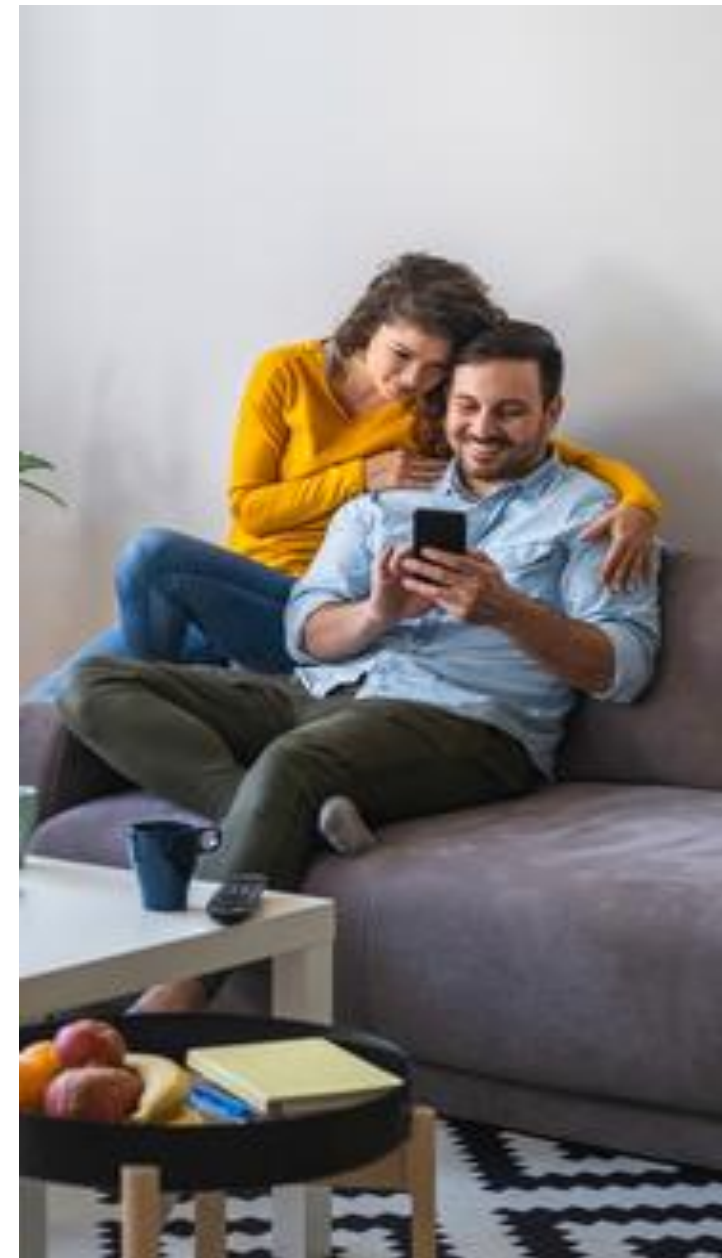


Foreseeable harm: Claims

Age at claim		
Life assurance	Critical Illness	Income Protection
<ul style="list-style-type: none">• 22 years youngest• 101 years Eldest• 70 years average	<ul style="list-style-type: none">• 22 years youngest• 69 years Eldest• 48 years average	<ul style="list-style-type: none">• 19 years youngest• 62 years Eldest• 41 years average

Case study: Dan

- Age 30 works in IT
- Buying 1st property with his partner Nicky
- Helped with a £40,000 deposit from his Mum and Dad
- Early stages of career
 - limited savings
 - no pensions planning



What are the chances?



Your details

Name

Dan

Age

30

18 ————— 75

Gender

We need to know your gender so we can give you an accurate calculation.

☒ Male ☐ Female

Smoker

We need to know if you smoke so we can give you an accurate calculation.

☒ No ☐ Yes

Retirement age

67

55 ————— 75

Your partner's details (optional)

Name

Nicky

Age

30

18 ————— 75

Gender

We need to know your gender so we can give you an accurate calculation.

☐ Male ☒ Female

Smoker

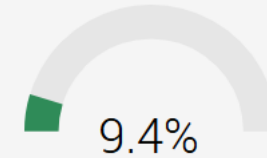
We need to know if you smoke so we can give you an accurate calculation.

☒ No ☐ Yes

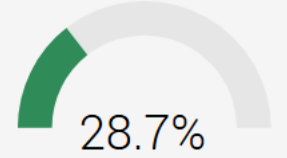
Retirement age

67

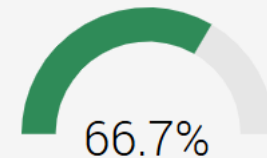
55 ————— 75



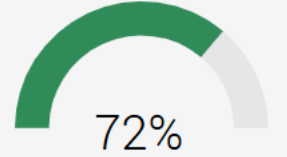
Chance of dying



Chance of suffering a serious (or critical) illness or death



Chances of being unable to work for 1 month or more



Chance of at least one of the following three events happening to either you or your partner

Source: <https://www.legalandgeneral.com/adviser/protection/adviser-toolkit/tools-calculators/risk-reality-calculator/>

We are going on a journey for the next 25+ years



Fact finding

Determines the current situation



Set Goals

Develop the client's "bucket list" personal and financial



Scenarios

Identify alternative course of action for "what if?"



Assess Risk

Consider lifestyle factors, values and risk tolerance



Action plan

Deliver advice using tools and examples



Review

Regularly revisit goals and review the plan

Over 25 years your income pays for ...

300



Mortgage payments

2400



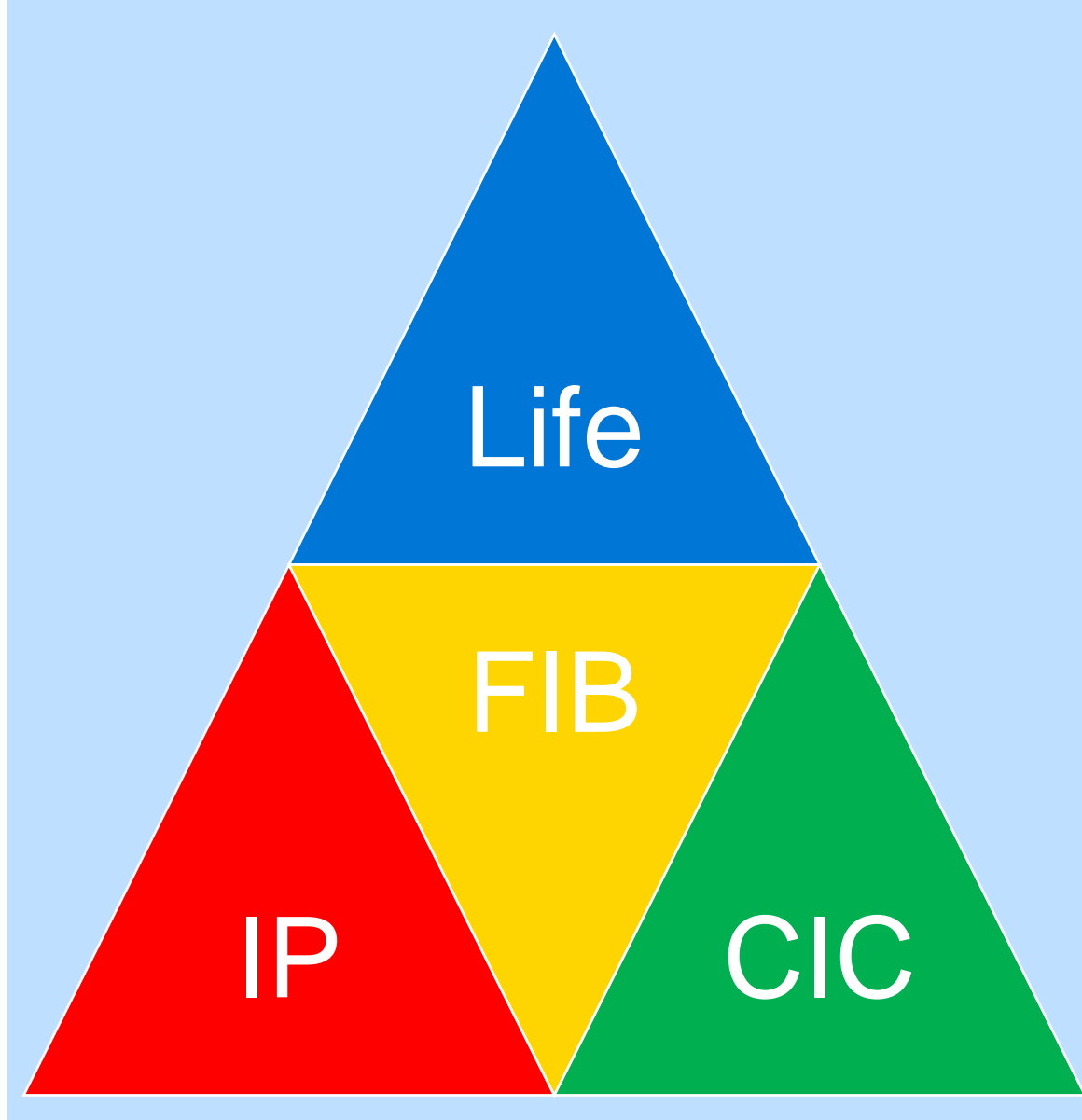
Utilities, Car,
council tax, loans,
credit cards.

1500



Food, clothes, holidays, trips,
treats.

What does good look like?



- Joint life cover to pay off mortgage
- Single life & CIC
 - 1 year's salary
 - FIB
- Income Protection
 - Full term or limited?
 - Mortgage, Bills, Max Benefit
- Trusts
 - Future proof IHT
 - Unmarried
 - Who are the trustees
- Gifted deposit

When trusts are used



Family protection



Co-habiting



Inheritance tax + wealth planning



Single life applications



Relevant Life Plans



Business protection

The benefits of using a trust

The value of your advice and



Faster payment



Control of beneficiaries



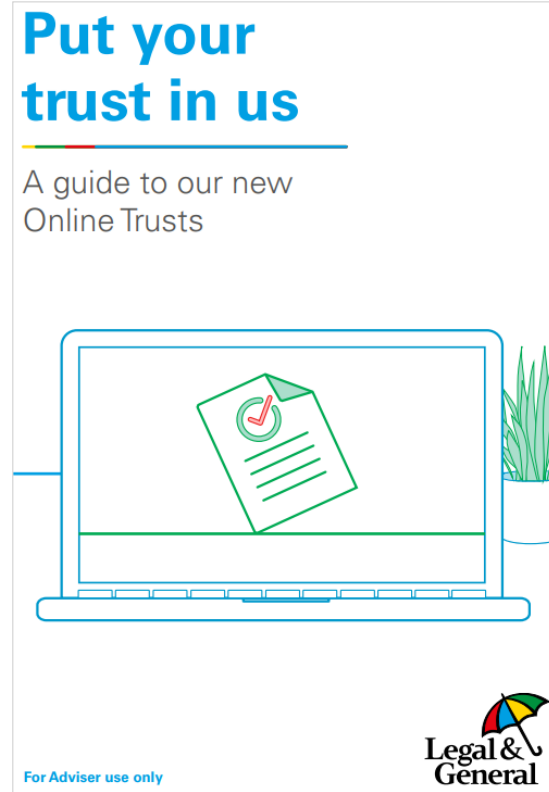
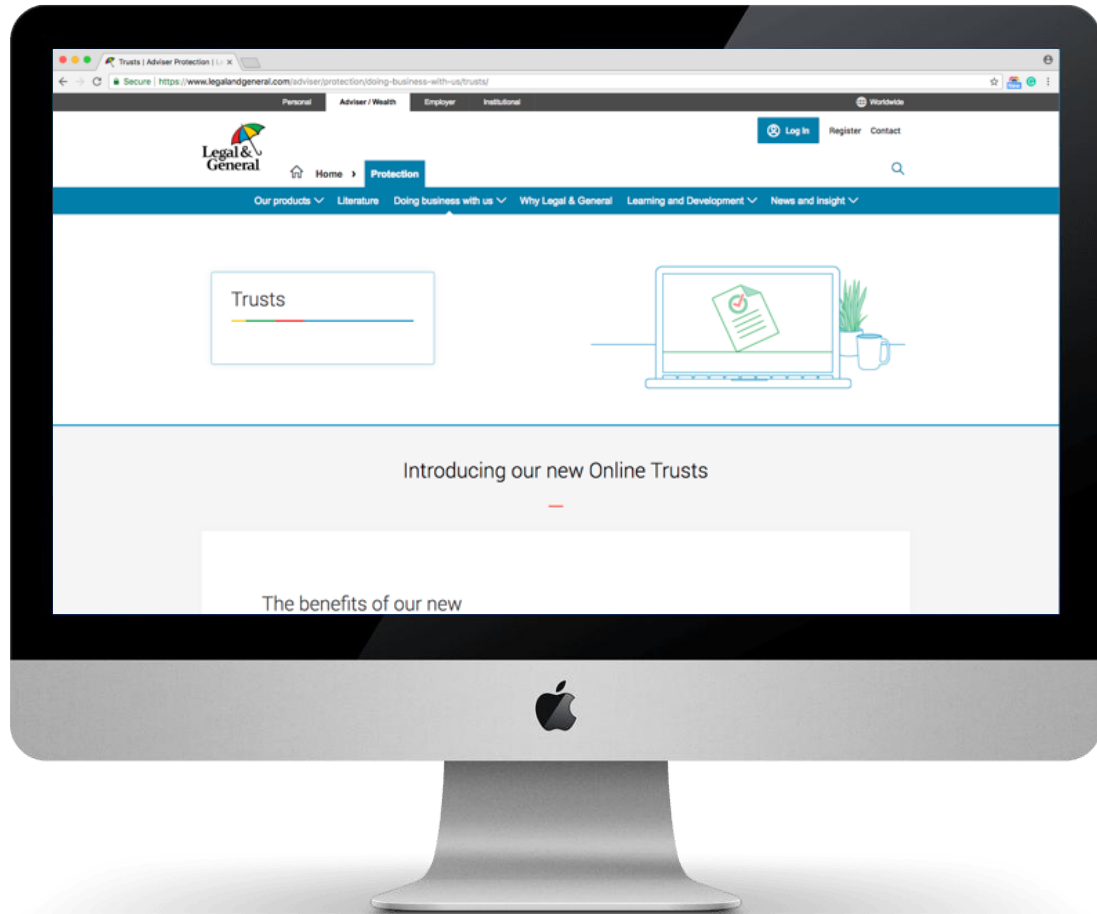
Reduce inheritance tax

Avoids
foreseeable
harm

Enhancing
your
relationship

Build your
client bank

Putting a policy under trust



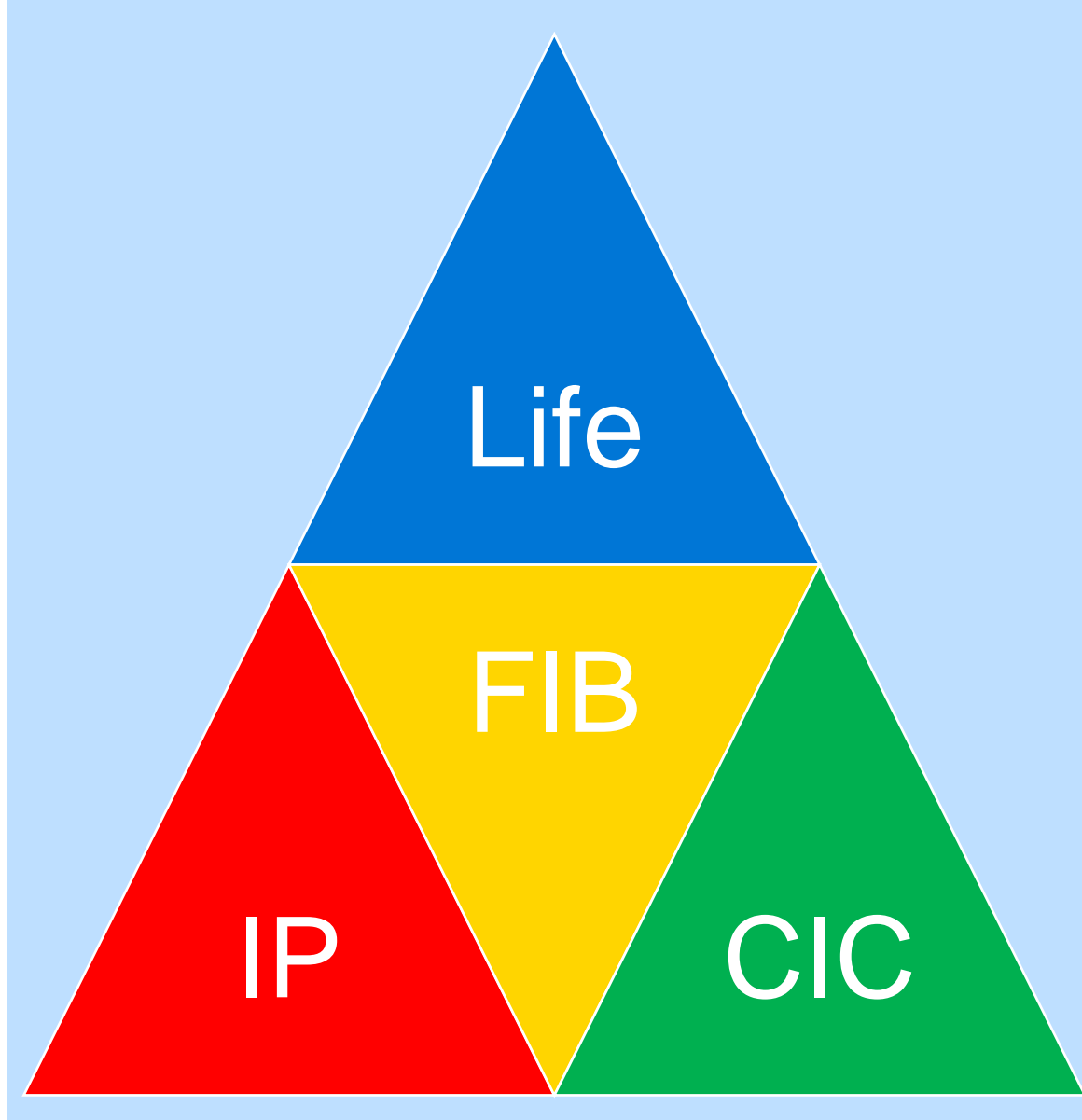
Over **6,000** estates - worth **£709m** - included life insurance policies **£280m** of IHT may have been unnecessarily paid

Fast forward 15 years

- Dan and Nicky are now married with Children
- Re-mortgaging for the 4th or 5th Time
- Owns his Business with a business partner
- Focus on retirement –
 - Making significant Pension contributions from business profits
 - Funding ISAs

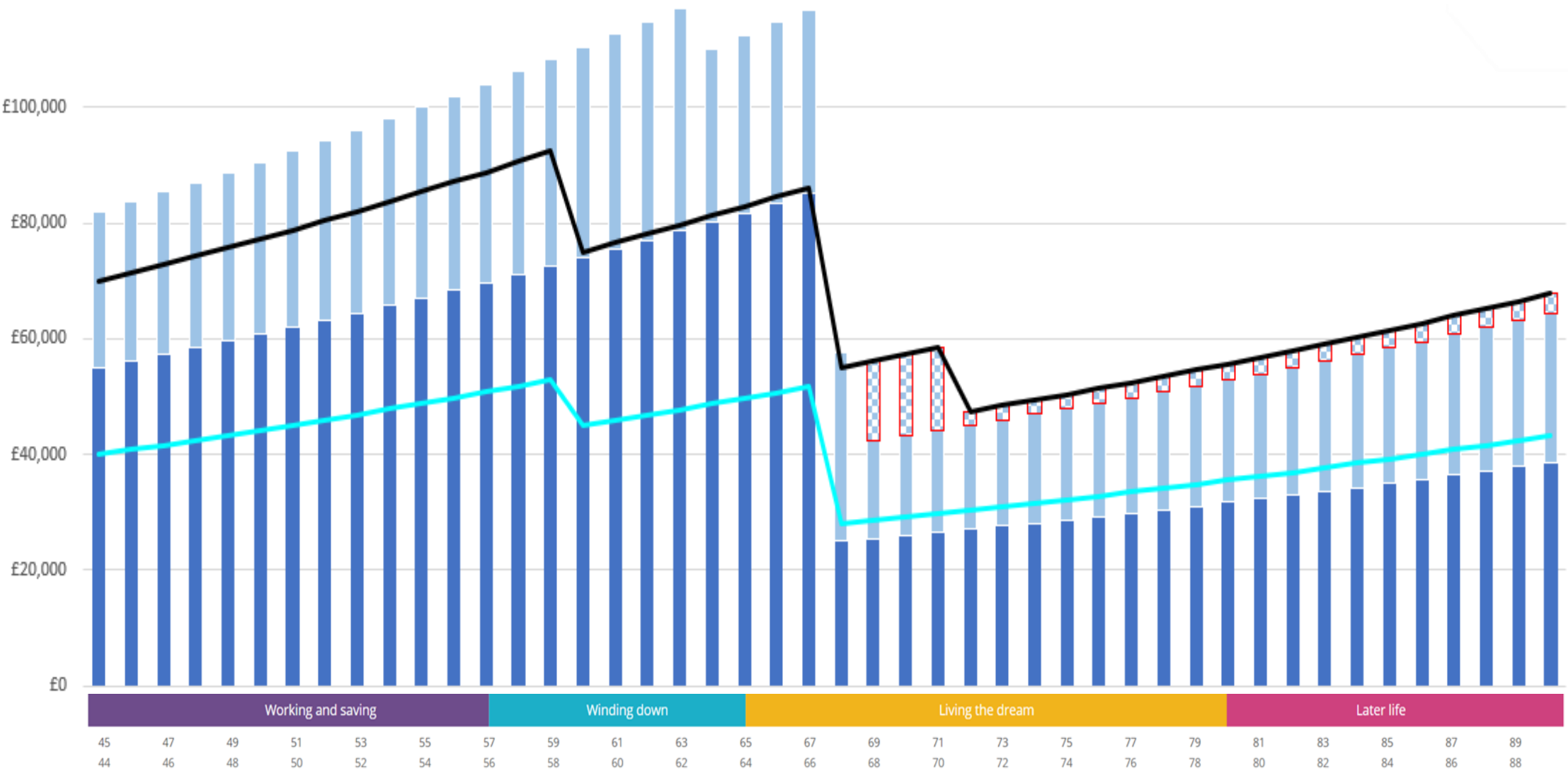


What does good look like now?

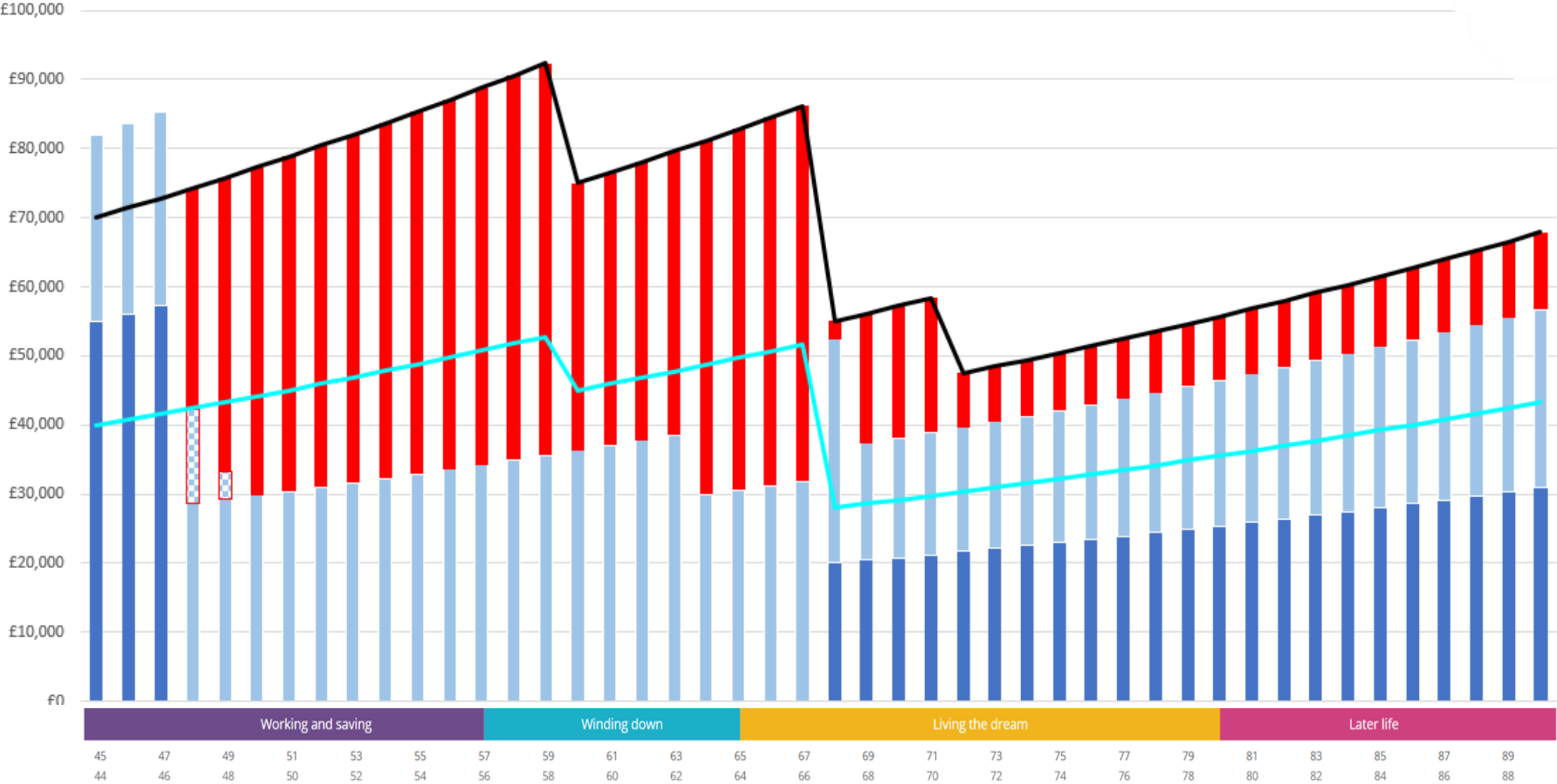


- Joint life cover to pay off mortgage
- Single life & CIC
 - Dependents
 - FIB
- Income Protection
 - Full term or limited?
 - Mortgage, Bills, Max Benefit
- Trusts
- Relevant Life, Exec IP
- Co-owner/Key People

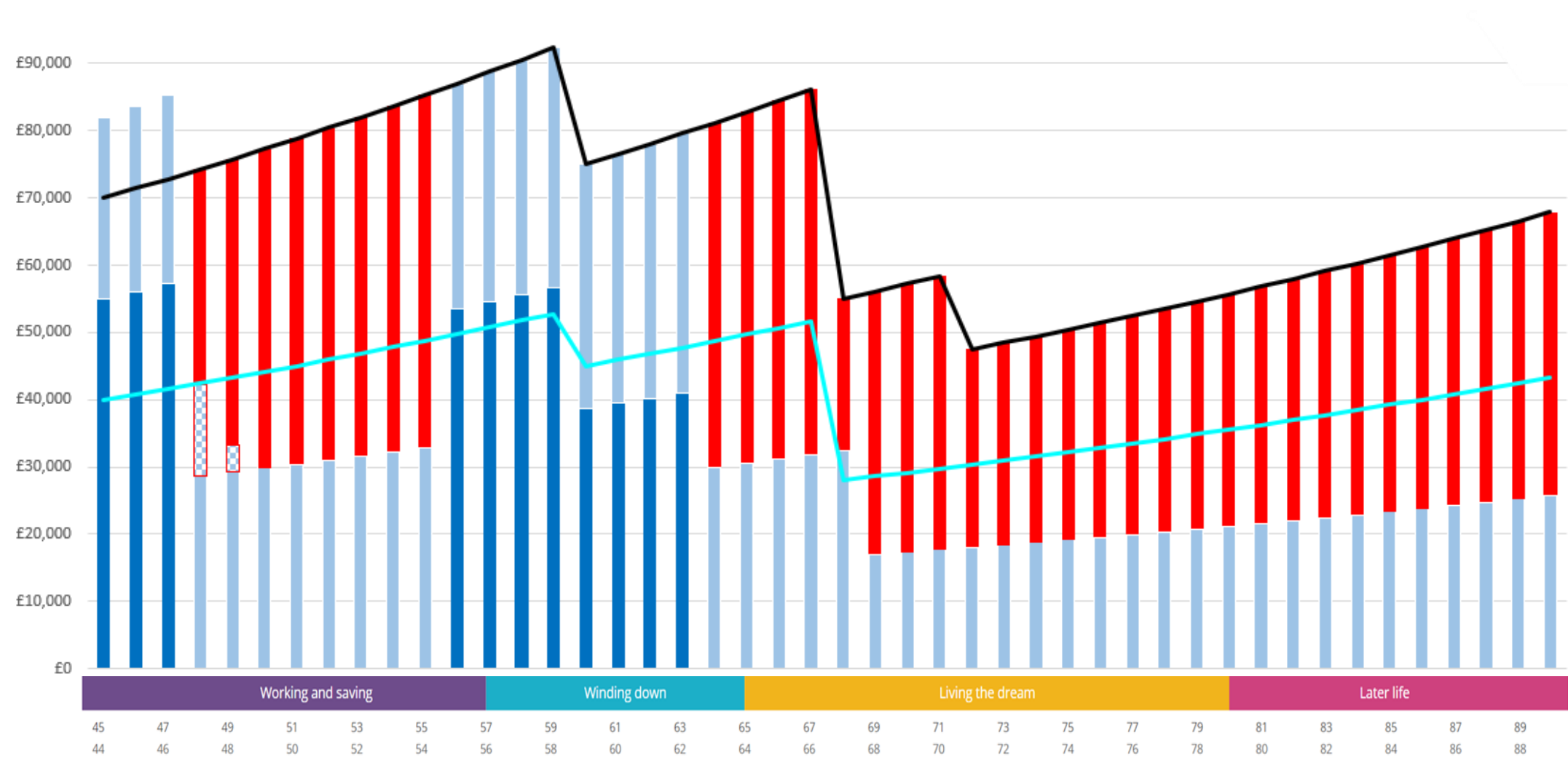
Cashflow model



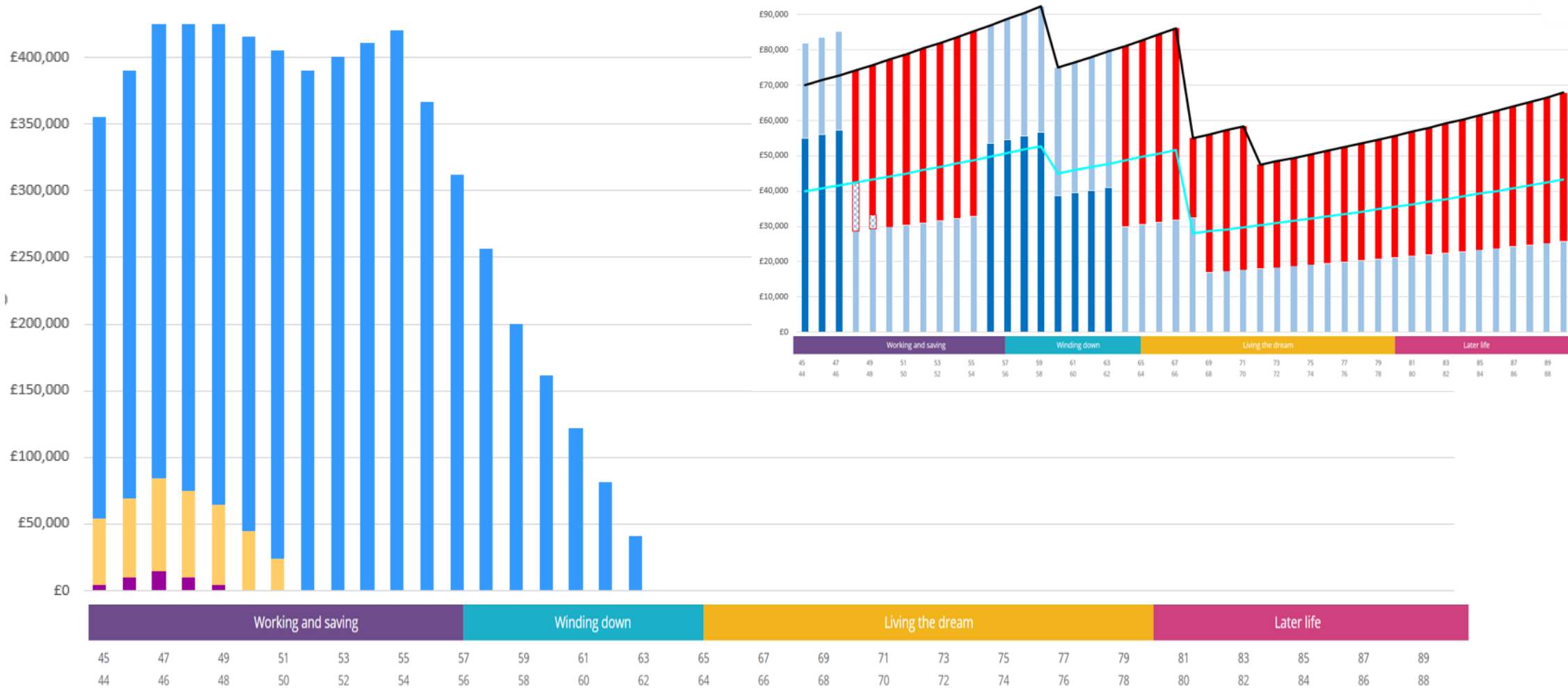
Cashflow model – Income stops



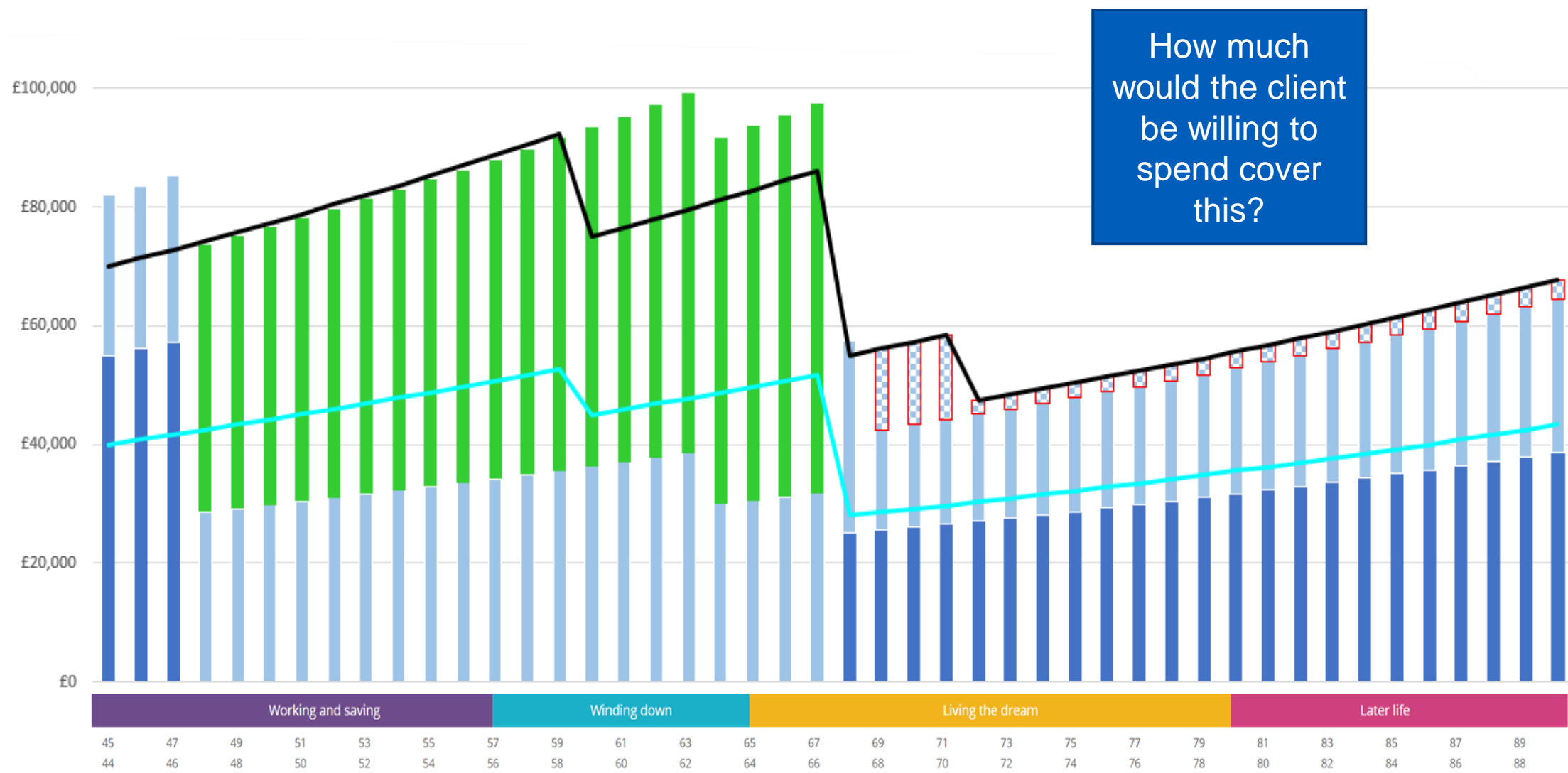
Cashflow model – Income stops



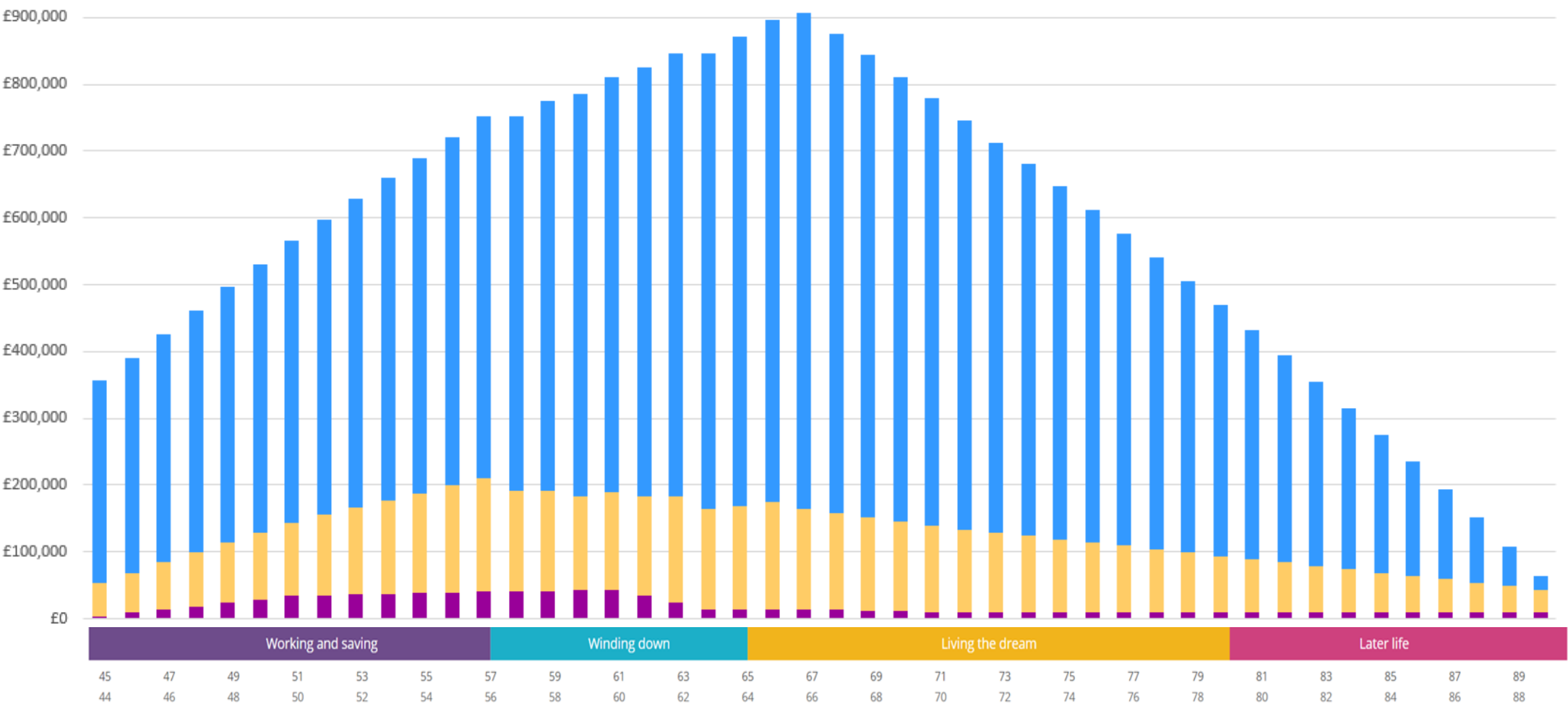
Assets under management – Clients’ income stops



Cashflow model – Income covered



Assets under management – Income covered



What are the chances – The Business ?

Your details

Name

Age
18 75

Gender
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☒ Male ☐ Female

Smoker
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☒ No ☐ Yes

Retirement age
55 75

Your partner's details (optional)

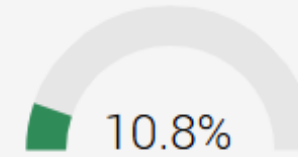
Name

Age
18 75

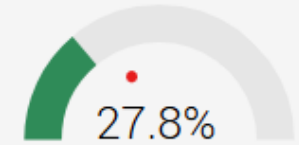
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☐ No ☒ Yes

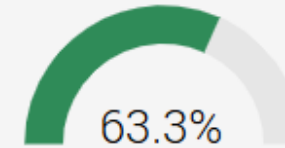
Retirement age
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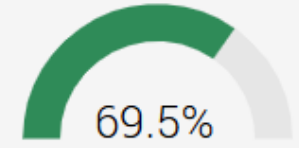
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Helping your clients run their business as usual

Business protection helps your client stay in business if they lose an owner or a key employee.

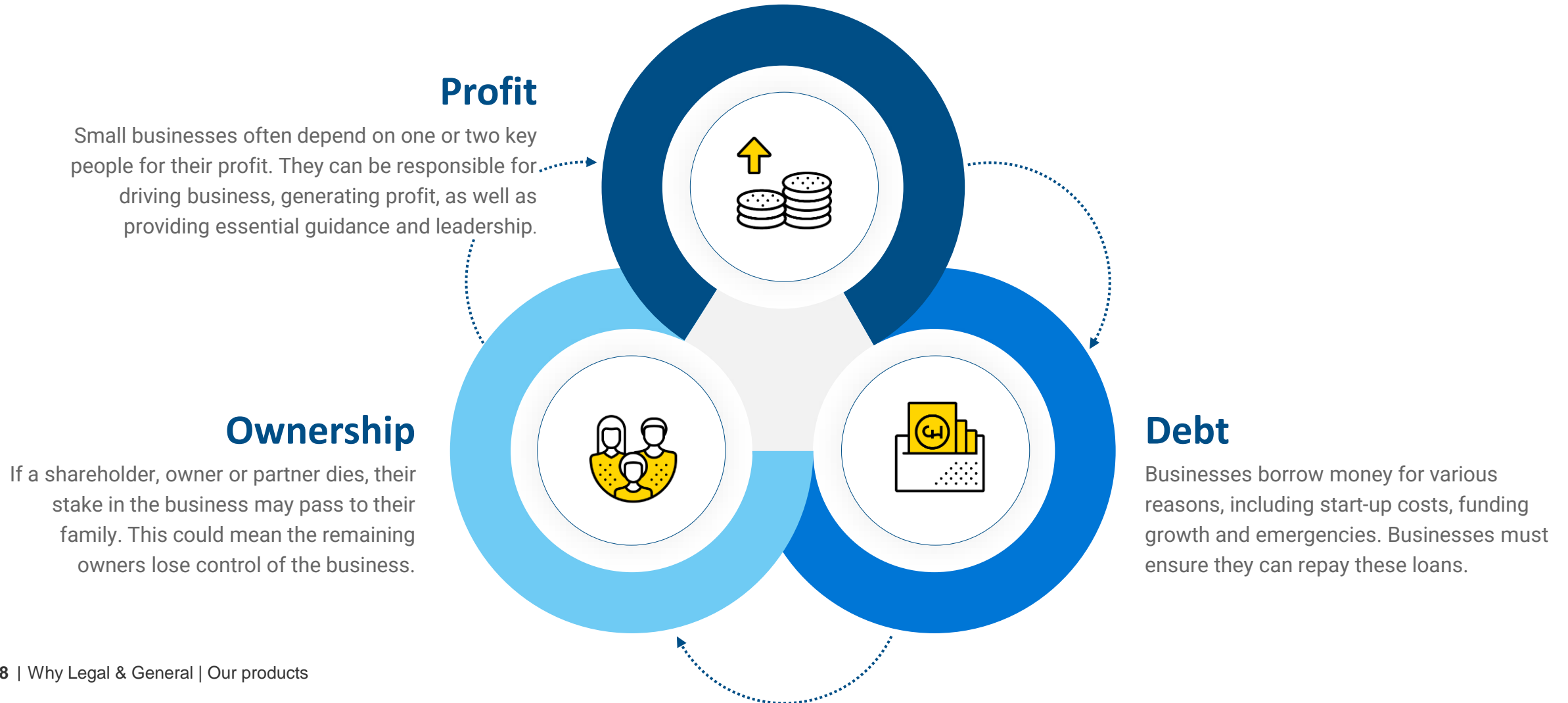
It can help cover the cost of hiring a replacement, repay debts or find the funds to buy shares from a deceased owner's estate.

We offer the following plans:

- Key Person Protection
- Key Person Income Protection
- Business Loan Protection
- Share Protection
- Relevant Life Plan
- Executive Income Protection

What does this cover do

Safeguarding SMEs in three areas, lessening the financial impact of unexpected events.





Umbrella Benefits

A range of added-value services and optional benefits that keep on working for your clients, to help against the unexpected.



Wellbeing Support



- Personalise emotional and practical support
- Dedicated registered nurses
- Included as standard with personal policies and business protection



Rehabilitation Support Service



- Tailored return-to-work support
- Trained, clinical experts
- Included as standard with income protection policies



Care Concierge



- Help to navigate later-life care options
- Confidential telephone advice



Thank you

