

# HAVE YOU HEARD?

John Hancock  
LIFE INSURANCE

## REAL SALES IDEAS. REAL RESULTS.

### “Locking in” your Sale

Does that pique your interest? Three little letters: TIA. You might be thinking, Temporary Insurance Agreement? How can that possibly lock in my sale? And doesn't every carrier have one?

The answer to the first question is YES, a TIA can help “lock in” your sale and we will explain. And NO, not every carrier has one. Many carriers have conditional receipts, but ours is a true temporary insurance agreement and we will share with you HOW and WHY it is important to you for many of your life sales.

#### How does it work?

- We will provide 90 days' temporary insurance coverage up to a maximum of \$1M on individual, \$5M on Survivorship, providing the following conditions are met:
  - The answers to all questions on the TIA are “No”
  - The insured is between 20-70 years old
  - The total amount of insurance doesn't exceed \$10M on individual and \$15M on survivorship
- If those conditions are satisfied, then to put the TIA into effect the agent submits a signed application and completed TIA agreement along with a check for 1/12<sup>th</sup> the annual planned premium for the product applied for. (If \$12K annual premium, then \$1K would need to be collected.)

More than 15 years ago in the life insurance industry, all agents **had** to collect checks, so this should be old hat for many of them. This process provides “locked in” insurability.<sup>1</sup>

#### What does this mean to you?

Now here's why it is an almost guaranteed sale for the producer: Because **the majority** of clients that write a check for a TIA place the policy.

- Think about it from a consumer point of view – if you put money down on anything from buying a car, to a home, to an expensive piece of jewelry, in your mind you've purchased that product. The mindset is the same here.

#### The powerful impact of the TIA ... Take a look at this example:

A former agent, now turned carrier executive, sold life insurance to his 50-year-old sister. She applied for \$1M of individual coverage on her life. He took the signed application, completed TIA and required premium on a Wednesday, and the paramed was scheduled for the following Tuesday. However, on Saturday, she had emergency surgery for a cerebral aneurysm.

Because of the TIA, it made all the difference in the world with the woman's estate planning.

**Without a TIA, this case would have been postponed. However with the TIA – and because the client was able to correctly answer “No” to all the questions in the TIA Agreement – her insurability was protected and we would be able to issue her a \$1M policy at Standard.<sup>1</sup>**

# HAVE YOU HEARD? HAV

## What if you had to tell your client that they were no longer allowed to buy the insurance they were planning to buy? What would they say? What would they do?

It **can** happen.

Nothing is scarier than waking up early in the morning and seeing that you have three missed calls on your cell phone from your mother. It is never good news. John Smith picked up his phone and quickly called his mother and learned that his father, while driving to pick up a coffee, was in a car accident resulting in serious internal injuries. John's father was going to be ok, but it certainly scared his entire family and affected his father's insurability, as he did not have a TIA.

*Then, John realized, he had a life insurance application pending on his father's life – pending, but not yet placed in force.*

As a result of this accident and in light of the new medical condition, the case was postponed by underwriting for three-to-six months to assess the nature of his father's injuries and recovery, and the preliminary Super Preferred offer will unlikely be available. Even though John's parents

are only in their mid-60s, they have been retired for a number of years and John had planned on placing some much needed insurance coverage on his father. All this planning now has to be put off until his father's medical condition improves, and even then, the premium requirement will increase due to changes in his underwriting classification and the new attained age of John's father.

This delay in planning, increased cost, and stress could have been avoided if John had simply submitted a completed Temporary Insurance Agreement and check with his father's signed application. Prior to this accident, John's father would have been able to answer "No" to all the health questions on our TIA agreement.

Who knew that one brief form would have locked in his father's insurability during the underwriting process and protected his family's ability to obtain insurance protection?

As an agent it is important to protect the interests of your clients – and a TIA can help protect your clients' insurability during the application process, while also helping to lock in the commitment to the purchase.

Click to [TIA parameters flyer](#)

### **For Agent Use Only. Not for use with the public.**

1. Changes in insurability as a result of a new event occurring after the TIA is executed and while the TIA is in force will be treated as follows:
  - i. John Hancock will issue a policy for the amount applied for up to a maximum of \$1,000,000 for an individual policy, and \$5,000,000 for a survivorship policy, based upon the proposed insured's health history, as of the date the TIA money was accepted by the company.
  - ii. If the amount applied for exceeds the maximum coverage provided under the TIA, the excess will be underwritten taking the new history into account.

Note: any pre-existing conditions and findings on the routine medical requirements will be considered in determining eligibility for the TIA benefit. The TIA will expire and money will be refunded 90 days after the Temporary Life Insurance Receipt and Agreement (NB5004) is signed if underwriting is not complete, or if the TIA is terminated.

Insurance products are issued by John Hancock Life Insurance Company (U.S.A.), Boston, MA 02116 (not licensed in New York) and John Hancock Life Insurance Company of New York, Valhalla, NY 10595. MLINY040213019