

Let's Talk

Let's Talk: Help clients *secure* their loved one's futures

It's about defining and protecting what clients value most.

Helping people preserve what they've worked hard to build is one of your main goals — and probably one of the ways you've built a reputation as a trusted financial professional. Though you understand that talking about and planning for the future can lead to a greater sense of security, clients often put off these important discussions for any number of reasons. You can help clients see the importance of talking and planning, and build a relationship of trust, if they, and you, know the answers to certain questions.



- Who and what would they like to protect when they pass away?
- How do they want their family to live after they die?
- If married, have they spoken with their spouse about what would happen when they pass away?
- Do they have causes that they would like to support?
- If they aren't married, do they have family members that they would like to take care of?

How can you help your clients have conversations, so your advice and suggestions are relevant, actionable and above all else, *meaningful*?

Encourage clients to talk with the people they love about what they want to happen if they die unexpectedly. *Think* about how those conversations may help you and your clients create a plan to secure their financial futures.



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The *Let's Talk* website (genworth.com/lets-talkadvisor) gives financial professionals additional tools to start the conversation and help guide clients and prospects through their own discussions.

Here's your opportunity

LIMRA's 2010 "*Trends in Life Insurance Ownership Study*" paints an interesting picture:

56%

More than half¹ of U.S. households **do not have** individual life insurance

40%

Four in ten households with children under age 18 would have **immediate** trouble paying for their everyday living expenses if the **primary breadwinner** died

80%

Eight out of 10 households **don't** have a life insurance agent or broker

25%

One in four people **plan** to buy life insurance in the next **year**

Nearly half of U.S. families with children recognize that they would have financial difficulty if the breadwinner died, yet more than half do not have individual life insurance. Half of U.S. households (58 million) recognize that they do not have enough life insurance and say they need more. And though a quarter of U.S. households plan to buy life insurance in the next year, they don't have an agent or broker to call. This is where you come in.

Understanding these realities and opportunities –

Genworth developed *Let's Talk* with two goals in mind: to help clients begin thinking and talking about what they most want to protect; and to help producers encourage and guide their clients through having these discussions and towards creating plans that will help them achieve their goals.

¹LIMRA, U.S. Life Insurance Ownership at Record Lows, 2010

Help Get the Conversation Started

When it comes to determining what matters most in their lives and what they would want to happen if they were to die prematurely, clients may automatically assume that they're on the same page as their loved ones. Unfortunately, that's not always true. And, in many cases they have not had the conversations around this topic with their loved ones.

The good news is that you are in a unique position to help get them on the same page. By encouraging your clients to have those conversations and providing them with guidance, you can help them build plans to help protect what they love most, even beyond their years.

Let's Talk



Using the Let's Talk Consumer Tabloid

Steer your clients to the information most relevant for them; this quick guide outlines what you'll find in the corresponding Let's Talk Consumer Tabloid.

Pages 2 and 3 *Stress the importance of the conversation*

Remind consumers to stop and take stock of what is important in their lives and ask them to consider several questions – including how they would like their loved ones' lives to unfold if they were to die prematurely. The importance of having conversations with their loved ones – sharing and listening – is introduced.

Pages 4 and 5 *Help clients initiate conversations with the “right” people*

Provide fresh perspectives on talking about what your clients want to happen after they are gone. These pages also introduce a broader idea of who to include in the conversations.

Pages 6 and 7 *Get clients thinking about coverage and how people communicate*

Introduce the “what if” conversations that could lead your clients to think about the protection that they have in place.

Given the fact that many people are uncomfortable having these discussions, we delve into some common personality types, how to deal with them and speaking with children.



*“...you can help them
build plans to help protect
what they love most...”*



“Life insurance gives the people you love the ability to make decisions that are not based solely on financial considerations.”

Pages 8 and 9 *Ask what clients and their loved ones need — now and later*

Focus on how your clients, including your clients who may not be married or have traditional “dependents,” may want to think about how they want to be remembered.

There is a constructive exercise that will help your clients think about what expenses they would want covered and the right amount of life insurance protection for them.

Pages 10 and 11 *Raise questions about women-specific planning and workplace coverage*

Discuss the importance of planning for women and provide interesting data about people who have experienced the death of a loved one and how it impacted their financial situation.

Interesting points to consider about workplace coverage are raised.

Pages 12 and 13 *Emphasize the importance of regular plan reviews and updates*

Highlight the importance of reviewing coverage on a regular basis with a financial professional.

These pages remind your clients that life changes and they should be ready to change their plans if necessary and, if married, not to assume that they know what their spouse would want.

Pages 14 and 15 *Offer next steps in the planning process*

Provide a few simple next steps for your clients to get started in their planning. Advice from actual beneficiaries provides great insight with the benefit of hindsight.

Page 16 *Encourage clients to follow up with you*

Rounds out the piece by reminding consumers to speak to a financial professional to help secure their financial future.

You Talk

A Simple Approach:

- ① Use *Let's Talk* to initiate conversations with anyone – whether they have some coverage or none at all.
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What you might say to *people who have some insurance...*

“It’s important that you review your coverage regularly. Have your long-term goals changed or have you added items to your list? Has your household changed? Your life and your loved ones’ lives are constantly evolving, adapting, changing — so should your policy.”

What you might say to *people who have insurance through their employer...*

“Insurance through a benefits package may be limited and buying additional coverage through your employer can be more expensive than buying it outside the workplace. Plus, your policy may not be portable, so if you leave your job, your coverage doesn’t go with you. Sometimes a policy on your own is better — the price is determined by your age and health and not the pool of your coworkers.”

What you might say to *people who have no insurance...*

“Having life insurance can help ensure that one of life’s most emotional times isn’t also full of questions and confusion. It helps protect the life you and your family have built after you’re gone. Even if you do not have dependents, you may want to consider some level of coverage to take care of loved ones and help causes that you care about.”

What you might say to *couples with coverage for only one person...*

“If income goes away — whether it’s his or hers — it either needs to be replaced or some lifestyle changes may need to occur. Too often, it’s assumed that only the man or primary breadwinner needs to be insured, but this notion is shortsighted. Many households today

rely on two incomes, and a loss of either could have serious consequences. If there is a stay-at-home parent, it’s because the family places significant value on that role; having the financial means to fill the day-to-day responsibilities of that role, if it becomes necessary, is vital. Replacement income has no gender.”

- ② Remember other uses for life insurance.
-

Couples with children aren’t the only people who benefit from life insurance. Life insurance is an important part of any financial plan, it may help with:

- Business owners who want their businesses to continue
- Single people who want to leave something for their parents, siblings, cousins, friends or other loved ones if they’re outlived
- People who want to give to a favorite charity they otherwise couldn’t afford
- Couples without children who want to ensure their spouse or partner is cared for

- ③ Introduce *Let's Talk*.
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“I have a magazine that I think you will find interesting and informative. It’s designed for people who are thinking about life insurance. It has good tips and useful information that will help you consider aspects that you may have overlooked or may want to consider thoroughly.”

- ④ Suggest next steps.
-

“Please, take the magazine home and look it over with your loved ones. Take some time together to discuss items in the magazine that resonate with you. There are lots of jumping-in points to help you get this conversation going. Let’s set up some time to review what you discussed and use it to develop your protection plan. Those conversations may help determine what kind and amount of life insurance coverage is right for you. They may also help us review any existing coverage with a new lens.”

They Talk

Let's Talk helps your clients and prospects prioritize the things in their life that *matter*

Ask clients

- What, or who, in your life takes precedence over everything else? Do you have more than one thing at the top of your list?
- Do you have special causes or charities that you've always wanted to support but couldn't afford it in your budget?
- Who should be included in your family's plan? Should you include close friends, older children and godparents in your discussions, or ask for their input?
- If you had a life insurance policy, what would you want it to cover?

Overcome common objections

1. Perceived cost

They say: "I'm not sure we can afford life insurance premiums."

You say: "Think of life insurance as a journey- just like saving for college or retirement. Buy what you can afford now, and as your budget increases and needs change, you can add and adjust coverage. Creating the life you want doesn't happen over night, so it's important that you have protection along the way, not just when you reach your destination. Life insurance gives the people you love the ability to make decisions that are not based solely on financial considerations."

2. Competing Priorities

They say: "If we have any money, we put it toward our son's college fund/extra mortgage payments/credit card bills."

You say: "It's important to pay for these things, but it's also important to make sure those you leave behind can pay for them, too. Your credit card and student loan debt doesn't disappear when you pass away. Planning for outstanding debt might mean your loved ones won't have to dip into savings, or go back to work. It will be a very difficult time no matter what and the idea is to make sure that your passing doesn't carry the additional weight of significantly altering your family's financial picture."

3. Knowledge gap

They say: "I don't understand how life insurance works."

You say: "What questions or concerns do you have that I can address? It's not necessary for you to be an expert on every product available, but it is important that you be an expert on what matters to you and your loved ones so I can recommend the best solutions for your situation."

4. Existing coverage

They say: "I already have life insurance."

You say: "It's great that you recognize the need to have coverage; however, it's also important to make sure that your coverage matches your needs. People who reviewed their policies annually were more likely to use their life insurance income for savings and long term needs². Some experts use the guideline of between five and ten times your annual salary to suggest how much coverage you need. But there isn't a one-size-fits-all strategy. Your unique situation calls for a unique plan."

Explain the benefits of *Let's Talk*

The centerpiece of *Let's Talk* Life is a consumer magazine, with information, tips, guidelines, stories and tools to help clients or prospects and their families have open and honest conversations about protecting what matters most and how life insurance can help them achieve those goals. Use the magazine to help existing or potential clients get the ball rolling with their families.

Suggest that your clients consider making a list

Making a list of priorities helps bring a plan into focus, and meeting with you helps a plan become reality. Direct clients and prospects to the list on Page 9 in the Consumer Tabloid to aid them during their discussions.

Help your clients take the guesswork out

Ask your clients and prospects if they know how their spouse would want to live if they passed away and vice versa. Remind them that it's better to discuss what they would want for the other and know instead of guessing.

² Genworth Life Beneficiary Study, September 2010

Create a plan. Create a *relationship*.

Two scenarios: One professional who *did not* have the conversation, and one who *did* have the conversation

Assumptions instead of discussions

Adrienne and her Aunt Gin had always been especially close. Over the years they'd enjoyed many family get-togethers in the beautiful old Victorian home that was Aunt Gin and Uncle Hal's pride and joy. When Hal passed away, the upkeep of the property quickly became too much for Gin. The whole family watched her struggle without complaint until finally Adrienne sat her down for a heart-to-heart. "Is this what Hal wanted? For you to wear yourself out keeping the house up?"

It turned out they'd never talked about it. Gin had just assumed Hal had wanted her to continue living there. "I think he would want you to enjoy your life." Just hearing the words helped Gin move on, free of guilt, and into a new way of life. Now she lives in a nice condo and watches somebody else mow the lawn.

Adrienne soon had a heart-to-heart with her own husband.

Keeping the plan in place

Andrew and Catherine had three children and Andrew ran his own small landscaping business. Some years were better than others and although Andrew had finally been persuaded to buy a life insurance policy, a number of times he approached his agent about canceling it. But the policy had been accumulating cash value and his agent showed Andrew how to use that cash to keep paying the premiums until business got better.

At age 42, Andrew died suddenly. Because he had purchased the policy and managed to keep it, his family's financial situation was not compromised when he died. His family was even able to set aside some money toward the kids' college education.

Acquiring a life insurance policy had been important, so figuring out how to keep it, though not always easy, was critical.

Possibly the *most important conversation* clients or prospects will ever have

Having conversations about topics like death and uncertainty is never easy. It can be even more uncomfortable for you, a financial professional who may feel you are "forcing" a level of intimacy on your clients. But it is important that you help them have these discussions with loved ones, so that you can help them formulate a relevant plan. Some may even welcome the gentle nudge to get started on what they have probably been procrastinating. Use the *Let's Talk* materials to get the ball rolling. You'll be glad you did.

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