



# Writing an Informative Cover Letter

In the past, life insurance carriers have suggested the producer attach a cover letter explaining the details around the sale. Today, most carriers expect a cover letter and these have proven to be one of the keys to success. A good cover letter is your opportunity to explain your sale directly to the underwriter. The following topics should be covered whenever possible:

## **What is Your Relationship With Your Client?**

State how well you know your client in terms of years and how often you see this client. Are your meetings held in a business setting or do they have more of a personal touch?

## **Introduce Your Client**

What is your client's occupation? How long have they been in this business? Tell the underwriter in a brief statement who your client is so they can picture this person as a successful business owner or key employee.

## **What Is The Purpose of The Insurance?**

Discuss what your client has in-force currently, how you determined the face amount and the plan for coverage. Attach documentation for the estate analysis you prepared for the client so the underwriter can see how the amount was determined. State annual income, bonuses received and outline the future business opportunities which will show the sale is financially sound.

## **Insurance In-force/Replacement and Why**

Outline the insurance the client has in-force and why the policy or policies are to be replaced. This is also a good time to state the rate these policies were given originally.

## **Medical Information and Family History**

Briefly outline the medical history of the client and how well he is managing his care. It is also a good idea to include "lifestyle" commitments to good health (see the list of Lifestyle Credits) which include healthy practices such as running, walking, exercise routines, and a list of vitamins taken regularly.

## **Current Medications**

At times, the medical records we obtain can lead to confusion with regard to the medications the client is currently taking. List them and include the reason these medications were prescribed, as some medications need clarification. For example, blood pressure meds are also given to "heart" patients. Therefore, clarification is beneficial.

## **Owner and Beneficiary**

Clearly state who the owner and beneficiary is and why. Why is this policy necessary in the event of an untimely death of your client?

In summary, cover letters have proven to be a valuable underwriting tool. If the underwriter clearly understands the purpose of the coverage, we will be more successful in obtaining our desired outcome.