



PROFORMEX CASE STUDY:

Equitable Advisors

Advisor leverages Proformex to help client achieve optimal outcomes through a policy exchange



“Proformex is a gamechanger for me in that life insurance is something that still needs to be sold. I wanted to take the salesmanship out of it, and that’s what this system does. It’s not Randy Hester, or Joe Smith, or Susan Jones telling our policy holder “This is a better product”; it’s Proformex giving them a clear snapshot of what they have. Rather than approaching this from the perspective of a salesman, I can now approach my clients as an advisor, and Proformex gives me that credibility.”

Randy Hester, Managing Member, Universal Insurance Group, LLC

Randy Hester, Managing Member of Universal Insurance Group, LLC, received an orphaned policy and needed to introduce himself to the policyowner. Before calling any of his clients, Randy likes to gather as much information about the policyholder and their contract(s) as possible to gain a better understanding of the client’s policies and circumstances. While investigating this new client, Randy learned that the policyowner had been paying all his premiums on time for the past three decades. He’s what most in the industry would consider a model policyowner. However, the cash value of the insured’s VUL was nowhere near what Randy would have expected, considering the actual market performance and the history of on-time payments. Randy knew he needed to dig deeper, so he requested a current inforce illustration on this policy.



EQUITABLE

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THE SOLUTION

Randy leveraged Proformex to conduct a policy review and discovered the lapse age on the policy was drastically lower than he expected – more specifically, this policy was projected to lapse at his current age, 77. Life insurance has testing constraints (to make sure it qualifies as life insurance) and this policy was written using the guideline premium testing (GPT). These constraints on the policy existed unbeknownst to both Randy and his policyowner. Basically, this policy would not accept the scheduled premium in the very near future; therefore, returning these monies (premium paid) to the policyholder!

Thanks to the product alternatives illustrated in the policy review Randy pulled from Proformex, he was able to have a data-driven conversation with this new client and replaced his policy with a policy that fixed the premature lapse age, extended the policy well past life expectancy and added flexibility, allowing the policyholder to discontinue making premium payments in retirement.

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