**HP PRO 5**
Presented by KloJo Real Intelligence

PAGE 1

PROTECTION STRATEGY BLUEPRINT

# TERM LIFE INSURANCE

## PROTECT THE PAYCHECK

### PRODUCT DEFINITION

Term Life Insurance is life insurance designed to provide protection for a specified period of time, known as the policy's term. Unlike Whole Life Insurance, which is designed to address permanent financial needs, Term Life Insurance is intended to protect temporary financial responsibilities. Because it generally provides the greatest amount of coverage per premium dollar, it is often used to maximize a family's protection while remaining within their monthly budget. Renewable & Convertible Term products also provide future flexibility by allowing eligible coverage to be converted to permanent insurance according to the policy provisions.

### THE GLOBE LIFE: AIL TERM FAMILY

| PRODUCT | RENEWABLE | CONVERTIBLE | PRIMARY PURPOSE | TYPICAL HP PRO USE |
|---|---|---|---|---|
| 4-YEAR R&C | ✓ | ✓ | Short-term flexibility | Stand-alone protection |
| 10-YEAR R&C | ✓ | ✓ | Monthly Income Replacement | MOST COMMON RECOMMENDATION |
| 20-YEAR TERM | – | ✓ | Long-term temporary protection | Young families |
| TERM TO 100 | Policy-specific | Policy-specific | Specialized planning | Advanced planning |

**KLOJO NOTE:** The 10-Year Renewable & Convertible Term (10YRC) is the product most commonly recommended in HP Pro because it provides excellent affordability, flexibility, and future conversion opportunities.

### WHAT PROBLEMS DOES TERM INSURANCE SOLVE?

- MONTHLY INCOME — Paycheck Protection
- MORTGAGE BALANCE — Mortgage Protection
- CREDIT CARD DEBT — Debt Protection
- AUTO LOANS — Loan Protection
- COLLEGE EXPENSES — Education Protection
- BUSINESS DEBT — Business Continuity

### HOUSEHOLD STRATEGY ENGINE

The Household Strategy Engine automatically converts the client's:

- Hourly Wage
- Annual Salary
- Bi-Weekly Pay

into a **MONTHLY INCOME FIGURE** using the information collected during the Needs Analysis.

That monthly income becomes the foundation for calculating the client's Monthly Income Replacement Benefit.

### INCOME PROTECTION OPTIONS

The Monthly Income Replacement Benefit can be designed to protect:

6 MONTHS · 12 MONTHS · 18 MONTHS · 24 MONTHS · 30 MONTHS · 36 MONTHS · 42 MONTHS

48 MONTHS · 54 MONTHS · 60 MONTHS · 66 MONTHS · 72 MONTHS · 78 MONTHS · 84 MONTHS (7 YEARS)

**HP PRO TIP:**
Term Insurance is the most efficient way to maximize coverage for temporary needs while keeping premiums affordable.

PAGE 2

### PROTECTION STRATEGY

**PERMANENT NEEDS** — Require permanent solutions. → **PROTECTION STRATEGY** — Match the solution to the time horizon. → **TEMPORARY NEEDS** — Require temporary solutions.

**The objective isn't to recommend a product. The objective is to build the most appropriate protection strategy for the client.**

### EXAMPLE

| | |
|---|---|
| HOURLY WAGE | $30/hour |
| ANNUAL INCOME | $62,400 |
| MONTHLY INCOME | $5,200 |
| CLIENT CHOOSES | 36 Months |
| **MONTHLY INCOME REPLACEMENT NEED** | **$187,200** |

*Illustrative example demonstrating the **Household Strategy** Engine calculation.*

### EXAMPLE PROTECTION STRATEGY

| PRODUCT | COVERAGE |
|---|---|
| WHOLE LIFE | $34,999 |
| 10-YEAR RENEWABLE & CONVERTIBLE TERM | $152,201 |
| **TOTAL PROTECTION** | **$187,200** |

### WHY THIS STRATEGY WORKS

**FOR THE CLIENT**

- Permanent protection for lifelong needs
- Greater total death benefit within budget
- Flexible future conversion options
- Income replacement during working years
- Protection for mortgage and temporary obligations

**FOR THE PRODUCER**

- Whole Life serves as the base policy
- Efficient protection design
- Helps maximize appropriate coverage
- Creates a balanced protection strategy
- Aligns long-term client value with sound policy design

### KLOJO REAL INTELLIGENCE INSIGHT

One of the biggest misconceptions newer producers have is believing that every insurance need should be solved with permanent life insurance. Experienced producers understand that different financial responsibilities have different time horizons, and the protection strategy should reflect those differences.

Funeral expenses are permanent. A mortgage is temporary. Raising children is temporary. Replacing a paycheck during a family's working years is temporary. Rather than forcing one product to solve every problem, experienced producers build a protection strategy that matches each financial responsibility with the appropriate solution.

In many HP Pro recommendations, Whole Life creates the permanent foundation by addressing final expenses and preserving the family's Freedom of Choice. Renewable & Convertible Term is then used to protect income, the mortgage, debt, and other temporary obligations while providing future flexibility through its conversion features.

The objective is never to maximize commission or simply recommend a product because a client qualifies for it. The objective is to design a protection strategy that gives the client the right combination of permanent protection, temporary protection, affordability, and flexibility. When the strategy is built correctly, both the client and the producer benefit.

### PRESENTATION CONNECTION

When discussing Term Insurance with a client, don't begin by talking about insurance.

Begin by talking **about their paycheck.**

Once the client recognizes the financial impact of losing their income, the product naturally becomes the solution instead of the focus of the conversation.

**CLOSING PRINCIPLE**

## PROTECT THE PAYCHECK.

WHOLE LIFE PROTECTS WHAT IS **PERMANENT.**
**TERM INSURANCE** PROTECTS WHAT IS **TEMPORARY.**
TOGETHER THEY CREATE A **COMPLETE PROTECTION STRATEGY.**