



Lenders Insurance Solutions Group LLC

Identifying Payment Protection Needs

We should never assume that our clients know or understand what Payment Protection is or how they will benefit from it. Before offering, during the loan application completion, use the time to ask questions that will help your client identify with the importance of protecting their loan, their asset and their family. If you are asking questions, that's great, if not, consider asking the following:

1. What factors will determine how many months before the client's credit is affected.
2. What about the family's standard of living? Could their home be in jeopardy?
3. How can the average family recover from a disability without it affecting their credit rating?
4. What obligations could Payment Protection have covered?

Disability is 16 times more likely than death to cause foreclosures, and nearly half of all foreclosures occur after homeowners become disabled.

Remember, when you are discussing product benefits, to explain to the client that benefits are paid to reduce or eliminate unpaid indebtedness first. If the amount of the benefit exceeds the indebtedness, the excess will be paid to the named beneficiary or estate.

Payment Protection is a viable solution that provides round the clock protection.

- Most people do not have sufficient life insurance. You need to help them understand their need for Payment Protection.
- Credit life and disability insurance is in effect 24/7.
- Job-related benefits may NOT be enough.
- Many do not have sufficient emergency funds to maintain their current lifestyle for three to six months in the event of a wage-earner's disability.
- Work-related disability plans are insufficient to maintain current living standards.
- Credit disability benefits may help provide relief when income is reduced or expenses increase because of illness or injury. **

** This is not income replacement or worker's compensation insurance.