

How to Write an Underwriting Cover Letter

- Who You Are** This letter comes to you from _____ and will provide additional information about these applications from John Jones, my client.
- Your Relationship to the Client** I have known John Jones for 8 years, and have sold life insurance to various Jones family members during that time for both personal and business reasons.
- Identify the Client** Mr. Jones is the President of the Friendly Erection Company which provides steel infrastructure for office buildings in the Pacific Northwest. They have 82 full time employees and Mr. Jones is the sole stockholder of the company (which was founded in 1966). Business is excellent, which prompts this application for additional key person insurance and personal insurance on Mr. Jones. Mr. Jones' current income from the business is \$240,000 per year.
- Justification for the Insurance** While Mr. Jones currently carries \$500,000 of key person insurance, the coverage is 8 years old, and Mr. Jones needs a total of \$1,500,000 at this time -- \$750,000 to protect the business and contracts in progress should he die; the other \$750,000 will be payable directly to Mr. Jones' family as personal insurance.
- Insurance in Force/Replacement** The \$500,000 of insurance Mr. Jones now carries is term insurance and will be replaced with new coverage (\$750,000) with a longer guarantee period. Mr. Jones carries only \$200,000 of personal insurance, also term life from 8 years ago, which will also be replaced with new (higher) coverage with a 20 year guarantee period. Both of his currently policies were issued Preferred.
- Medical Assessment
Family History** Mr. Jones has always been in excellent health, and his family history is also excellent. Neither parent has ever had cardiovascular disease or cancer, and still alive at age 87. Mr. Jones has never used tobacco products, exercises regularly (walking, golf, skiing, gymnastics, judo, running, basketball, football, hockey, ice skating, and swimming). He also has a careful diet and takes anti-oxidants and other vitamins regularly. He reads medical books for relaxation.
- Current Medications** Mr. Jones currently takes no prescription medications. Last year, though, his doctor prescribed Elixer of Sweet Dreams because Mr. Jones was having some trouble sleeping. A construction project his company was involved in collapsed, crushing a day school in Bwataland. Mr. Jones was extremely distraught until it was discovered that the collapse was caused by terrorism, and not by any fault of his company. He is no longer taking this medication.
- Owner and Beneficiaries** The Corporation will be the owner of Mr. Jones corporate policy, and it will also be the beneficiary. Mr. Jones Irrevocable Life Insurance Trust will be the owner of the personal policy, as well as its beneficiary. Melvin Pickleblatt is the corporate and personal attorney (he does it all!) and can provide additional information if you wish.
- Medical Exams and Inspections** My General Agent, _____, has set up the exam and inspection on these cases through -----Examination Services in Spokane, WA. They will also be ordering attending physicians' statements.

Sincerely,

_____, Agent