CRITICAL PERIOD COVERAGE SCRIPT

Step 1: Kitchen Table

Step 2: Verify Information

Step 3: *The Why* – Resurrect the Emotion

Step 4: Explain Your Role and Purpose

- ·My Job
- ·Broker
- ·Old Way v. New Way – bank is not beneficiary, no decreasing benefit

Step 5: Critical Period Concept (See Critical Period Explanation below.)

- ·Two Options: Mortgage Payoff and Critical Period Coverage
- ·Explain Concept
- ·Benefits of Time
  - ·Time to Grieve Properly
  - ·Time to Make a Plan
  - ·Protect Your Equity

Step 6: Show Options in the Form of Years or Months of Mortgage Payments

Step 7: Application & Phone Interview

Step 8: Secure the Sale

Step 9: The Five R's

CRITICAL PERIOD EXPLANATION

"As a broker, keep in mind that my job is to get you coverage that you will qualify for, *not* to get you declined. With Mortgage Protection, there are really two options. There's the mortgage payoff plan, which unfortunately, you aren't going to qualify for that. The second option is actually very popular with homeowners in your situation and it's a lot more affordable. It's what they call Critical Period Coverage. This refers to the most critical period of time after the loss of a spouse or loved one when the family is at the most risk of losing their home. Let me explain."

"*John,* if something were to happen to you tomorrow, does the bank come to *Mary* and ask for the full $150,000 that you owe? No, they just want your next $800 mortgage payment. People go into foreclosure not because the bank wants the payoff, but because the bank wants the payment. It would be nice if the bank would call you up to say how sorry they were for your loss and offer to waive your payments for the next 6 months to a year, but that's not how it works, is it?"

"What this policy is going to do for you is buy you time. Most importantly, time to grieve properly. The last thing we want is for *Mary* to be at your funeral worried about the next mortgage payment. This will also give you time to make a plan if you need to sell the house or refinance. Let's face it, houses aren't exactly flying off the market right now. Would you rather get what the house is worth or get as much as you can for it? Finally, this policy allows you to protect the equity that you've worked hard to create in this home. You see guys, if you have time to protect your equity, then your equity can become your benefit."

"This type of policy is going to be a much better option for you because: 1) We can actually get it for you. 2) Its affordable. And 3) it's a permanent product, which means if you qualify you are guaranteed to receive a benefit as long as you pay the premiums."

"Now, let's see how much *time* we can buy *Mary*..."

Options Example

Example: Client has a $600 mortgage payment:
Option A: $35,000 death benefit = 58 months/4.8 years of payments. Cost is $350/month.
Option B: $25,000 death benefit = 41 months/3.4 years of payments. Cost is $220/month.
Option C: $15,000 death benefit = 25 months/2.1 years of payments. Cost is $140/month.

"Which option best suits you?"

(Keep going until you find a plan that fits the budget. It's not uncommon to sell only 3-6 months of coverage if that's what the budget allows. Something is always better than nothing.)