

Fiduciary Responsibility Checklist



Questions about the Insured:

- Do you know the insured's projected life expectancy and the chances of the insured living beyond it?
- Have you confirmed that the policy is projected (using reasonable assumptions) to stay in-force through at least the insured's life expectancy?
- If the policy ends, would the insured qualify for new coverage and would his or her rating be less than it is on the current policy?
- Does the policy owner have sufficient cash flow to pay premiums?

Questions about the Policy:

- When was the last time the life policy was reviewed?
 - Do you request an annual in-force illustration showing both current and guaranteed assumptions?
- Based on current and guaranteed interest, charges and premium payments, how long is the policy projected to stay in force?
- Have any premium payments been late, reduced, or missed?
- Are there outstanding policy loans? If so:
 - Does the in-force illustration reflect the impact of these loans on policy performance and stability?
 - How is the policy loan interest rate determined?

Questions about the Policy continued:

- ❑ For term insurance policies:
 - Will the policy remain affordable for as long as needed?
 - Are there conversion privileges to a competitive permanent product?
- ❑ For permanent insurance policies:
 - Is there enough cash value to provide sufficient stability and flexibility?
 - Is the policy's performance subject to dramatic market fluctuations?
 - If policy pays dividends, what is the dividend paying history?

Questions about the Insurance Provider:

- ❑ What is the overall financial strength and reputation of the insurance company?
 - What is its surplus as a percentage of assets?
 - How does this compare to other insurance companies?
- ❑ What are the company's financial ratings?
 - Have the ratings declined in recent years?
 - How do these compare to other insurance companies?
- ❑ Is the insurance provider a mutual or stock company?
 - If it's a stock company that was previously a mutual company, was the policy bought prior to demutualization?
- ❑ Does the company use captive insurance subsidiaries to reduce its reserve requirements?
- ❑ Was the company acquired by another insurance carrier after the policy was purchased?
- ❑ Does the company have broad diversification in its product lines?



Kyle Financial & Insurance Solutions

William Kyle*, ChFC®, CLU®

148 W. Fourth Avenue, Chico, CA 95926

Phone: (530)893-1315

williamkyle@ft.newyorklife.com

*Registered Representative offering securities through NYLIFE Securities LLC, Member FINRA/SIPC, a Licensed Insurance Agency, (148 W. Fourth Avenue, Chico, CA 95926). Member Agent of The Nautilus Group®, a service of New York Life Insurance Company. Kyle Financial & Insurance Solutions is not owned or operated by New York Life Insurance Company or its affiliates.

This material is for general informational purposes only. New York Life Insurance Company, its affiliates and subsidiaries, and agents and employees thereof, may not provide legal, tax or accounting advice. Individuals should consult with their own professional advisors before implementing any planning strategies. Policy loans accrue interest at the current rate. Loans and withdrawals will reduce a policy's cash value and death benefit. The Nautilus Group® is a service of New York Life.

This information was produced by New York Life Insurance Company and provided as a courtesy by William Kyle. © 2016 New York Life Insurance Company. All rights reserved. SMRU 530272-TNG (exp. 2.28.2020)

William Kyle CA Insurance License Number 0628384