

Buckeye Life Resources

Life Settlement Fiduciary

Term-to-Perm conversions

Much like perm hairstyles during the 1980s, **term conversions** are now the rage in the life settlement industry. That is, selling term life insurance policies that remain convertible to permanent policies.



Take note of conversion deadlines stipulated in your clients' term contracts, and don't let their policies lapse without considering a term conversion sale.

Here are the types of term-to-perm cases that generate the most interest from buyers:

| | Medical records required | No medical records |
|----------------------------|-----------------------------------|--------------------|
| Insured's age | ≥ 65 | ≥ 63 |
| Insured's health | Worse than when policy was issued | Irrelevant |
| Death benefit | ≥ \$200,000 | ≥ \$2,000,000 |
| Policy issue rating | Standard or better | |