REPRESENTATIVE EXAM MODULE 8

GENISTAR
Financial Freedom For All

TOPICS AND EXAM INFORMATION

In this module we'll be covering:

Sales Process
- First Appointment
- Second Appointment
- File Checking
- After the Sale

EXAM

After you have gone through the learning materials, you will take an exam to test your understanding.

- Multiple-choice questions
- Not timed
- Refer to your notes
- Three attempts to pass

ADDITIONAL SUPPORT

This video presentation and workbook should cater to most learning styles, but if you have additional support needs, you must notify us before you use your 3 attempts.

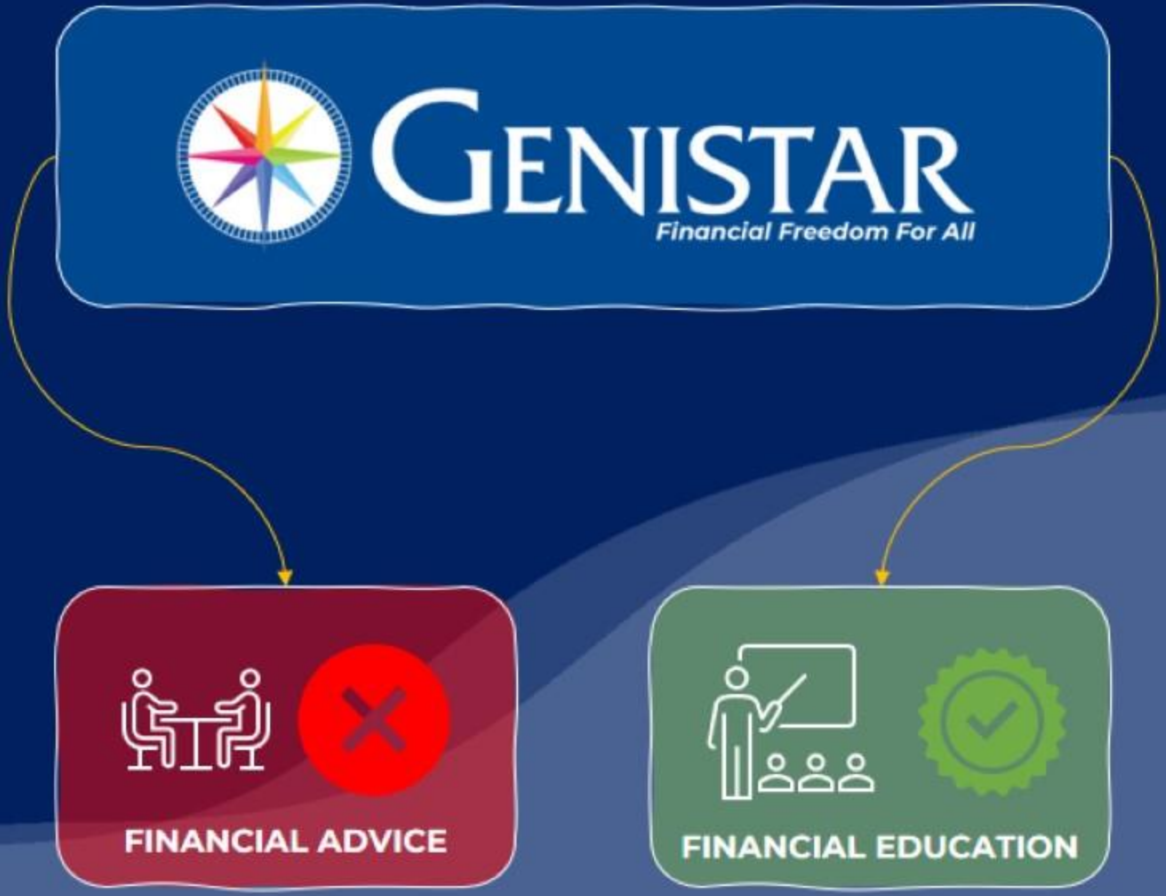
FINANCIAL EDUCATION

GENISTAR DOES NOT GIVE ADVICE.

- Our reps do NOT advise clients about which products they should buy.
- Genistar has FCA permission for **non-advised sales** only.
- All reps must take care not to give advice.

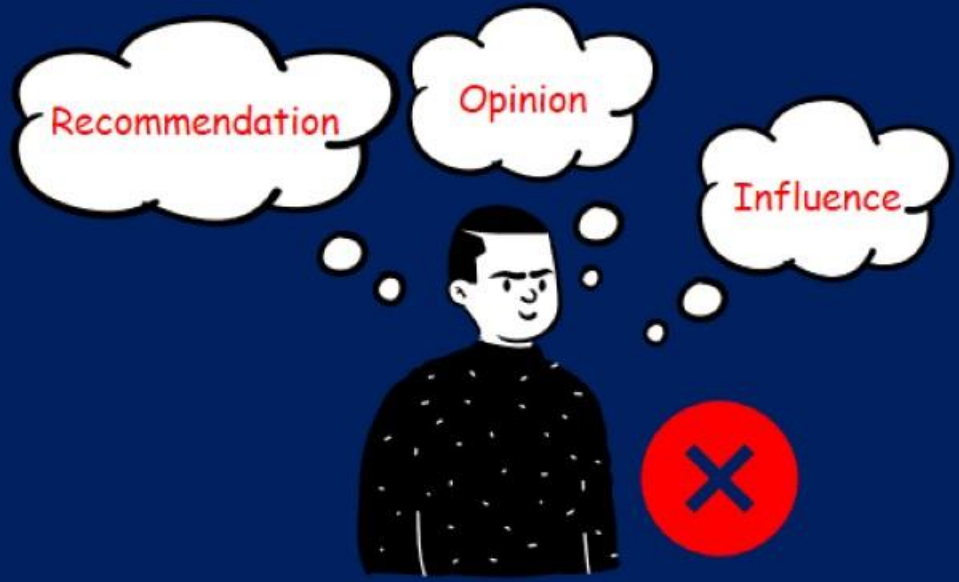
GENISTAR PROVIDES FINANCIAL EDUCATION.

- Genistar reps deliver a financial education presentation.
- We provide the client with enough information to make their own informed decisions.

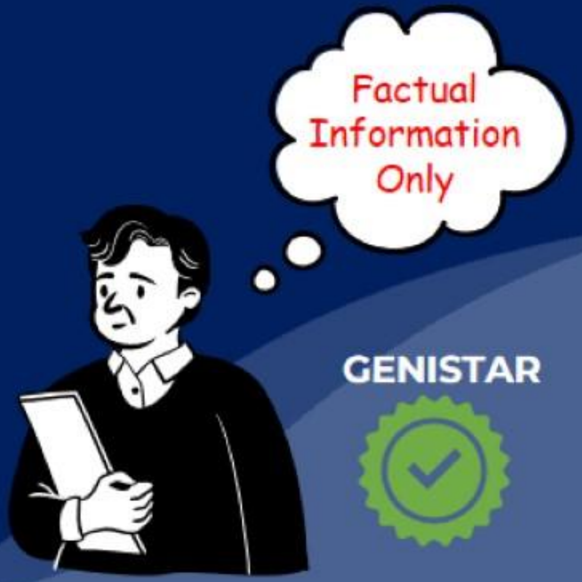


ADVISED vs NON-ADVISED SALES

What is the difference between Advised and Non-Advised?



ADVISED



NON-ADVISED

WHAT NOT TO SAY

The following phrases are considered as giving advice and **must be avoided**:

- I advise you...
- I recommend...
- If I were you, I would...
- I think you should...
- I know what I would do...

FIRST APPOINTMENT

APPOINTMENT BOOKING

You can find approved scripts for making appointments in the Fast Track Workbooks on Genistar.online.

Key steps to follow when making an appointment:

- Give your full name and position and the full name of the company (Genistar Limited).
- Genistar is authorised and regulated by the FCA (Financial Conduct Authority).
- Genistar offers financial education and refers various financial products.
- Confirm the person meets the residency criteria by having been a legal UK resident for 183 days out of past 365.
- Allow the client to terminate the call at any time.
- Clearly indicate the approximate length and content of the proposed meeting.
- Agree on a time, date and place for the next appointment. You must NOT pressure the client into meeting with you.
- Provide your contact details.

WHO IS A UK RESIDENT?

You can only write insurance cover on UK residents. For insurance purposes, that means:

All clients - including children and dependents – must have legally lived in the UK for at least 6 months (that is 183 days) during the past year.

You must confirm how long your client has lived in the UK:

- At the first point of contact
- At the point of sale

If these guidelines are not followed, policies could be cancelled from inception, and the clients will NOT be able to make a claim.

Please note: There may be other additional eligibility requirements for different insurance products. Please check that your clients meet all requirements before preparing a quote.

REPRESENTATIVE

PRE-FIRST APPOINTMENT INFORMATION

Before the first meeting with your client, you must provide them with two documents.

These can be provided in any format – usually by email or post.

Initial Disclosure Document (IDD)

- Genistar is regulated by FCA
- Reps earn a commission
- We provide financial education
- How to make a complaint

Genistar's Privacy Policy

- How client information is processed/stored
- Opt in for marketing materials

NOTE: *You must note the date and format in which these documents were provided to the client– this is required when filling the Fact Find.*

FIRST APPOINTMENT

IDD

- Did client receive it?
- Do they have any questions?

KITCHEN TABLE PRESENTATION (KTP)

- Financial education

FACT FIND

- Financial goals
- Current financial situation
- Health

VULNERABILITY

- Note any circumstances that might indicate vulnerability

RECORD ALL DETAILS

- Record as much detail as possible – These notes will create an audit trail and document the need for any products the customer purchases.

SET NEXT APPOINTMENT

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IDENTIFYING VULNERABILITY

A vulnerable client is someone who, **due to their personal circumstances**, is especially susceptible to harm.

Circumstances to look out for:

- **Health** – Serious illness
- **Life Events** – Bereavement or relationship breakdown
- **Resilience** – Stress, anxiety
- **Capability** – Low income, poor language skills, mental capacity
- **Age** – Over 75 or under 18

ENGAGING WITH VULNERABLE CLIENTS

Vulnerability could be permanent, temporary, or even occasional.

Client may not recognise themselves as vulnerable.

NEVER use the word 'vulnerable' with your clients or in your notes.

If we identify someone as 'vulnerable' we need to take extra care to make sure they understand what they are doing when purchasing products.

Provide opportunities for them to ask questions:

- *Is there anything else you would like to know about this?*

Provide an opportunity to discuss matters again:

- *Is there anything you would like to discuss further?*

Ask if there is anyone they would like to assist them:

- *Is there anyone you would like to sit in on this session with you?*

Continuously seek confirmation that they have understood the information provided:

- *Did that make sense?*
- *Was my explanation of that sufficient?*

Communication is Key!

NOTING VULNERABILITY

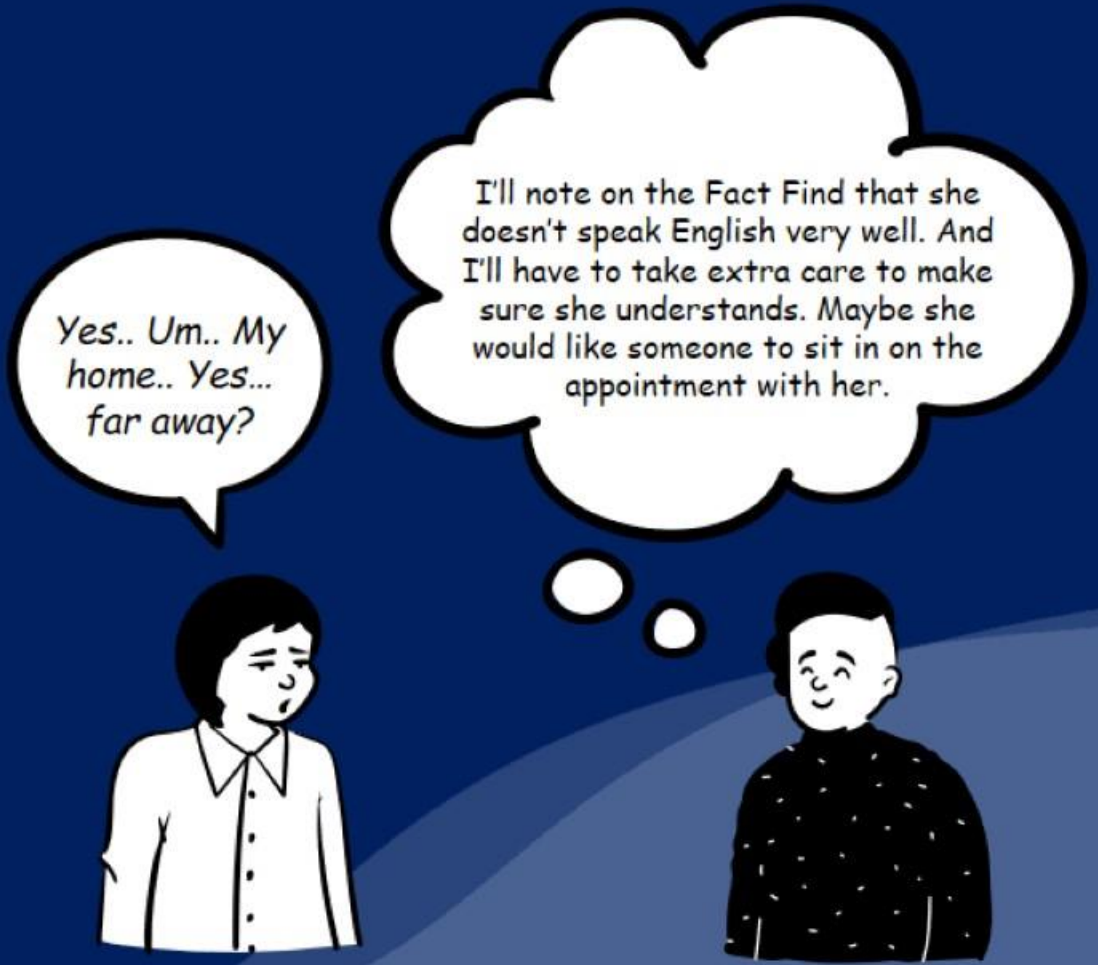
How to note vulnerability on the Fact Find without using the word 'vulnerable'

ON THE FACT FIND
Note the circumstances

EXAMPLE:
Possible stress from recent bereavement, possible difficulty understanding English language, etc.

List the **circumstances**, not your opinion of the client's vulnerability.

If a client needs any special type of communication or support, please contact the Compliance Department for advice.



Communication is Key!

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SECOND APPOINTMENT

PREPARING FOR SECOND APPOINTMENT

Preparation for the Second Appointment:

1. Prepare the FGP
2. Have your upline check the first 3 or 4 FGPs
3. Prepare the quotes based on wants, needs, affordability
4. Refer the client for any additional products they may require (B&C, mortgage, Will, etc.)
5. Rehearse with your upline

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SECOND APPOINTMENT

Review previous appointment

- Confirm referral progress
- Review the client's situation – financial and personal

Financial Game Plan (FGP)

- Personalised presentation based on the client's wants and needs.
- Free service - never to be used to pressure customers into purchasing a product.

Quote/Illustration

- Together with client, decide on level of cover and options.

Application/ESD - Fill out the online application with the client

Statement of Price - Copy to client

Financial Freedom book - Copy to Client

Referrals - If the client is satisfied with the Genistar process, they should be happy to recommend us to friends and family. You will direct the client on how to provide referrals in a GDPR compliant way.

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APPLICATION/ ESD

APPLICATION/ELECTRONIC SUBMISSION DOCUMENT (ESD)

IMPORTANT POINTS TO REMEMBER

NON-DISCLOSURE RISKS

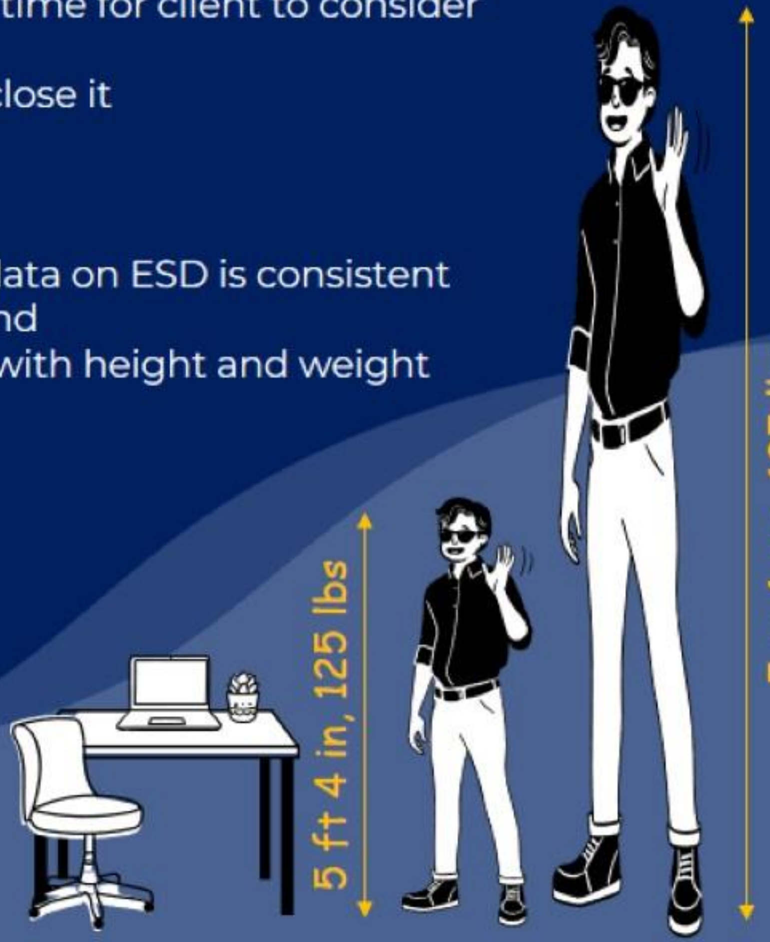
- Make sure the client understands the seriousness of **disclosing all material facts**.
- Read aloud the non-disclosure warning: ***Failure to disclose relevant information may result in non-payment of a future claim.***

ESD QUESTIONS

- Relay health and lifestyle questions clearly and accurately.
- Allow adequate time for client to consider and respond
- If in doubt – disclose it

CONSISTENCY

- Ensure that all data on ESD is consistent with the Fact Find
- Take extra care with height and weight



FILE CHECKING

FILE REVIEW PROCESS

EVP Approval

Submissions Checklist

- Consistency between Fact Find and application
- Meets client's needs and objectives
- Affordable for client
- After EVP approval, case sent to FSC

Resets

- Any concerns result in a 'reset'
- Rep must clarify points of concern before resubmitting the case.

Automated Checks

- Identity verification
- Anti money laundering (AML)
- PEP
- Sanction's check
- Residency/Immigration status

FSC submits to insurance provider

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SODAN

When the application is sent to the provider, our system automatically generates a SODAN and sends it to the client.

SODAN = Statement of Demands and Needs

- Prior to the conclusion of a contract, all customers buying insurance products must be provided with a SODAN.
- Genistar's SODAN is a list of the client's demands and needs as entered on the Fact Find along with the full details of the policy or policies they have chosen.

STATEMENT

OF

DEMANDS

AND

NEEDS

A COMPLIANT FILE

A Compliant file must include:

- Completed Fact Find with plenty of notes and any observations of vulnerability
- Personalised Financial Game Plan
- Correct Illustration/Statement of Price
- Completed application/ESD
- A Statement of Demands and Needs

AFTER THE SALE

POST APPLICATION RESPONSIBILITIES

INSURANCE COMPANY

- ➢ Processing / Underwriting / Issuing Policy.

REPRESENTATIVE

- ✓ Remain available to address customer questions about the process or product.
- ✓ Communicate any changes or policy-related matters to the client.
- ✓ Check the business pipeline for updates and keep the client informed.
- ✓ Follow up with clients to ensure any required actions are being taken.

60% ISSUED IMMEDIATELY

When a client is in good health and within the non-medical limits, a policy can be issued immediately.

↓

60% of all cases are issued – or *put on risk* - immediately.

↓

Client should receive their policy documents within 7-10 days.

- It's a good idea to check with your client after they receive their policy to see if they need anything else - or possibly get more referrals.

40% IN THE PIPELINE

- Check your Pipeline weekly for the status of your clients' policies. Then contact them with an update.
- If there are requirements in the Pipeline, make sure the client is aware and responds to the request.
- If the client doesn't act, the policy might not be issued.

The other 40% of submitted applications go into the 'Pipeline'.

↓

Your upline will teach you how to log into your Pipeline and check the status of your customer's policies.

↓

Most of these will be issued within 21 days.

COMMISSIONS

Commissions on life insurance products -

As Earned vs Advance:

AS EARNED
(ALSO CALLED DRIP INCOME)

Each time a client pays their premium, a commission is **earned** - typically for 48 months. This commission is said to be **as earned.**

VS

ADVANCE

Money **loaned** to a rep as an **advance** against yet-to-be earned commissions.

COMMISSION EXAMPLE

Let's look at a ***simplified*** commission example:

*This is only for **illustration purposes**, as there are many things that affect commission payments, including any additions to the policy (Vitality Plus, child boosters, etc.) and the type of policy and term length.*

Vitality Life policy
Team Leader – contract level 50%

Annual Premium = £480
TL commission (50%) = £240

EARNED COMMISSION (OR DRIP INCOME)

For 48 months:
As the client pays their premium
you **earn** £5 per month (£240 divided by 48 months)

VS

ADVANCE

Genistar **advances** first 36 month's commission (75% of total commission). When policy is issued, you would receive an **advance** commission of **£180**.

Then in months 40 to 48, you would receive your **earned (or drip)** commission of the remaining £60. (The monthly amounts may vary due to actuarial calculations, but the full 25% is paid out in this period).

Clawback: *Since the advanced commission is, in effect, a loan, it must be paid back if the policy that generated it lapses or is cancelled before all the commission is **earned**. This is called a **clawback**.*

COMMISSION PROCESS

- Commissions paid weekly
- Statements available on Genistar.online
- Deposited into account you provide
- You can change bank details on Genistar.online.

When will you get paid?

- You would normally be paid 10-14 days after issue.
- If policy doesn't show on your statement within 30 days of issue, notify your EVP.

POLICY ISSUED

↓

VITALITY PAYS GENISTAR

↓

GENISTAR PAYS REP & UPLINE

GENISTAR'S MISSION

Genistar's mission:
To help people secure a better financial future

FINANCIAL FREEDOM FOR ALL!

THANKS FOR WATCHING!

You must now answer some questions about what you have just learnt!

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