



ADVISOR

HELPING YOU FIND THE PATH TO A SECURE FINANCIAL FUTURE

4th Quarter 2011 • Issue #21



Give the Gift of a Sound Financial Future

With the holidays fast approaching, I'm sure everyone is starting to think about the perfect gifts for our loved ones. But, for those of you who are getting close to retirement, you should also be thinking about the perfect gift to give yourself: a sound financial future throughout retirement and beyond. At first blush, this may seem counterintuitive—thinking of yourself before others. But it's OK, because you're actually doing a good thing for yourself and for the people you care about.

You see, if you take some time to think about yourself and your needs now, you can give your family members a gift that's better than any trinket or gadget; you can give them the gift of a sound financial future. By planning properly for your retirement you can have enough money during retirement to allow you to maintain a lifestyle similar to that which you enjoy now. If you are ever going to do something for yourself, this is a great option.

At the same time you can give your family a gift that will have a positive impact in the future. For example, do you want to make sure that your grandchildren get a good college education? Think about making them, or their parents, the beneficiary of a life insurance policy. This kind of gift will ensure that your loved ones will have the best opportunities that life has to offer. In essence, it's a great way to leave a legacy and ensure a sound future for your family. What more could anyone ask of from a meaningful gift?

While these kinds of gifts may not be the flashiest new toy or gadget, they have much more substance and, in my opinion, a lot more meaning. Giving your family the gift of a sound financial future is a way of showing them how much you love them and how important their success is to you.

If this is of interest to you, I encourage you to read the articles inside this quarter's edition of the Sons of Norway Advisor. There's a great article on life insurance from the LIFE Foundation, as well as one on taking charge of your finances for your benefit. In addition there is a very interesting story about how life insurance saved a family business in a time of tragedy and loss. Take a few minutes to read them all and I promise you'll walk away having learned something new!

In closing, if you'd like to learn more about how to give the gift of a sound financial future, please contact me at your earliest convenience. I'd be happy to talk it through with you and help you decide what's best for your situation and for your family. But until then, I hope you have a great winter and a happy holidays!

Give the Gift of a Sound Financial Future

Real Life Story:
The Usual Order of Things

Life Insurance:
Now More Than Ever

Take Charge of Your Future

Advisor Answers

Real Life Story: The Usual Order of Things

By Ken Thul, CLU, ChFC, FICF Advanced Financial Consultant

Sometimes it Doesn't Happen That Way

Matt was a single man in his early 30s. He had no dependents, no debt and no financial obligations. He worked with his parents in the family printing business. His two sisters had no interest in owning or operating the print shop as they were busy with their own families and careers, so someday the family print shop would be his. Between his sisters there were four children, Matt's nieces and nephews. "Uncle Matt" was their super hero and he adored them. Flying and photography were a couple of Matt's favorite hobbies. He owned his own airplane and took the kids on flying/photography adventures frequently.

The family did their business ownership transition planning properly, the buy-sell agreement, the life insurance on Mom and Dad for the funds needed to pay his sisters for their fair share of the business; and one other detail, one extra step. Matt purchased a \$500,000 life insurance policy on himself and made his parents the beneficiary, just in case he died prematurely. Those funds would avoid the 'fire sale' of the business and allow an orderly and profitable business sale.



On an ordinary beautiful spring morning punctuated only by a distant thunderhead, Matt decided he wanted some close-up photos of the storm. Matt took off, with his camera in the co-pilot's seat, and headed toward the storm. Unfortunately the storm quickly grew and violently engulfed the plane, causing it to crash and killing Matt.

Needless to say, the family was devastated. The tragedy of losing a son and brother will be with the family forever and no amount of money can replace Matt, but life does go on. Mom and Dad financed the sale of the print shop to their loyal employees. This meant the business could live on and Mom and Dad were able to retire with adequate income. They were also able to use the proceeds of Matt's life insurance policy to set up an educational fund for Matt's beloved nieces and nephews. Now, 20 years later, Matt's nieces and nephews are an MD, a teacher, a CPA, and a manufacturing production manager; all educated by Matt's educational fund, so Matt's legacy continues to live on.

Life Insurance: Now More Than Ever

provided by LIFE Foundation

What a turbulent few years it's been. Even as the Great Recession has eased, many of us are still trying to get back on solid financial footing. For some, the recovery hasn't amounted to much. The employment market is still weak and home prices continue to fall. Gas prices are high and consumer confidence is low. Through it all, one source of financial security has remained strong, however, and that's life insurance.

A Financial Product That Has Held its Value

While so many aspects of people's financial lives have been shaken, life insurance continues to do exactly what it was designed to—serve as the foundation of a family's financial security. If you own a term life policy, the death benefit has remained the same through the ups and downs of the economy. Owners of whole life insurance have seen their cash values rise when the value of many of their other financial assets have slipped. As the tumultuous experience of the last few years has demonstrated, life insurance is one of the few things that provides certainty in uncertain times.

Make Sure Your Family Is Protected

You may be feeling less financially secure than before the Great Recession began. Your retirement accounts may have rebounded, but you may have been forced to sell your home at a loss. You may have found a new job, but at a lower salary. Some days you might feel like it's all you can do to put food on the table and keep a roof over your head.

But what if you died tomorrow?

No one wants to think in those terms, but given that many of us are in the financial rebuilding stage, you need to ask yourself, "Would my family be OK financially without me in the picture?" Life insurance is one of the few guarantees your family could rely on to maintain their quality of life. As difficult as it may seem to look beyond the bills due at the end of the month, you should make it a priority to either maintain your current life insurance or purchase a policy if you don't have one. It will provide an anchor of stability for your family finances, ensuring that your loved ones will be financially secure when you die.

Start Here—Now

If you're not sure where to start, the nonprofit LIFE Foundation offers an online Life Insurance Needs Calculator at www.lifehappens.org/lifecalculator, which will provide you with a general sense of your life insurance needs. Then consult a qualified life insurance professional for help determining the right solution for your specific needs. Do it today—your family's financial future is too important to leave to chance.

LIFE is a nonprofit organization dedicated to helping consumers make smart insurance decisions to safeguard their families' financial futures. Learn more at www.lifehappens.org © 2010 LIFE. All rights reserved.

Take Charge of your Future

by Ken Thul, CLU, ChFC, FIC

Financial security is the comfort of knowing your family's standard of living is secure even when a life changing event occurs and having the means to achieve your most important goals. The recent economic turmoil has been a wake-up call for all of us. Because we have seen events beyond our control decrease our savings and retirement accounts, knock down the value of our home, and diminish our job security.

But don't give up. Now is the time to take control of your situation and build, or rebuild, a solid financial foundation.

Because of the tough economic times, it may take a little longer to get there, but if you take control of the situation and put a game plan in place, set priorities, and take action you'll eventually get to where you want to be.

The big question is, "How do you start?"

First, and most importantly, is understanding certain principles when putting together a long term strategy for you and your family. Consider the steps below that anyone can take, whether you have just begun to think about these issues or you already have a detailed plan in place.

1. Answer the "what ifs" of some worst case scenarios. What if you lose your job and benefits? What if you or your spouse became sick or died? Everyone needs an emergency fund to fall back on. Whether it's a savings account or life insurance, make sure you have something in reserve to protect you from difficult times.

2. Keep debt in check. Nothing saps the health of a savings program more than too much debt, especially credit card debt. Make paying off your credit cards a high priority.

3. Save money regularly. Yes, it means making sacrifices today, but if you make it a habit you'll protect your family and enjoy a bigger payoff down the road!



4. Have a diverse investment strategy.

Don't put all of your eggs in one basket, diversify between low and high risk investment vehicles. This is the best way to insulate yourself from market volatility.

5. Explore the benefits package your employer offers. Usually employers offer a variety of benefits that don't cost much to participate in. Look into whether they offer 401k, Flexible Spending, or Health Savings Accounts.

6. Make the tax laws work for you. For example, contributing to a 401k, Flexible Spending or Health Savings Accounts can help reduce your taxable income, while still having the money available for the future. Remember, every dollar of taxes saved is another dollar you can put toward your savings.

7. Make sure you have adequate life insurance. If yours is the primary income, life insurance can replace some or all of what would be lost if you die as well as wipe out debts, pay off your mortgage, etc.

8. Get help from a professional. Any successful financial strategy needs input from an expert. Contact your Sons of Norway Financial Benefits Counselor to help you make important decisions about your family's financial security.

By taking these steps you are taking charge of your financial future and protecting your family from an uncertain future. Make the decision to start today!

—Leonard Carlson, Director of Agencies

Q: A member from Phoenix asks, “What is this Lodge Revenue Sharing Program that I keep hearing about? Is it something the lodge applies for? What criteria does my lodge need to meet to receive some of this revenue?”

A: This is a great question that all lodge members need know the answer to.

First, you need to understand that unlike a for-profit company, where profits are returned to stockholders in the form of dividends, Sons of Norway is a fraternal insurance company. This means the profits from our insurance sales are directed back into the company to support community outreach, fraternal operations and lodges via the lodge revenue sharing (LRS) program.

In the case of the LRS program, each year, a percentage of Sons of Norway’s net income is set aside. The amount each lodge receives is based on the percent of insurance premiums paid by the members in your lodge, divided by the total insurance premiums paid by all lodge members*. In addition, your lodge also receives \$4.00 for each new insurance member. This can be a great

source of revenue without any effort on the members’ part.

Simply put, if members of your lodge visit with their Financial Benefits Counselor to discuss their needs and how our life insurance or annuity products can help provide for those needs, then purchase the appropriate product(s), your lodge will qualify for some additional money.

All lodges work hard every year to raise money for the lodge, be it bake sales, torsk and meatball dinners, etc. Think of the Lodge Revenue Sharing Program as another fund-raiser; by purchasing your life insurance and annuities with Sons of Norway, and encouraging other members to do the same, you benefit yourself by acquiring financial security and you also benefit your lodge.

I hope this explanation answers the question as well as opens every member’s eyes as to why it’s important to support Sons of Norway by buying our financial products. If you have further questions, please feel free to e-mail me at lcarlson@sofn.com

*Central Lodge and Lodge 999 are excluded
—Leonard Carlson, Director of Agencies

ADVISOR is provided by your Sons of Norway Financial Benefits Counselor as an additional service to you.

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The information contained within this publication is not intended as a substitute for direct financial advice. Products discussed may not be available in all states. For this, please contact your Sons of Norway Financial Benefits Counselor.

The screenshot shows a website interface with a navigation bar at the top containing links like 'ABOUT US', 'FOUNDATION', 'EVENTS', 'JOIN US', 'NORWEGIAN CULTURE', 'FINANCIAL PRODUCTS', 'CONTACT US', 'MARKETPLACE', and 'HOME'. Below the navigation bar is a 'Sign Up on Line' button. The main content area features a 'New Member Discount' section with details for Erik Jensen, a 'Piano Concert by Knute Erik Jensen' event, and a 'Vornheim 108's Meatball Dinner' event. A large image of a man in a red and white hat is visible on the right side of the screenshot.

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