

October 2013 | issue 29

the

Advisor

find your path to a secure future

Dear Member



Happy 2014! I hope this latest edition of the Sons of Norway Advisor finds you happy, healthy and well. To kick off the new year, we have some great articles to help get you thinking about ways to lay a sound financial foundation for 2014 and beyond.

First, since next month is National Women’s History month, we have a great article titled Life Insurance: What Women Need to Know. It discusses a number of topics related to different scenarios women experience, whether they are married, a single parent, or a stay at home mom. As a women and a mother, this is a very important topic for me. I hope all the families in Sons of Norway agree.

Next we have an article about buying life insurance from Sons of Norway. I’ll be the first to admit that in today’s life insurance market there are a number of companies to choose from, so why buy from Sons of Norway? What makes us a better choice when you are planning your financial future? Read the article inside to find out!

Last, but certainly not least, this edition of the Advisor answers one member’s question about how they can use annuities to help their adult grandchildren build a strong financial foundation. This is a topic that many of our members face, so I encourage everyone to read on and learn how they can help their families succeed.

These are all important topics to learn about and by reading this quarter’s edition of the Advisor you can equip yourself to make sound financial decisions throughout the year. If you’d like to learn more about any of the topics discussed in this edition, or want to set up an appointment to go over your future plans, don’t hesitate to call your FBC, whose contact info is on the left side of this page.

Fraternally,

Marit Kristiansen

Marit Kristiansen
International President, Sons of Norway

02.14 #29
Counselor.
by your Sons of Norway Financial Benefits
**Products from other insurance carriers offered
* These products may not be available in all states.

- ☐ Tax-deferred Annuities

☐ Single Premium Whole Life

☐ Whole Life

☐ Immediate Annuities

☐ Universal Life Insurance

☐ Pension Maximization Plan

☐ Saving For Retirement

☐ Preserving My Estate

☐ Complimentary Financial Review
- ☐ IRAs - Traditional and ROTH

☐ Child or Grandchild Plans

☐ Level Term Life Insurance

☐ 401K Rollover

☐ Long Term Care Insurance**

☐ Medicare Supplement**

YES! Please send me more information on the following products to help me achieve my financial goals

Life Insurance: What Women Need to Know



If someone depends on you, chances are you need life insurance. Why, then, are men more likely than women to own life insurance? And why do insured men have, on average, about 44 percent more coverage than their female counterparts – \$195,200 vs. \$135,500?¹

Part of the reason is that men often earn more than women. But common misconceptions also play a role in preventing women from getting the coverage they need. For instance, you don't need to be the primary breadwinner in your household to need life insurance. Most stay-at-home parents need life insurance, too.

To determine if your life insurance plans are up to date, take a moment to review these important considerations.

If You're Married

The majority of today's families depend on two incomes to make ends meet, yet working wives are less likely than husbands to carry life insurance coverage. If you died suddenly, could your family maintain their standard of living on your husband's income alone? Probably not. Life insurance makes sure that your plans for your family don't die when you do.

If You're a Single Parent

As a single mom, you're the primary caregiver, breadwinner, and so much more. Yet more than one in three single moms have no life insurance whatsoever, and many with coverage say they need more.³ With so much responsibility resting on their shoulders, single parents need to make doubly sure that they have enough life insurance to safe guard their children's financial future.

If You're a Stay-at-Home Mom

Just because you don't earn a salary doesn't mean you don't make a financial contribution to your family. Childcare, cleaning, cooking and household management are all important tasks, the replacement value of which is often severely underestimated. Salary.com has valued these services at \$45,697 if you compensate the stay-at-home parent for a 40-hour work week, and \$134,121 if you account for overtime hours!⁴ Could your husband afford to pay someone for these services, or take over these obligations himself and still work full time? With life insurance, your family can afford to make the choice that best preserves their quality of life.

Don't Forget About Coverage for Dad

In addition to addressing their own life insurance needs, it's important for married women to make sure their husbands are adequately insured. Eighty percent of women will outlive their husbands.⁵ What if you outlive your husband by 10, even 30 years, which is certainly possible today? If your husband has adequate life insurance coverage, you won't have to worry about living your remaining years in a state of financial uncertainty.

For more information about insurance and how it can safeguard your financial plans for the future, consult a qualified insurance professional in your area, speak about your benefits manager at work, or visit LIFE's website at www.lifehappens.org.

1 LIMRA, Personal-Level Trends in U.S. Life Insurance Ownership
2 Ibid., and Bureau of Labor Statistics, Employment Characteristics of Families, 2010
3 LIMRA, Flying Solo - Single Mothers Protecting Their Families, 2011
4 Salary.com, Mom Salary Study, 2006
5 U.S. Census Bureau, 2007

LIFE is a nonprofit organization dedicated to helping consumers take personal financial responsibility through the ownership of life insurance and related products. Learn more at www.lifehappens.org © 2013 LIFE. All rights reserved.



Top Ten Reasons to Own a Sons of Norway Universal Life Policy

Ask your Financial Benefits Counselor for more information about Sons of Norway financial products!



- 1. Income Protection**
Money to provide income for lost earnings.

2. Life Insurance Proceeds Pass Income Tax Free
Not available in any other investment vehicle

3. Gifting
Transfer wealth to family or charity

4. Child and Home Care Protection
Pay day care cost and/or home care replacement cost

5. Retirement Income
Provides guaranteed income to survivors
- 6. Education Protection**
Guarantees availability of funds for college

7. Mortgage Protection
Availability of funds to pay off mortgage

8. Succession Planning
Keep the family farm or business in the family

9. Cash for Emergencies and Opportunities
Money available by loan or withdrawal

10. Final Expenses
Funds to hospital or funeral expenses

Current 12 Month Interest Rates

For Our SPDA

Deposit Amount	Current Interest Rate	1st Year Interest Bonus*	Total 1st Year Return
\$10,000 - \$24,999	1.95%	.70%	= 2.65%*
\$25,000 - \$49,999	2.10%	.70%	= 2.80%*
\$50,000 - \$99,999	2.20%	.70%	= 2.90%*
\$100,000 and over	2.25%	.70%	= 2.95%*

* These rates include a .70% first year bonus.
Guaranteed Minimum Interest Rate: 1.00%
Interest rates as of 02/01/14 and are subject to change. New contracts only.

For our FPDA

Deposit Amount	Current Interest Rate	1st Year Interest Bonus*	Total 1st Year Return
\$2,000 - \$9,999	1.70%	0%	= 1.70%
\$10,000 - \$24,999	2.00%	.70%	= 2.70%*
\$25,000 - \$49,999	2.15%	.70%	= 2.85%*
\$50,000 - \$99,999	2.25%	.70%	= 2.95%*
\$100,000 and over	2.35%	.70%	= 3.05%*

* These rates include a .70% first year bonus.
Guaranteed Minimum Interest Rate: 1.00%
Interest rates as of 02/01/14 and are subject to change. New contracts only.



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

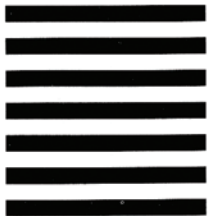
BUSINESS REPLY MAIL

FIRST-CLASS MAIL PERMIT NO 2551 MINNEAPOLIS MN

POSTAGE WILL BE PAID BY ADDRESSEE

SONS OF NORWAY

1455 West Lake Street
Minneapolis, MN 55408-9943



Common Excuses That Can Put Your Financial Future At Risk

I worry about making the wrong decision!

A qualified insurance professional can answer all your questions and guide you through the decision-making and buying process.

I have life insurance through my job!

Employer provided coverage is a nice benefit to have, but it often isn't enough to cover all of your family's needs.

Top Twelve Reasons to Buy Sons of Norway Life Insurance.

Ken Thul, CLU ChFC, FICF Advanced Financial Consultant

Life insurance is one of the best, most proven ways to protect your family in times of tragedy and loss. It's part of the financial plan that millions of Americans have in place and there are a lot of companies who you can purchase it from, including Sons of Norway. So, why should you choose to put your family's financial future in our hands? Read on for the top 12 reasons to buy life insurance from Sons of Norway.

1. Supporting Member Benefits: Purchasing life insurance from Sons of Norway provides financial support for many of the fraternal programs you enjoy as a member. Did you know that thanks to those who trust Sons of Norway as their life insurance provider more than \$1 million is given annually to support things like Viking magazine, Cultural Skills programs and more?

2. Leaving a Legacy with a Charitable Gift: Many people want to leave a legacy by making a donation to a charitable organization. With life insurance you can do just that, in fact by naming the Sons of Norway Foundation as the beneficiary of your policy, you can help support a worthwhile cause you believe in.

3. Income Replacement: When a family breadwinner dies, their paycheck dies also. Not only is it a tragic loss for the family, but it is also a financial loss. Life insurance can replace the lost income and allow the surviving family to remain in their own world financially.

4. Mortgage Payoff: A mortgage free home provides a family with a great deal of peace of mind. Sons of Norway life insurance proceeds can be used to pay off the home mortgage when a premature death occurs.

5. Debt Elimination: Life insurance proceeds can pay off such things as car loans, school loans, credit card balances and other outstanding bills.

6. Child/Home Care Fund: When a parent dies, there are ways in which they can never be replaced, but there are also ways in which they must be replaced. Someone must take care of the children, cook, clean, do laundry, take care of the home and so on. That will take money. Sons of Norway life insurance proceeds can help with these new expenses.

7. Education Fund: If you live, chances are every-one; mom, dad, and your child will work together to cover these expenses. But if you die, the money will have to come from someone else. An education fund protected by life insurance guarantees the money will be there even if you are not.

8. Support for a Dependent with Special Needs: Dependents with permanent special needs such as a physical or mental disability may need financial support beyond your lifetime. Your Sons of Norway life insurance proceeds can provide money for these needs.

9. Emergency Fund: Financial planners suggest you have an emergency fund of 50% of your annual income. That's your saving account. If you have not had enough time to establish that fund, life insurance proceeds can provide this for your family.

10. Final Expenses: Most people have a need for money immediately upon the death of someone in the household. Money is needed for unpaid medical and hospital expenses, funeral expenses, attorney's fee, probate court costs and taxes. Sons of Norway life insurance can provide these needed funds.

11. Estate Planning: Life insurance proceeds provide instant cash to pay estate settlement expenses such as estate taxes, probate costs, and attorney fees.

12. Charitable Gift: A small income tax deductible gift monthly, annually or a single income tax deductible gift of Sons of Norway life insurance greatly magnifies your Charitable Gift at the time of your death.

Today, 119 years after its founding, Sons of Norway has grown to be stable and strong with more than \$340 Million in assets. Sons of Norway has never defaulted on an obligation. What's more, Sons of Norway provides a complimentary, no obligation worksheet to help you set your financial goals, prioritize your goals, initiate a plan of action and review your plan regularly. Call your Sons of Norway Financial Benefits Counselor today for a complementary Financial Security Analysis, and remember—when you buy Sons of Norway life insurance, you are doing business with a company you own.

Advisor Answers

Leonard Carlson, Director of Agencies

Q. *"I am 80 years old, have some money in annuities that I don't need and therefore will not spend on myself. I have 4 young adult grandchildren that are just starting their careers. Are there some financial options Sons of Norway can give me?"*

A. *This is a very good question, as there are many grandparents who are in a similar situation, wanting to assist with their grandkid's financial goals while they are still alive to witness the joy these gifts make for their grandchildren.*

Here is a thought: Let's say you have a \$100,000 annuity that you will never need to cash out for yourself, nor want an income stream from it. You could cash out the annuity and split it up 4-ways. When you do this, you need to know that you'll need to pay income taxes on the gain, which is the difference between what you invested into the annuity and what it's currently worth. You might ask yourself, this doesn't sound like a good idea because I will have to pay the taxes. But remember, eventually someone will have to pay the taxes, most likely your beneficiary upon your death, and they will pay the taxes according to their tax bracket. So, if your four grandkids were the beneficiaries anyway, you would be saving them some taxes. Now, let's assume for simplicity reasons that you net \$96,000 after you cash this out and pay the taxes; this would assume that the principal was \$80,000 and interest was \$20,000 and you paid 20% tax rate on the \$20,000 gain, resulting in \$4,000 of taxes. You split this 4-ways and give \$24,000 to each of the grandkids.

So, how do you give your 4 grandkids something that is really worthwhile that they will have for the rest of their lives and at the same time give them cash for immediate use?



Split the \$24,000 up, putting \$14,000 into a Single Premium Life Insurance policy and also give them \$10,000 in cash. So, for example, if one of your grandchildren is a 30-year old male, \$14,000 would purchase \$78,982 of life insurance; a policy that your grandson will never need to pay any further premiums on. Plus, the policy accumulates a cash value, and at age 65, that value would be around \$40,000. What a meaningful gift this is, as you and I both know your grandson will be needing and purchasing life insurance for different needs as he goes through different stages in his life.

Grandkids are special at all ages, so perhaps an idea like purchasing a Single Premium Whole Life policy is something for you to consider. Many years from now, your grandchildren will remember you for all that you have given them — this is one gift that will last a lifetime.

Please contact the Financial Benefits Counselor featured on the front-cover of your Advisor to take advantage of this great gift idea.

Common Excuses That Can Put Your Financial Future At Risk

Don't allow common excuses to put your family's financial future at risk. Here are some excuses and what to think about:

It's too expensive!

Not having adequate coverage could be more costly to your family.

I haven't gotten around to it!

There are no guarantees in life, so don't procrastinate.

I prefer to put my money elsewhere!

Might work if you're sure you're going to live a long life.