

the

Advisor

find your path to a secure future

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Dear Members



Spring is upon us! As a citizen of the great state of Alaska, I don’t mind telling you that I always look forward to spring because it marks the end of long, dark winters and it is a time of rebirth, renewal and growth for all. Just looking out my window and seeing the absence of snow and enjoying the increase in daylight gives me a great feeling of invigoration.

Because spring is a time for ushering in the “new” I hope you will enjoy all this latest edition of the Sons of Norway Advisor newsletter! Inside there is a great article about our newest insurance product, the Chronic Illness Accelerated Benefit Rider. This is a great product to consider because it offers the option of accessing money from your life insurance products to help offset costs of chronic illnesses, like heart disease, or Alzheimer’s disease. With so many Americans

living longer, it’s much more likely that you may experience some form of chronic illness during your life, and Sons of Norway can help you during that difficult time.

In addition, we have a great article that discusses the 20 reasons you may need life insurance after 60. This is every educational because one of most common misconceptions of our members and the general public as well, is that if you are retired or close to retirement age you don’t need insurance, or are too old to buy it. As this article shows, nothing could be further from the truth.

Last, but not least, we have an article about the benefits of life insurance over a traditional bank account or CD. Did you know that by leaving your money in one of the latter products, you could be missing out on tens of thousands of dollars? Read the article to learn how you can make your money work for you and provide the greatest advantage for you and your heirs.

In closing, I hope you will enjoy this quarter’s edition of the Advisor and, as always, if you have questions about any of the articles enclosed be sure to reach out to your dedicated Sons of Norway Financial Benefits Counselor. They are here to help and can be a great resource as you plan for the future.

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

# 20 Reasons You May Need Life Insurance After 60

by Marvin H. Feldman CLU, ChFC, RFC, President and CEO of Life Happens



Well, let’s think about this. You’ve earned the majority of what you’ll ever earn over the past 40 years. You should have accumulated enough assets to retire and live happily ever after. The opportunity and the ability to add to this are limited by both your age and your health. But the past few years have been an eye opener about how uncertain your financial future may be.

Most people think of life insurance only when they want to protect their family and provide a source of replacement income in the event of their death. They don’t think of it as a buffer to replace lost assets due to market volatility—for example, the market crashes and you die before you have the time to rebuild or replace the lost assets.

Yes, I know. Your children are grown and gone. The mortgage is paid off. You have minimal debts. So, why should someone 60 or older consider purchasing permanent life insurance?

## Reasons for life insurance after age 60:

- Offset loss of retirement income to spouse at death. (Pension max)
- Pay costs associated with death
- Pay final expenses
- Pay estate and inheritance taxes
- Pay off debts
- Pay income in respect of a decedent taxes on IRAs, 401(k)s etc
- Provide for the care of a disabled child, spouse, etc.
- Offset loss of key person in a small business
- Provide funds to buy out interests of a deceased business partner or co-shareholder
- Dividends can be a tax-free source of supplemental retirement income.
- Cash surrender values are a source of emergency funds during life.
- Cash surrender values can be wholly or partially annuitized to provide additional guaranteed lifetime income.
- Any unused funds can be used to provide a gift to grandchildren.
- Provide a gift to charity at death or prior if desired.
- It adds flexibility to the estate plan.
- It allows parents to balance uneven distributions of property or business interests to children.
- It allows parents to spend all their money and still leave a legacy to their children or grandchildren.
- It is creditor proof in most states.
- It can be designed to provide an “inevitable gain,” no matter when one dies.
- It can collateralize loans. As people live longer, they tend to take on more debt or debt that has a longer amortization (just look at all the big houses being built by people who consist of a family of two post-65 adults!)

**Review your personal situation. You may find there are more reasons to own life insurance after age 60 than you think.**



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](http://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**  
Means more moeny for your beneficiaries

**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

Single Premium Deferred Annuity				Flexible Premium Deferred Annuity			
Deposit Amount	Current Interest Rate	1st Year Interest Bonus*	Total 1st Year Return	Deposit Amount	Current Interest Rate	1st Year Interest Bonus*	Total 1st Year Return
\$10,000 - \$24,999	1.95%	.70%	= 2.65%*	\$2,000 - \$9,999	1.70%	0%	= 1.70%
\$25,000 - \$49,999	2.10%	.70%	= 2.80%*	\$10,000 - \$24,999	2.00%	.70%	= 2.70%*
\$50,000 - \$99,999	2.20%	.70%	= 2.90%*	\$25,000 - \$49,999	2.15%	.70%	= 2.85%*
\$100,000 and over	2.25%	.70%	= 2.95%*	\$50,000 - \$99,999	2.25%	.70%	= 2.95%*
* These rates include a .70% first year bonus. Guaranteed Minimum Interest Rate: 1.00%				* 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.				Interest rates as of 02/01/14 and are subject to change. New contracts only.			



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UNITED STATES

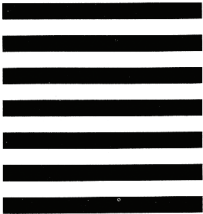
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SONS OF NORWAY

1455 West Lake Street  
Minneapolis, MN 55408-9943



## Benefits of Simplified Issue Single Premium Whole Life (SISPWL)

### I worry about making the wrong decision!

- Guaranteed premiums set at issue
- Guaranteed cash values that increase each year
- Guaranteed level death benefit
- Loans against cash value are available
- Eligible to earn dividends which can be used to purchase additional coverage or provide funds now and in the future (Dividends are not guaranteed)
- Income tax free death benefit

### Qualification of Information

**Issue Age:** 0 - 59  
**Face Amount:** \$10,000–\$24,999

**Issue Age:** 60 - 85  
**Face Amount:** \$5,000–\$9,999

With fewer health questions,  
it's easier to qualify.

## Sons of Norway's New Chronic Illness Accelerated Benefit Rider It Can Help You Pay the Expenses of Long Term Care

Ken Thul, CLU ChFC, FICF Advanced Financial Consultant

People are living longer than ever. Although longevity has its benefits, it can also present challenges. You may need to plan for the increased likelihood that you may develop a chronic illness such as disabling heart disease, Parkinson's disease, or Alzheimer's disease. Sons of Norway's New Chronic Illness Accelerated Benefit Rider\* is a convenient and practical way to help you pay for your long term care expenses.

### Did you know...

- People who reach age 65 have a 70% chance of developing a chronic illness covered by the Chronic Illness Accelerated Benefit Rider<sup>1</sup>
- 4 of 10 people retired early to care for a spouse or other family member<sup>2</sup>
- 1 of 3 caregivers of people with Alzheimer's disease provide care for 5 years or more<sup>3</sup>
- Most long-term care is provided at home by a family member<sup>4</sup>

### What is the New Chronic Illness Accelerated Benefit Rider

The Chronic Illness Accelerated Benefit Rider is a flexible, low cost addition to your life insurance certificate. It allows your certificate to do more for you. It provides regular monthly payments if the insured is under medically prescribed long term care. The benefit may be used for at home care or nursing home stay. It's easy to use. No receipts or care plan are needed. Certificate holders can decide how their monthly payments are spent. The Chronic Illness Accelerated Benefit Rider is available as a rider with no additional underwriting when added to your application for a new Sons of Norway Universal Life certificate. It's available for Issue Ages 18 – 85.

### About the Benefit Payments

- Each monthly payment is 2% of the death benefit amount of your certificate.
- You may choose to receive your payments annually. If you choose annual benefit payments, each annual payment will be 24% of the death benefit amount of your certificate.
- Your life insurance certificate must have a minimum death benefit of \$50,000 for the rider to be attached. The maximum benefit amount for the rider is limited to \$300,000.
- Each payment under this rider is an advanced payment of a portion of the death benefit of your certificate and reduces the death benefit of your certificate on a dollar-for-dollar basis. When payments under this rider equal the death benefit of your certificate, your life insurance certificate will terminate.
- The rider is available for Standard, Select and Super Select policies.
- Here are some examples of the monthly benefit payment of the rider:

If Your Life Insurance Certificate Has A Face Amount Of	Amount of Your Monthly Benefit Is
\$50,000	\$1,000.00
\$100,000	\$2,000.00
\$200,000	\$4,000.00
\$300,000	\$6,000.00

For **free, no obligation** information about **The Sons of Norway Chronic Illness Accelerated Benefit Rider**, please contact your Financial Benefits Counselor.

The rider is not available in SD, CT, NY or DC.

- 1 <http://www.longtermcare.gov/LTC/Main Site/index.aspx>
- 2 Billings MB, Rappaport AM, Living to 100-Challenges and Opportunities for employers
- 3 AARP Public Policy Institute. September 2010
- 4 U.S. Department of Health and Human Services 2010

**Q.** *“In today’s economic environment where bank CD rates are at an all-time low, I have had some friends tell me that permanent life insurance may be a place to put some of my money. I have always believed that life insurance was a bad investment. Can you shed some light on this?”*

**A.** *I’d be happy to. First of all, permanent life insurance isn’t considered an investment like stocks or bonds; but rather, permanent life insurance provides a death benefit which accumulates money in a conservative fashion while providing guaranteed cash value growth as well.*



Now keep in mind, while the following scenario may not apply to everyone, it will apply to many. Let’s say that your portfolio has some excess money sitting in a low interest bearing CD. Let’s further assume that this money in the bank is earmarked to be passed on to your heirs upon your death. I call this “lazy money.”

You have a choice of leaving the money in the bank CD, let’s say earning 1% (that’s generous), or transferring the money to a Sons of Norway Single Premium Whole Life certificate.

Here is what the two would look like:

Male Age 65		\$50,000 Single Premium Whole Life, Standard Non-Tobacco Compared to a \$50,000 Bank CD Deposit							
		SPWL (2014)			Bank CD at 1%			Difference	
End of Year	Age	Premium Outlay	Death Benefit	Surrender Value	CD Deposit	Death Benefit	CD Balance	Death Benefit	Fund Balance
1	66	\$ 50,000	\$ 84,684	\$ 39,663	\$ 50,000	\$ 50,500	\$ 50,500	\$ 34,184	- 10,837
10	75	0	88,313	57,093	0	55,231	55,231	33,085	+ 1,832

You can see that your \$50,000 in the SPWL would give your heirs \$84,684 immediately upon your death, if death occurred right away; that’s over \$34,000 more than your money in the bank CD.

In 10 years, the cash value in the SPWL is greater than the fund balance; so hopefully if you live a long life you will come out ahead as well. But remember, if you die too early your heirs receive a lot more money free from income tax, probate tax, gift tax, estate tax, or capital gains.

Our Nordic Single Premium Life has these safety features: 1) guaranteed fixed single premium, 2) guaranteed fixed death benefit, 3) guaranteed paid-up certificate for the lifetime of the insured person, and 4) guaranteed cash value. Also eligible for dividends (dividends are not guaranteed).

Your Sons of Norway FBC can help you make sure your money is working the best for you.

## Simplified Single Premium Whole Life (SISPWL)

In simple terms, it’s a life insurance certificate with guaranteed life insurance coverage to age 121 with a guaranteed premium.

### It’s easy.

You make one guaranteed single premium payment and your policy is paid up with no additional premium payments ever.

### Great choice for a lump sum.

Single Premium Whole Life is a good choice when additional life insurance is needed and you have a lump sum of cash available. Typically, sources of lump sum payments are savings accounts, retirement accounts, CD’s, a gift, an inheritance, or an insurance payout. Ideal for funeral home costs.

### Excellent way to transfer assets.

Single Premium Whole Life is an excellent way to transfer your assets to your heirs — tax free when arranged properly. Depending on your age, a one-time payment may provide several times that amount in coverage.