

Dear Members



As the newly elected International President of Sons of Norway it’s my great pleasure to introduce the latest edition of the Advisor Financial Newsletter. With the end of the year drawing close, I find myself thinking about a number of financial topics, like “do I need to review my life insurance policies and make any updates?” Or “have my goals for retirement changed?” I’m willing to bet that as 2014 comes to a close you are probably thinking about some of the same questions.

Luckily, as a Sons of Norway member, you have exclusive access to a dedicated and knowledgeable Financial Benefits Counselor, who can help you make the decisions that are right for your family and your goals. The work these men and women do is essential to Sons of Norway, so I encourage you to reach out to them with any questions about life insurance or planning for the future.

In the meantime, I invite you to read this quarter’s edition of the Sons of Norway Advisor. Inside you will find educational articles on a variety of topics related to life insurance. First, we have an article that dispels many of the common myths people believe about whole life insurance products. Next we have a piece from the Life Foundation that discusses insurance needs at different stages of life. Last, but not least, we have an Advisor Answers column about the top 20 things life insurance can do for you. As someone who spent 25 years in the insurance industry, I know first-hand how important these topics are in building a sound financial future.

In closing, I hope you enjoy this quarter’s edition of the Sons of Norway Advisor as much as I do, and find it to be entertaining and educational. Above all, though, it’s my sincere hope that you will contact your FBC in the near future to discuss how they may be able to help you achieve your financial goals.

Jim Schwen

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

- ☐ Tax-deferred Annuities

☐ Single Premium Whole Life

☐ Whole Life

☐ Immediate Annuities

☐ Universal Life Insurance

☐ Pension Maximization Plan

☐ Saving For Retirement

☐ Preserving My Estate

☐ IRAs - Traditional and ROTH
- ☐ Medicare Supplement**

☐ Benefit Rider

☐ Chronic Illness Accelerated

☐ 401K Rollover

☐ Level Term Life Insurance

☐ Child or Grandchild Plans

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

10.14 #32

Debunking Whole Life Myths

Whole Life insurance provides a broad range of financial benefits, and has proved its long-term value over generations. While many financial products faltered during the recent Great Recession, Whole Life insurance provided families and small business owners with a much-needed source of funds, and retirees access to additional income - all while building guaranteed cash values and paying death benefits to beneficiaries.

For the last two decades, financial experts have discounted the benefits of Whole Life insurance in favor of trendy, equity-oriented vehicles that seemed to offer higher returns at lower costs, often forgetting to contemplate the risk-reward trade-off. Now is a good time to set the record straight on several common myths about Whole Life insurance.

Myth #1

You only benefit from Whole Life when you die.

FACT: Wrong. Participating Whole Life policy owners enjoy substantial “living” benefits during their lifetime of coverage.

- “Participating” ins. company policy owners generally receive annual dividends after the first policy year.
- Dividends can be used to fund policy premiums or to buy more permanent increments of death benefit and cash value.
- Access to the policy’s cash value is typically available through withdrawals and tax-free loans.
- Individuals use Whole Life in their estate planning by setting up an insurance trust to pay estate taxes from the proceeds of the policy.

Myth #2

Whole Life is a lousy place to put your money.

FACT: Not so.

- The value of a Whole Life insurance policy is not correlated to the stock market and is largely guaranteed by the insurer, so that neither death benefits nor cash values are affected by declining markets. Therefore, a Whole Life policy can serve as the stable component of an overall financial strategy.

- Whole Life insurance is purchased to protect your family in the event of your death. However, it’s much more than that. It’s actually one of the most valuable assets in your financial portfolio. A Whole Life insurance policy has a real return that performs competitively within other high-quality, fixed return assets.

Myth #3

Once you retire, you should cash in your life insurance policy.

FACT: Not so fast.

- Retirement is no longer the appropriate time to drop life insurance - today it’s the time when many people realize the importance of buying it! Continuing Whole Life as part of a financial strategy provides an additional level of security, financial freedom and a legacy for loved ones, even if other assets are used for retirement. Moreover, many situations involve estate liquidity problems that can only be solved through the availability of immediate cash. Heirs can use the proceeds generated from a Whole Life policy to pay estate taxes.
- Whole Life also provides a good source of tax-free funds for big-ticket items such as a grandchild’s college tuition or wedding—costly expenses that could otherwise burden a tight retirement budget.

Myth #4

Whole Life is too expensive.

FACT: In considering whether to purchase Whole Life or to “buy Term and invest the difference,” you must take into account not just the premium cost, but also the length of time you want coverage and your ability to “invest the rest” efficiently.

- Term insurance isn’t designed for lifetime coverage. In fact, Term insurance is prohibitively expensive to maintain for the average U.S. life expectancy of 78.9 years.
- For longer periods - an entire lifetime - Whole Life insurance is substantially less costly than a lifetime of premiums paid for Term.
- With Term insurance, the policyholder does not accumulate any lasting cash value. At the expiration of the term of the insurance, the policyholder owns nothing, in contrast to Whole Life insurance, where premiums build cash value that belongs to the policy owner.

For more information on Sons of Norway’s Whole Life product, please contact your local Financial Benefits Counselor.

Top Ten Reasons to Own a Sons of Norway Annuity

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



1. **Guaranteed Safety of Principal**
2. **Guaranteed Minimum Interest Rate**
3. **Guaranteed Income for LIFE**
4. **High Current Interest Rates**
5. **Tax Deferred Accumulations**
6. **No Sales Charges**
7. **No Annual Service Fees**
8. **Penalty Free Withdrawals Beginning in Year Two**
9. **Penalty Free RMD Withdrawals for IRA's**
10. **Safety & Security with over 115 Years of Experience**

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%				\$100,000 and over	2.35%	.70%	= 3.05%*
Interest rates as of 02/01/14 and are subject to change. New contracts only.				* These rates include a .70% first year bonus. Guaranteed Minimum Interest Rate: 1.00%			
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Single Premium Whole Life (SPWL)

Can provide your children and your grandchildren with:

Peace of Mind

Single Premium Whole Life can provide for those who depend on you by:

- Protecting their financial future
- Paying off a mortgage
- Covering college tuition
- Paying expenses
- Supporting a charity
- Leaving a legacy

This is how your single payment gift works for your loved ones.

Your single payment	Purchases Single Premium Whole Life Insurance amount of	Which grows to these values at age 65**	
		Life Insur- ance	Cash Value
\$2,000	\$27,637	\$35,202	\$19,869
\$5,000	\$69,938	\$89,080	\$50,278
\$10,000	\$144,642	\$184,230	\$103,983

*Sons of Norway Single Premium Whole Life certificate From No. SPWL 13. For a female age 0 at standard rates, male rates and other underwriting classes, ages and premium outlay amount available, subject to underwriting approval **includes dividend accumulations at current scale, valid only with Sons of Norway illustration.

Sons of Norway,
1455 W. Lake St., Minneapolis, MN 55408. 06-2013
AD SPWL 13

Insuring the times of your life The Young Family

Even people who are generally savvy when it comes to managing their money may overlook an essential component of a sound financial plan - life insurance. Whether you're a breadwinner or a stay-at-home parent, you probably need life insurance. For most people, this financial responsibility starts when they get married. In fact, young families usually have the greatest need for life insurance.

I do, I do. You Better!

Driving away from the reception in a red convertible with streamers flying in the wind, you're headed for a bright future. Enjoy these early carefree days, but make sure you talk to an insurance professional sometime soon now that you're financially dependent on one another. As a married couple, you share a life together, but you also share each other's financial obligations. What if one of you were to die tomorrow? Even with the surviving spouse's income, would that person be able to pay off debts like credit-card balances and car loans, let alone cover the monthly rent and utility bills/



Moving Stories



When you both finish signing that huge check, your realtor hands you the keys to the cutest little Victorian three-bedroom you've ever seen. Mortgage payments are a little daunting. Now, it's time to make sure you've thought ahead.

What if the worst were to happen and you died? Could your spouse manage the mortgage payments without you? What about monthly maintenance, utilities and unforeseen repairs – not to mention property taxes? How long would your spouse have before your dream house is back up for sale?

Building Blocks

Congratulations on your third wedding anniversary! It's time to start thinking about whether to wallpaper the extra bedroom in pink or blue – your first child is on the way. With your growing family, you're probably beginning to save and invest for the future. But is that enough? You have big plans for your kids and want to see them realize their dreams. It's hard enough to make that happen with you in the picture. What if you or your spouse – or both of you – were suddenly out of the picture? From diapers to diplomas, would there be enough income to pay for day care, a college education and everything in between?



Whatever stage of life you're in, life insurance can help secure your family's financial future. If you're



like most people, you probably don't know how much life insurance you should buy. Because everyone's needs are different, the best way to develop a plan that's right for you is to talk with an insurance professional. Proper planning can guarantee a secure financial future for you and your loved ones, no matter what happens.

Q. *A member recently asked, “Why do I really need life insurance? What does life insurance really do?”*

A. *A good question. Life insurance policies have many uses and can fulfill many needs. We at Sons of Norway have compiled a list of the top 20 things life insurance can do for you.*

I Am A Life Insurance Policy

- 1.** Offset loss of retirement income to spouse at death (pension max).
- 2.** It allows parents to spend all their money and still leave a legacy to their children or grandchildren.
- 3.** Pay final expenses.
- 4.** Provide a gift to charity at death or prior if desired.
- 5.** Pay off debts.
- 6.** Cash surrender values are a source of emergency funds during life.
- 7.** Provide for the care of a disabled child, spouse, etc.
- 8.** Offset loss of key person in a small business.
- 9.** Provide funds to buy out interests of a deceased business partner or co-shareholder.
- 10.** Dividends can be a tax-free source of supplemental retirement income.
- 11.** Pay income in respect of a decedent taxes on IRA's, 401(k)'s, etc.
- 12.** Cash surrender values can be wholly or partially annuitized to provide additional guaranteed lifetime income.
- 13.** Any unused funds can be used to provide a gift to grandchildren.
- 14.** Pay estate and inheritance taxes.
- 15.** It adds flexibility to the estate plan.
- 16.** It allows parents to balance uneven distributions of property or business interests to children.
- 17.** Pay costs associated with death.
- 18.** It is creditor proof in most states.
- 19.** It can be designed to provide an “inevitable gain,” no matter when one dies.
- 20.** 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)!



Single Premium Whole Life (SPWL)

Single Premium Whole Life products are life insurance plans that can provide your children or grandchildren with financial security and are a gift that is guaranteed to give for the rest of their lives.

Give the gift of Sons of Norway Single Premium Whole Life.

Single Premium Whole Life Benefits:*

- Permanent Life Insurance
- Guaranteed single premium payment
- Guaranteed paid-up at the time of issue
- Guaranteed death benefit
- Guaranteed cash value
- Dividends paid annually beginning in the second year

*Sons of Norway Single Premium Whole Life certificate Form No. SPWL 13.

Valid only with Sons of Norway illustration.
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