

the

Advisor

find your path to a secure future

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Dear Members



As Sons of Norway’s International President, one of my biggest concerns is membership participation in the various financial products we offer because they are the driving force behind much of the good work that Sons of Norway does in our communities. Also, thanks to the members who own one or more of our conservative products. Because of you Sons of Norway is able to continue developing and enhancing the member benefits you enjoy, while providing financial support to your lodge and offering philanthropic opportunities that help members.

I hope this helps illustrate why it’s good for all members to be aware of our financial offerings and how important your participation is. So, I hope you will take a few minutes to read this edition of the Sons of Norway Advisor and enjoy all the useful information contained within. This quarter it’s full of great content, like information about our Nordic Protector, highlights of a new life insurance rider option and answers about life insurance after retirement.

In fact, this issue contains an educational article about the top 10 reasons to own annuities. There’s also a great article about Sons of Norway’s popular chronic illness rider. Last, but certainly not least, our Director of Agencies Len Carlson answers an important question about the role life insurance plays in the lives of retirees.

In closing, I hope you enjoy this edition of the Advisor and find the information within to be of great interest. I also hope you find it worth sharing with friends, family or other lodge members. If you do, be sure to lend them your copy so they can benefit from it as well. 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.

Jim Tschwen

08.15 #35
**Products from other insurance carriers offered by your Sons of Norway Financial Benefits Counselor.

* 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

☐ Chronic Illness Accelerated Benefit Rider

☐ Medicare Supplement**

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

It's a Big Hit, Introduced in April 2014

Update: Sons of Norway's Chronic Illness Rider

In April 2014, Sons of Norway introduced The Chronic Illness Rider (officially named the Chronic Illness Accelerated Benefit Rider). It has been a popular option with many members adding this rider to their Sons of Norway Universal Life Certificates. If you aren't familiar with this new offering, keep reading for an overview of the rider, its features and benefits as well as answers to frequently asked questions.

Why is the Chronic Illness Rider Needed? Did you know?

- 70% of people who reach age 65 will develop a chronic illness covered by the Chronic Illness Rider
- 4 of 10 people retire early to care for someone with a chronic illness
- 1 of 3 caregivers of people with Alzheimer's disease provide care for 5 years or more¹
- Most long-term care is provided at home by unpaid caregivers, like a family member²

What is the Chronic Illness Rider?

- The Chronic Illness Rider is a low cost addition to your new Sons of Norway life insurance certificate.
- It provides regular monthly payments if you are under medically prescribed long term care. It's a convenient and practical way to help you pay for your long term care expenses.
- 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.
- Each monthly payment is 2% of the death benefit amount of your certificate.
- 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.

Here are some examples of the monthly benefit payment of the rider:

A certificate with a death benefit of	Gives you a monthly benefit is
\$50,000	\$1,000
\$100,000	\$2,000
\$200,000	\$4,000
\$300,000	\$6,000



Frequently Asked Questions:

How do I qualify for payment of the benefit?

You qualify if you are certified as a chronically ill individual by a Licensed Health Care Practitioner as being unable to perform, without substantial assistance from another individual, at least two of the six Activities of Daily Living for an expected period of at least 90 days. The six activities of daily living are: bathing, continence, dressing, eating, toileting, and transferring.

Do I need to be in a nursing home to get paid the benefit?

No, the benefit may be paid for at home care or a nursing home stay

What expenses are eligible to be paid by the rider?

The Rider provides monthly cash payments that can be used for any purpose, it does not reimburse you for long term care expenses. To receive the rider benefit payments, you merely need to qualify as described above. You can decide how the benefit payments are spent. No receipts or care plan are needed.

How long are the rider benefits paid?

Benefits can be paid for up to 50 months. You must re-apply for each 12 month period. This is a safety feature to prevent the run-on of benefit payments if they are no longer needed or wanted. You may stop the benefit payments at any time and re-apply for unused benefits as if needed.

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

The rider is available for Standard, Select & Super Select policies. The rider is not available in SD, CT, NY or DC.
¹https://www.alz.org/national/documents/report_familiescare.pdf ²<http://longtermcare.gov/the-basics/who-will-provide-your-care/>

Top Ten Reasons to Own a Sons of Norway Annuity

Ask your FBC for more information about Sons of Norway financial products!

- 1. Guaranteed Safety of Principal**
You cannot lose any of your invested principal.

2. Guaranteed Minimum Interest Rate
You always earn interest and your interest rate can never fall below our guaranteed minimum.

3. Guaranteed Income for LIFE
Monthly income is guaranteed for as long as you live.

4. High Current Interest Rates
Current rates are guaranteed one year at a time and are reset on your anniversary date, but never below the guaranteed minimum interest rate.

5. Tax Deferred Accumulations
Income tax on your interest earned is deferred until you withdraw it or take a monthly income.
- 6. No Sales Charges**
Every dollar you invest goes directly into your account and earns tax deferred interest for you.

7. No Annual Service Fees
Sons of Norway doesn't charge service fees because they can rob you of a portion of your cash value and the compound interest it would have earned.

8. Penalty Free Withdrawals Beginning in Year 2
You may withdraw a portion of your account balance without surrender charges as early as the second year.

9. Penalty Free RMD Withdrawals for IRA's
Never a surrender charge on RMDs from your IRA.

10. Peace of Mind
With Sons of Norway you can rest assured that your money enjoys safety, security and the expertise that comes with 120 of financial 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%				* 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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- Continued From Front

- Half of people put expenses such as cable and cell phone ahead of buying life insurance.
- People with no life insurance overestimate the cost by more than 3x and those with coverage by more than 2x.
- 1 in 5 prioritize paying for leisure activities like eating out over buying life insurance.

Premium Examples With Nordic Protector

How much Nordic Protector Life Insurance your single premium payment will buy? These examples are for a female age 65, male rates, other ages and premium outlay amounts are available. Cash Values are at our current dividend rate.

A Single Premium Payment	Provides a Death Benefit of	Cash Value at the End of Year 10
30	\$162.50	\$132.50
40	\$207.50	\$175.00
50	\$407.50	\$327.50
60	\$942.50	\$650.00

Simplified Issue Single Premium Whole Life Nordic Protector

Why You May Need It

In January 2015, Sons of Norway introduced a new product, called Nordic Protector. It's designed to provide the money needed to pay for final expenses, which can be costly and many Americans are not prepared to take on. So the question is, how much final expense life insurance will you need? On average a funeral and associated fees cost about \$11,000. So, using the Nordic Protector to plan for payment of final expenses allows your time to grieve rather than worry about paying those expenses.

The Cost of Final Expenses are on the Rise

The average funeral cost today is \$8,343¹. Additional fees for cemetery plot, monument, flowers, and obituaries for an average funeral are \$3,100². That's a total of \$11,443. The Social Security Death Benefit only provides a lump sum benefit of \$255 for those who qualify³.

1 Source: National Funeral Directors Association nfda.org 2 Source: The Funeral Site thefuneralsite.com 3 Source: Social Security Rules & Regulations 404.390

About Nordic Protector Life Insurance

- You make one guaranteed single premium payment and your policy is paid up with no additional premium payments ever.
- Nordic Protector 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, CDs, a gift, an inheritance, or an insurance payout.
- Nordic Protector 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

Features

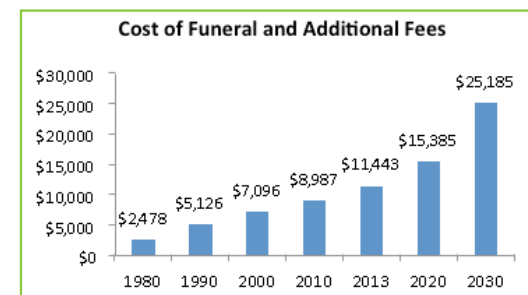
- No medical exam, only simple Yes/No questions
- Issue ages 0 – 85
- Available coverage \$5,000 to \$50,000
- Dividends can increase the death benefit to help fight inflation or they may be taken in cash

Benefits

- **Guaranteed Death Benefit:** Death benefits are guaranteed and will not decrease. The death benefit is an income tax-free benefit to your beneficiary.
- **Guaranteed Single Premium:** Your single premium payment creates guaranteed paid up life insurance for the rest of your life.
- **Guaranteed Non-Cancellable:** Your certificate can not be cancelled.
- **Guaranteed Cash Value:** Your policy builds guaranteed cash value that can be borrowed against in the case of financial emergency.

How Much Final Expense Life Insurance Will I Need?

The average cost of funerals and additional fees have increased 4.75% annually since 1980¹. If this average cost is projected forward, the average cost of a funeral and additional fees in 2030 will be \$25,185.



Final Expense Calculator

Funeral Expenses \$ _____

Additional Fees \$ _____

Medical Expenses \$ _____

Debt and Other Expenses \$ _____

Legal and Probate Fees \$ _____

TOTAL \$ _____

1 Source: National Funeral Directors Association nfda.org

Q. *A member from Seattle asks, "Is it true that I might still need life insurance after retirement?"*

A. This is a great question! One of the biggest misconceptions people have about life insurance is that they won't need it after a certain age, like when they retire. What they don't realize is that as people's needs change over time, so, too, does life insurance's ability to provide for them and their family. For example, during your working years life insurance offers a death benefit that can protect a family and meet retirement funding goals even if the individual is not around to contribute. Life insurance cash values have the potential to grow tax free and can be received tax free through withdrawals and loans. This offers an excellent source of funds for retirement.

What about when your children grow up? Although your kids are grown and your debts reduced, sometimes seniors support their adult children, and, therefore, need protection. Also regarding children and grandchildren, you as a retiree may see a need for a potential inheritance or debt reduction for those children and grandchildren, so a life insurance policy makes sense. Life insurance can help build a legacy as well, by providing income tax free cash to children and grandchildren to ensure your legacy lives on.

Another thing to consider is that most people don't have sufficient liquidity in their retirement years. When one spouse dies, pensions can turn off and Social Security amounts change. A death benefit can be a welcome source of financial security for the surviving spouse. Having some life insurance that takes care of final expenses and the loss of income streams that may happen when one party of a couple passes away can be the difference between maintaining a life style and not maintaining a life style.



How about combining a life insurance policy in retirement with long term care planning to further enhance a retiree's ability to spend more on their retirement and protect their nest egg? Having the confidence and knowing there is a pool of capital available for them to draw on in the event there is a long term care need can create instant peace of mind for you knowing your long term care needs are met as well as providing a death benefit for your heirs. The benefit that can provide this is a Chronic Illness Rider which can be a part of your life insurance policy. This benefit can provide money to pay medical costs, nursing home costs, adult care, home care, or cash for anything you want to use it for. Like I said, this is part of a life insurance policy.

In summary, life insurance can supplement retirement income. With enough cash value in a permanent policy, you can tap into that resource to help pay off a house and other debts that may linger into your later years and limit your freedom in retirement.

—Leonard Carlson, Director of Agencies

A Few Facts About Life Insurance

Nothing can replace you and the love you give to your family. But by estimating your future financial contributions to your family that would be lost if you were to die, you'll better understand how much life insurance you may need.

- 2 in 3 adults think life insurance is too expensive, but they overestimate its true cost by more than 2x.
- 61% haven't bought life insurance or more of it because they have "other financial priorities."
- 38% haven't bought life insurance or more of it because they're unsure of how much or what type to buy.
- Almost half of adults age 25-44 are concerned with leaving dependents in a difficult financial situation should they die prematurely.

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