

the

Advisor

find your path to a secure future

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Dear Members



Spring is almost upon us and I hope the new year has treated you well so far. With tax season not far off now is a great time of year to be thinking about your financial future. With that in mind I hope you will enjoy this quarter’s edition of the Sons of Norway Advisor. We have four great articles that I think will be of interest to you as you make plans for your financial future.

First, as you may have heard by now, this year marks the Sons of Norway Foundation’s 50th Anniversary! To coincide with this golden jubilee, this quarter’s edition of the Advisor includes an article about smart charitable giving and evaluating your philanthropic priorities. After you’ve read the

article I hope you will join me in celebrating this exciting milestone by supporting the Foundation through a donation or bequest.

Next we have an article about Sons of Norway’s Paid-Up-Additions rider, which has the ability to magnify your Sons of Norway life insurance policy’s cash value while growing tax-deferred. Essentially,. it makes your life insurance work even harder for you. As if that weren’t enough, the rider is also available without providing proof of good health in the future! Be sure to learn all about it by reading on.

Speaking of riders, we also have some useful information about the Sons of Norway Chronic Illness rider. It is a flexible, low cost addition to your life insurance policy. It’s really worth considering because it allows your policy to do more for you by providing regular monthly payments if you are under medically prescribed long term care.

Last, but certainly not least this month’s Advisor answers a great question about Sons of Norway’s complimentary financial review that is offered by our Financial Benefits Counselors to each of our members. If you’ve never worked with one of our talented FBCs before, or don’t know much about how Sons of Norway can help protect your financial future, this can be a great opportunity to do both! It’s as easy as making a phone call.

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. And remember: financial planning and protection are important for everyone, so don’t hesitate to share this quarter’s newsletter with friends and family.

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

☐ Complimentary Financial Review
- ☐ IRAs - Traditional and ROTH

☐ Child or Grandchild Plans

☐ Level Term Life Insurance

☐ 401K Rollover

☐ Chronic Illness Accelerated Benefit Rider

☐ Medicare Supplement\*\*

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

\* These products may not be available in all states.



# Meaningful Giving

Have you ever taken the time to evaluate your philanthropic priorities? Charitable giving is wonderful and is, of course, appreciated by the charity and its audience. However, have you ever asked yourself if you’re doing it out of habit, or maybe a sense of obligation? Take a moment and consider these questions:

- Does the mission of the organizations I support truly speak to me and my values?
- How do I feel about my involvement with them?
- Do I understand the impact of my donation?

If you don’t know the answer, or responded with indifference, to any of these three questions it’s time to rethink your giving strategy.

Start by thinking of the things you are passionate about and identifying organizations which share that passion. Then consider how best to support them. One of the most fundamental ways you can do that is donating to a general fund, which most nonprofits rely on in order to operate. An affordable option is to give on a monthly basis. Setting up your donations via an electronic funds transfer (EFT) makes the giving process very manageable.

You can also work toward supporting these charities at higher levels to feel an even greater joy of helping others. A great way to ease into increased giving is through a five year pledge. You can take advantage of tax benefits by giving from your IRA if you have a required distribution you do not wish to take. Donating those funds to a charity is a transfer that generates neither taxable income nor a tax deduction, so you still benefit even if you do not itemize your tax deductions. Another way to pay toward a pledge is to donate the dividends you receive from a life insurance policy. Many people view these dividends as “extra” income. Why not steer it toward a mission that is important to you for five years? Who knows, you may enjoy it so much you decide to extend your support!

Last, if you want to make a larger gift but do not currently have the means, you can always make a bequest by naming a charity as a beneficiary of an existing or new life insurance policy. This action will result in a federal estate tax deduction for the amount designated to the charity. Another option is to name the charity as the owner and beneficiary of a life insurance policy, which will make your premium payments tax deductible and a larger gift to the organization possible. Of course, the type of policy you chose should be discussed with your Financial Benefits Counselor. No matter the strategy, the charities you support will be grateful for any of these gifts and most importantly, giving will make you feel good.



## 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 03/01/16 and are subject to change. New contracts only.				Interest rates as of 03/01/16 and are subject to change. New contracts only.			

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Minneapolis, MN 55408-9943

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IN THE  
UNITED STATES

## Speaking of Riders

- 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.**  
Policyholders can decide how their monthly payments are spent.
- The Chronic Illness 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 can be **Added to Existing Nordic Elite I, II and III** Policies with new underwriting.
- It's available for Issue **Ages 18 – 85**.

Adding a Chronic Illness Rider to your Nordic Elite life policy makes your policy work harder for you. Your Sons of Norway Financial Benefits Counselor can design a plan for you.

## Sons of Norway Introduces The Paid-Up-Additions Rider

***Increase the death benefit, cash value and flexibility of your Sons of Norway Nordic Whole Life certificate with the PUA Rider***

Will you need additional life insurance in the future? Do you want to increase your life insurance policy's cash value? Do you want to build a fund of income tax deferred money for future needs, such as college funding, mortgage down payment or enhancing your retirement income? Do you want to use your policy's cash value to pay future premiums? Do you have cash value in other life insurance policy (ies) that could work harder for you? Do you want to do all of this without providing proof of good health in the future?

The PUA Rider added to your Nordic Whole Life Insurance Policy allows you to Increase the guaranteed death benefits of your policy by purchasing additional pieces of paid up life insurance. Sons of Norway allows this without proof of good health as this rider is underwritten at the time of issue.

The premiums paid for these additional paid up pieces of life insurance earn additional guaranteed cash value which is added to the base policy's guaranteed cash value. In addition to earning additional guaranteed cash value, the rider premiums also earn dividends which are also added to your policy's cash value. Dividends are a return of part of the premium you pay. They are credited to your policy beginning in the second year. Dividends are not guaranteed, but Sons of Norway has a strong history of consistent dividend payments.

The combination of the base policy's guaranteed cash value, the rider's guaranteed cash value and the dividends credited to both the policy and the rider accelerate the growth of a liquid cash reserve within the policy. Cash value growth inside a life insurance policy enjoys the IRS privilege of growing tax deferred. They also increase the policy's loan value. This added liquidity can be used for future financial needs such as funding a college education, a mortgage down payment, or increasing your retirement income.

The IRS also allows another valuable tax advantage for life insurance. It allows the tax free transfer of cash value from one life insurance policy to another through a process they call an IRS Section 1035 Tax Free Exchange. Suppose you have a number of older and/or smaller life insurance policies and you wish to consolidate them into one new modern policy. A 1035 exchange allows this. Or suppose you currently have an under performing life insurance policy and you want to bail out of it. The 1035 exchange allow you to transfer the remaining cash value to a new life policy tax free.

I often hear people say they want life insurance for the rest of their life, but they do not want to pay premiums for the rest of their life. Using the PUA Rider to build extra guaranteed cash value and dividends in your policy may also be used to pay future premiums, thus shortening the out-of-pocket premium-paying period for you. Basically, you are prepaying future premiums early in the policy's life, allowing them to growth tax deferred, and using them later to pay premiums so you do not have to pay these premiums out-of-pocket.

The combination of Sons of Norway Nordic Whole Life Policy with a PUA Rider may be just what you are looking for. They are safe and secure with over 120 years of experience. Your Sons of Norway Financial Benefits Counselor can design a plan that works for you.





**Q.** *A member from Minnesota asks, “I keep hearing that our Financial Benefit Counselor (FBC) offers a complimentary financial review for our members. Can you tell me what’s all involved?”*

**A.** Good question. A complimentary financial review is simply a financial check-up, where your FBC meets with you to review your financial goals, the financial products you already own, and learn about your financial needs. They’ll likely ask if you are concerned about protecting your family’s standard of living if the primary income earner meets with an untimely death? They may also inquire about your current method of accumulating money and whether or not it’s going to provide you with what you need for retirement. For sure they will ask if you own life insurance and what you want it to do for you.

A good way to look at this member benefit is that it’s similar to your annual medical check-up (except our review is free). Consider why you have a medical check-up – you want to make sure you are healthy and to look for early signs of health problems, right?, You want to know these things so that you can take corrective action before it’s too late. The same principle applies to your financial review. We can help you identify what’s keeping you financially healthy and what’s not.

Now you may think, “but I already have an insurance rep, why would I look for help elsewhere?” Again, just like with your physical health, when it comes to your financial health it’s sometimes crucial to get a second opinion. This can help you and your family enjoy a more secure financial future because suggestions may be made that you haven’t talked about before. These could be related to the type of savings vehicle you should be using, perhaps the amount and type of life insurance you own should change, etc. This complimentary financial review is an opportunity to get a second opinion, just like you do when you see different doctors.



In summary, our complimentary financial review is one of the best benefits to being a Sons of Norway member, so I sincerely hope you will take advantage of it. Remember, 1) it’s free to all members, 2) it can help your family enjoy a sound financial future and 3) it’s an opportunity to learn about new options, or smarter ways to save for your retirement. Above all, though, remember that when you work with a Sons of Norway Financial Benefits Counselor, you enjoy the expertise that only comes with our 121 years of insurance experience.

To learn more about this complimentary financial review, contact your Financial Benefits Counselor.

**—Leonard Carlson, Director of Agencies**

## Speaking of Riders



### The Chronic Illness Rider

People are living longer than ever. Longevity has its benefits, but it also presents challenges. You may need to plan for the increased likelihood that you may develop a chronic illness. The Chronic Illness Rider can be added to your Nordic Elite I, II, or III life insurance certificate. It is a convenient and practical way to help you pay for your long term care expenses.

### Chronic Illness Rider: What is it?

- The Chronic Illness Rider is a flexible, low cost addition to your life insurance policy. It allows your policy to do more for you. It **Provides Regular Monthly Payments** if the insured is under medically prescribed long term care.