



## Dear Members,



Last month's Sons of Norway 2016 International Convention is behind us, and what a convention it was!

It was gratifying to gather in Tacoma, Washington, and to greet the members of our delegation and many of our Financial Benefits Counselors as well. More than 120 attendees took part in the Innovative Leadership Conference while there, bringing back valuable teambuilding and mentorship tools to their respective lodges.

Your FBCs are committed to ongoing learning for the benefit of you, our members. They are dedicated to ensuring that you are apprised of the latest financial products for every stage of life and are at your service.

This issue of the Advisor features articles that can assist you as you consider various options of coverage. For instance, did you know about Sons of Norway's Chronic Illness Rider? This low-cost addition to a new Sons of Norway life insurance certificate provides regular monthly payments for those under medically prescribed long-term care. Read the article to learn more about this convenient and practical way to help cover long-term health care expenses.

It's true: You can't put a price on peace of mind. However, a recent addition to our product line – the Nordic Protector – goes a long way in providing peace of mind when it comes to paying final expenses. Why? Because the death benefits are guaranteed, will not decrease, and it's an income tax-free benefit to your beneficiary. Turn the page to see more features of this truly exceptional product.

You'll also want to check out "Advisor Answers" to learn or be reminded of just how important it is to keep your life insurance policies up-to-date. For instance, you may have thoughts of revising who your beneficiaries will be. If you carry term insurance, you'll want to note the expiration date. These may seem like minor details, but in times of need it's crucial to keep these points in mind.

Enjoy this issue of the Advisor, and enjoy the golden days of fall as you go forward with planning all of your activities!

*Jon Tschwen*

10.16 #39

- YES! Please send me more information on the following products to help me achieve my financial goals**
- Complimentary Financial Review
  - IRAs - Traditional and ROTH
  - Child or Grandchild Plans
  - Level Term Life Insurance
  - 401K Rollover
  - Chronic Illness Accelerated Benefit Rider
  - Medicare Supplement\*\*
  - \*These products may not be available in all states.
  - \*\*Products from other insurance carriers offered by your Sons of Norway Financial Benefits Counselor:
  - Preserving My Estate
  - Saving For Retirement
  - Pension Maximization Plan
  - Universal Life Insurance
  - Immediate Annuities
  - Whole Life
  - Single Premium Whole Life
  - Tax-deferred Annuities

# 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 more<sup>1</sup>
- Most long-term care is provided at home by unpaid caregivers, like a family member<sup>2</sup>

## 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?

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.  
<sup>1</sup>https://www.alz.org/national/documents/report\_familiescare.pdf <sup>2</sup>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. These fees 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 over 120 years of financial experience.

## Current 12 Month Interest Rates

### Single Premium Deferred Annuity

| Deposit Amount      | Current Interest Rate | 1st Year Interest Bonus* | Total 1st Year Return |
|---------------------|-----------------------|--------------------------|-----------------------|
| \$10,000 - \$24,999 | 1.85%                 | .70%                     | = 2.55%*              |
| \$25,000 - \$49,999 | 2.00%                 | .70%                     | = 2.70%*              |
| \$50,000 - \$99,999 | 2.10%                 | .70%                     | = 2.80%*              |
| \$100,000 and over  | 2.15%                 | .70%                     | = 2.85%*              |

\*These rates include a .70% first year bonus.  
Guaranteed Minimum Interest Rate: 1.00%

Interest rates as of 10/01/16 and are subject to change. New contracts only.

### Flexible Premium Deferred Annuity

| Deposit Amount      | Current Interest Rate | 1st Year Interest Bonus* | Total 1st Year Return |
|---------------------|-----------------------|--------------------------|-----------------------|
| \$2,000 - \$9,999   | 1.60%                 | 0%                       | = 1.60%               |
| \$10,000 - \$24,999 | 1.90%                 | .70%                     | = 2.60%*              |
| \$25,000 - \$49,999 | 2.05%                 | .70%                     | = 2.75%*              |
| \$50,000 - \$99,999 | 2.15%                 | .70%                     | = 2.85%*              |
| \$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 10/01/16 and are subject to change. New contracts only.



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### SONS OF NORWAY

1455 West Lake Street  
Minneapolis, MN 55408-9943



# Reasons You Need Life Insurance

**Death shouldn't mean debt.** Life insurance can help your dependents cover any financial responsibility occurring after your death.

**Supplement your retirement.** Cash value life insurance such as Universal Life and Whole Life can be used to supplement your pension and Social Security.

**Give to charity.** Life insurance can enable you to leave a lasting gift to your favorite cause or charity.

**Peace of mind, plain and simple.** No amount of money can ever replace a person, but more than anything, life insurance can help provide protection for the uncertainties in life.

## 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 \$8,343<sup>1</sup>. Additional fees for cemetery plot, monument, flowers, and obituaries for an average funeral are \$3,100<sup>2</sup>. That's a total of \$11,443. The Social Security Death Benefit only provides a lump sum benefit of \$255 for those who qualify<sup>3</sup>.

1 Source: National Funeral Directors Association nfd.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

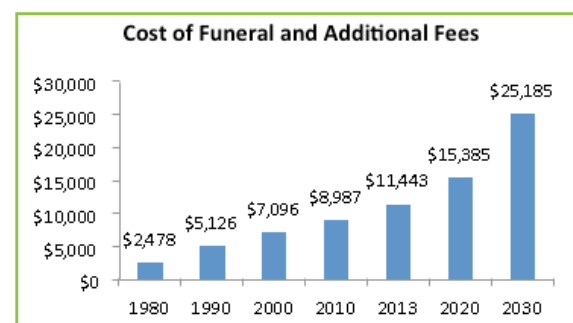
- No medical exam, only simple Yes/No questions
- Issue ages 0 – 85
- Available coverage \$5,000 to \$50,000
- Dividends can increase the death benefit to help fight inflation or they may be taken in cash

### 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 1980<sup>1</sup>. 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  | \$ _____        |
| <b>TOTAL</b>            | <b>\$ _____</b> |

1 Source: National Funeral Directors Association nfd.org

**Q.** *“I have always heard that it’s important to keep up-to-date on your life insurance policies. What would be the most important points to know about?”*

**A.** Good question, as it’s important to stay on top of one of the most valuable assets that you have, and that’s life insurance.

### 1. Who are your beneficiaries?

You picked your beneficiaries when you bought your policy, but are these choices up-to-date? Updating your choices makes sense if you were single when you bought your policy, and now you are married. Perhaps you’ve had a child since you got your coverage or maybe you’ve remarried. You may even decide to make a charity or foundation your beneficiary to leave a legacy. It’s important to identify beneficiaries and contingents, using their full names and addresses, and be clear how the money is to be distributed.

### 2. Will your policy expire?

If you have term life insurance, your policy likely provides coverage for a specific period of time, like 10, 15, 20, or 30 years. To keep the coverage after the term period, you need to get another term, a combination of term and permanent, or depending on the term policy you have now, you may be able to convert to a permanent life policy.

### 3. Do you know where your policy is?

It’s a good idea to keep the policy, along with other important legal papers, in a secure location or safe deposit box. Also, make sure your beneficiary knows the location of the policy, including



the name of the company that issued the policy, the type of policy, the policy number, and location of the policy. This will enable you to know where to go when there is a claim.

I hope this information has been helpful.

—Leonard Carlson, Director of Agencies

Let’s talk about life insurance — it’s never a fun conversation to have. But when you sit down with an FBC, who has your best interests in mind, you may find that life insurance is something you not only need but really want to protect your family, dependents, business and legacy.

### Why Should I talk to my FBC?

#### **You never know.**

Dying suddenly in an accident, due to illness or by natural causes can happen any time. Life insurance provides tax free cash to pay off mortgages, bills and other costs.

#### **Protect those you love.**

It’s equally as important to provide financial support to those you love while you’re living as it is after you are gone. Life insurance replaces the income they were used to.