



SONS OF
NORWAY

ADVISOR

HELPING YOU FIND THE PATH TO A SECURE FINANCIAL FUTURE

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MAKE YOUR PLANS, STAY THE COURSE AND DON'T PANIC

In recent years, many people have experienced the ups and downs of gains and losses in their investment portfolios. During times of market fluctuations, gains can be wiped out by panic and bad decisions, or worse, you may lose part of your invested principal as well.

To combat this, many investment advisers encourage you to employ a long-term, buy and hold philosophy. First, you determine your level of risk tolerance and choose investments that fit your profile. Then commit to staying calm, staying the course and planning for a long-term hold, making sure to avoid the temptation of trading in and out of the market. If you do this you'll avoid being saddled with fees that chip away at your returns and you won't miss out on gains that long-term investors enjoy.

Beyond the buy and hold philosophy, these other basic principals will help you grow your portfolio in the future.

- Don't put off investing: Don't wait, start saving and investing now. The longer you wait, the steeper the climb.
- Pay yourself first: Use payroll deduction or an automatic transfer from your bank account into an investment fund. This makes paying yourself first just as important and routine as paying your utility bill.
- Set financial goals: Your financial goals should be measurable both in quantity and time. How much? By when? Let's say you want \$1 million in your 401(k) before you retire at age 65. This may seem simplistic, but setting goals gives you a target to strive for.
- Make a financial plan: Now that you have a goal (\$1 million @ 65), you need a plan to get there. Ex: I have \$200,000 in my 401(k) now, my investment returns 6%. I want \$1 million in 15 years. How much must I deposit monthly to achieve my goal? A simple calculation reveals I must deposit \$2,750 monthly to achieve my goal. My financial plan is to deposit \$2,750 monthly in my 401(k).

Another thing to think about, if you want an investment with guaranteed safety of principal, guaranteed minimum interest, guaranteed income for life and many other features, is a Nordic Annuity from Sons of Norway. If you're committed to long-term safety, and the steps listed above, call or e-mail me and we can put together a plan that's right for you.

MAKE YOUR PLANS

FINANCIAL FITNESS
QUIZ

SINGLE PREMIUM
DEFERRED ANNUITY

ADVISOR ANSWERS

It's easy to groove your body in the warm summer months, but your finance muscles may need a little midyear flexing. Prepare for a healthy financial future by asking yourself the right questions today. For example, do you know how much life insurance your family needs? Or how much is a stay-at-home spouse really worth? If you're not sure, whip your finances into shape with the following quiz.

1. Long Term Care provides these features:

- a. Daily benefit amount.
- b. Choice of benefit period.
- c. Inflation benefit.
- d. An elimination period.
- e. All of the above.

Answer: e. With advances in medicine, most of us will be living longer; therefore, it's a good chance many will reside in a nursing home. Long Term Care Insurance is a great way to protect your assets so that your heirs can inherit your assets instead of the nursing home.

2. The following is true of annuities:

- a. Fixed annuities have a minimum guaranteed interest rate.
- b. They avoid probate.
- c. The cash value grows tax-deferred.
- d. They are a great retirement vehicle.
- e. All of the above.

Answer: e. Diversification is a great idea when it comes to retirement planning. There is no greater vehicle than an annuity in which to place your hard earned dollars to earn a great, steady rate of growth.

3. How much Life Insurance should you buy?

- a. Enough to pay for final expenses.
- b. An amount equal to the remaining balance of your mortgage.
- c. Five (minimum) to 10 (preferable) times your annual income.
- d. 1 1/2 times your annual income.

Answer: c. One rule of thumb is to buy an amount equal to five to 10 times your annual

gross income. But the real question is how much your family will need when you're gone. A complimentary financial review from your Sons of Norway Financial Benefits Counselor can help you determine the right amount of life insurance for you.

4. How much Life Insurance does a stay-at-home spouse need?

- a. Enough for funeral expenses.
- b. Five to 10 times the annual gross income if he or she were working full-time.
- c. None. Since the spouse does not have an income, there is no financial loss should something happen.
- d. Enough for final expenses and day care.

Answer: b. Day care, baby sitting, maid, laundry and meal preparation constitutes a full-time job and would be expensive to hire in the event of a loss.

5. Your son and daughter-in-law have presented you with two beautiful grandchildren. They work hard, but they cannot afford life insurance. What can you do to help?

- a. Encourage them to hang in there, keep working hard and someday they may be able to afford life insurance. In the meantime, hope and pray neither of them dies.
- b. Offer to raise the grandchildren if some thing happens.
- c. Have them apply for and acquire the proper amount of life insurance and you pay the premium.

Answer: c. There are four parties to a life insurance policy: the insured, the owner, the premium payer and the insurance company. Anyone can pay the premiums for someone else's life insurance, but you may not own life insurance on someone if you do not have an insurable interest in them. In this case, your son and daughter-in-law should own and control the policies, and you should consider giving or lending them the premium money.



HOW DID YOU DO?

Three or less correct: There is much you need to know about insurance. Contact a financial benefits counselor to get started.

Four correct: You're almost an insurance guru, but you still need to contact your financial benefits counselor for advice.

All correct: You're a Norwegian who knows a lot about insurance, but do you have enough? Call your financial benefits counselor to find out. Their contact information is on the front-page of this newsletter.



Lately when meeting with individuals to discuss their financial plans, the question that comes up the most is, "Where should I have my money?" The answer is not a simple one because everyone has a different risk tolerance and goals set for their portfolios. But, whatever those risks and goals are, everyone should have a certain percentage of their money in a fixed or guaranteed account.

To illustrate this point, let's get a small snapshot of what's been going on in the financial world recently. Since last September, the stock market has been extremely volatile which has left many people with losses or zero returns. Interest rates have been cut by the Federal Reserve by more than 3.25%. The credit crunch from the bad home mortgages will not go away soon, which means interest rates are unlikely to rise.

Right now, people are looking for security, which is why Sons of Norway is introducing their new Single Premium Deferred Annuity (SPDA). In times like this, people want something they can count on. They are looking for the right option to rollover their

IRA, 401K or other retirement plan. The SPDA is a perfect fit because it's a product with guaranteed safety of principal, guaranteed minimum interest rate, no sales charges or annual service fees, penalty free withdrawals after the first year and competitive first year interest rates beginning at 5.25% up to 6.55% and is backed by US government and high quality corporate bonds.

For those of you with CD's, an additional advantage of the SPDA is tax deferral. If you keep the money in the annuity, you don't pay taxes on the interest earned and the money you would pay in taxes is now earning a competitive interest rate! That's using the money you would send to Uncle Sam to help benefit you. These features will help grow your money until you need it as income. If that time comes the SPDA can provide a guaranteed income you will never outlive! Or you can just leave it alone and let it grow, allowing the proceeds will pass to your heirs directly and bypass probate.

Because each person's situation is different, it would be worth your time to have an FBC

review whether this product could enhance your portfolio and provide a higher return on your money without losing any of your money. This product is not available in all states and it's best to check with your FBC or the Sons of Norway for more information.

SPDA INTEREST RATES

Deposit	First Year Rate of Return
\$10,000-\$24,999	*5.25%
\$25,000-\$49,999	*5.45%
\$50,000-\$99,999	*5.70%
\$100,000-\$249,999	*6.05%
\$250,000+	*6.55%

* Rates above reflect first year bonuses from 1.25% to 2.00%. In Oregon the first year bonus is 1%.

Q: My husband passed away recently and he had a medium-sized life insurance policy. I know I have some options for how to receive the payout for the policy, however I'm not sure what those options are, or what's best for me right now. Can you shed some light on this for me?

**Iris W.
Los Angeles, CA**

Iris,
Your question is a common one when dealing with the death of a spouse. First, let me offer my condolences during this emotional time. Next, in response to your question, the decision you will make can be very difficult, but there are several options available to you that are not subject to income tax.

1) Lump-Sum Payout – This provides you with a check for the total death benefit. This is a very pop-

ular option because it is the simplest and during this difficult time, most people in your position are looking for simplicity.

2) Lifetime Income for You – You can opt for income, guaranteed by the insurance company, for the rest of your life. Payments cease upon your death.

3) Lifetime Income with a Guaranteed Period – You will receive income for life. If you die before the guarantee period is over, your beneficiaries will receive the remaining number of payments.

4) Lifetime Income for Two – The joint and survivor option guarantees payments for the rest of your life and the life of another person, such as your spouse. The best option is different for everyone, so contact your Sons of Norway Financial Benefits Counselor to discuss your specific situation and concerns.

ADVISOR is provided by your Sons of Norway Financial Benefits Counselor as an additional service to you.

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Annual Torsk and Meatball Convention
Bloomington, MN USA
2/23/2008 - 2/24/2008
Minnesota Ski Jumping Championship
on Sissel
Sons of Norway

EVENTS HIGHLIGHTS

organization in the world. If you are passionate about preserving and promoting Norwegian heritage and culture, as we are, we invite you to explore and JOIN!

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