How Young Is Too Young to Plan?

Will today's children be prepared for retirement in 60 years? Too young to think about that? Perhaps not. Can they count on Social Security? Can they count on their employers providing a retirement plan? Can they count on the stock market guaranteeing their future? Or will they have to count on . . . "the kindness of strangers" in their retirement years?

A Strategy for Parents

The truth is that no one knows what the future will offer. Social Security is at the mercy of our bureaucracy and favored legislation. Likewise, an employer-sponsored retirement plan is vulnerable to legislation and the employer's needs. The stock market . . . again, legislation, the economy, public mood swings, tweet patterns, and/or anything else that excites the investors can create a positive or negative outcome on any given day.

If today's children can't count on any of these traditional retirement planning tools, what *can* they count on? Can your children count on YOU? If you as a parent could provide them with an asset that will guarantee a stream of income that would help to fund their retirement or college education, would you want to do that?

Guarantees and Flexibility

Many parents would. If you are among these parents, then consider a whole life cash accumulation life insurance policy. A whole life policy offers guaranteed death benefit, guaranteed premiums (they don't increase), and guaranteed cash values.

However, a whole life policy has flexibility as well. This flexibility allows you to design a policy that fits your needs. You can design a plan that increases the cash values and/or the death benefit at a faster pace.

There are different techniques that will help you accomplish your goal of providing for your children.

1. You can insure yourself or your spouse.

The cash values from the policy can help fund living needs while you live, and the death benefit can be converted to an annuity or moved into a trust to provide a stream of income for your children following your death.

2. You can insure your children.

This would allow a longer period in most cases to fund the objective for your children. Insuring your children now guarantees that they will have some insurance even if they become uninsurable in the future. The cost of the coverage is based in part on age. Younger insureds paying the same amount into a policy as an older insured will have a greater portion of the premium allocated to cash accumulation with proper plan design. The policy can be owned by a trust to help with distribution of the benefits if necessary.

Will Your Children Be Prepared?

Life insurance has other advantages for the insured. When the time to plan for college approaches, life insurance is not included as an asset on the Free Application for Federal Student Aid (FAFSA).[1]

The cash accumulation in the policy grows tax-deferred, and the death benefit is income tax-free.[2] Your policy has some creditor protection in most states.[1] You can take loans and withdrawals from the policy with just a request; there is no qualification process.[3] Whole life insurance is an asset that can help bring you peace of mind knowing that it will be there.

So ask yourself. ***Will your children be prepared?*** Security Mutual wants to help you help them.

We are looking at long-range planning for your children. While no one can predict the future with absolute certainty and past performance is no guarantee of the future, Security Mutual Life Insurance Company of New York has been helping protect families since 1886 and paying dividends every year since 1891 . . . a long history. Take a look at us at www.smlny.com.

For a full explanation of the many benefits of a whole life policy and an illustration designed with your needs in mind, contact your Security Mutual representative.

Contact your local Security Mutual insurance advisor today to coordinate your financial plans and help achieve your goals and objectives.

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[1] Based on current law and regulations.

[2] Tax laws are complex and subject to change. The information presented is based on current interpretation of the laws. Neither Security Mutual nor its agents is permitted to provide tax or legal advice.

[3] Loans from the policy will reduce the death benefit and cash surrender value, and may cause the policy to lapse. Lapse of a policy with a loan may have tax consequences.

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