Why Conduct a Life Insurance Review?

Life insurance may be one of the largest assets you own, whether it is owned by an individual or a business. Despite the amount of the life insurance in your estate, life insurance is an asset that is generally not evaluated, reviewed, or appraised on a consistent and comprehensive basis. As an owner of a life insurance policy, you should review your coverage on a regular basis for numerous reasons.

Often there are planning issues that may necessitate making changes in life insurance coverage. A periodic policy review can enhance your coverage and your financial outlook by aligning your life insurance coverage with your short- and long-term goals. Although life insurance is a long-term asset, that doesn't mean that it can't be adjusted periodically to your advantage.

What Has Changed in the Life Insurance Industry?

Change is constant; the life insurance industry is no different. Consider some areas of change:

- The way life insurance is designed, priced, and medically underwritten.
- Life expectancies.
- More favorable medical underwriting classes may be available.
- Some medical histories are now considered standard risks as compared to years ago.
- Interest rates, dividends and other policy elements may have changed.
- Your planning goals and desires may have changed.
- Tax, business or estate laws have changed.
- New policy features and benefits for chronic and terminal illness.

Why Review Your Life Insurance Coverage Now?

If you're like most people, change is a constant in your life too. Consider events that may have affected your future: marriage, divorce, children, grandchildren, retirement, legacy planning, etc.

- Life insurance, if the ownership is not properly structured, can increase the value of your estate, which may lead to increased taxes for larger estates.
- Beneficiary designations may be out of date. For example, divorce decrees can automatically cancel the designation of a spouse as beneficiary, even if no actual attempt to do so was made; outcome varies by state.
- Existing term policies may be approaching expiration, a premium increase or the final conversion date.
- Certain non-guaranteed policy elements may have changed since the policy was issued or last reviewed.
- A transfer of a life insurance contract can change the income taxation of the policy's death benefit.
- Remediate any planning mistakes and preserve the tax benefits afforded you and your beneficiaries.

What is Included in the Personal Policy Review?

- A review of current client objectives and needs.
- The type of policy, ownership, beneficiary designations, payment methods.
- An assessment of the medical underwriting rate class and possible rate review consideration.
- A re-evaluation of changes in interest rates, cost of insurance charges or any other non-guaranteed policy elements as they relate to current objectives.
- An evaluation of cost effectiveness of the current policy to help ensure current and future objectives are achieved.
- And finally, recommendations for improvement if any.

Let's get started. Order an "in-force policy illustration" for your current life insurance policy today.

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SECURITY MUTUAL LIFE
INSURANCE COMPANY OF NEW YORK
SECURITY MUTUAL BUILDING • 100 COURT ST.
P.O. BOX 1625 • BINGHAMTON, NY 13902-1625
607-723-3551 • www.smlny.com

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