



From the Desk of Adam Ziff
The Ziff Agency, LLC



5 Ways Life Insurance Can Help You in Retirement

As retirement draws near, it's only natural to look at your life insurance coverage and wonder whether any changes should be made. After all, you might have first purchased life insurance half a lifetime ago. Back then, it offered a great way to safeguard your income during your prime working years, particularly if you had young children to raise or decades of future mortgage payments to consider.

By the time you reach your 60s, your children are likely grown and your mortgage is at least close to being paid off. If you executed a sensible long-term savings plan, perhaps you also have a healthy amount of money set aside for retirement. Under such circumstances, do you still need life insurance?

Some people don't believe so, and choose to either not renew term coverage as they approach retirement or surrender permanent coverage at retirement. But there are valid reasons why it makes sense to maintain life insurance coverage throughout retirement as part of your long-term financial plan.

Some examples of how life insurance can offer advantages in retirement include:

1. Wealth transfer to heirs: Life insurance is one of the most effective methods for creating an orderly succession of assets to future generations and establishing a legacy via charitable bequests. The income-tax-free (and possibly estate-tax-free, if properly constructed) nature of life insurance death benefits adds to its efficiency as a wealth transfer vehicle.



Current News:

Over \$17 Million in Life Insurance Benefits Located for Tennesseans P.2

The Underwriter's Corner P.2

Famous Estate Planning Blunders: Thomas Kinkaden P.3

Infographic:
Myth vs. Fact P.3

Ph: 212.796.5433

Ph: 949.393.5433

Ph: 941.922.9433

Ph: 305.363.5433

adam@theziffagency.com

www.theziffagency.com

Current News:

Over \$17 Million in Life Insurance Benefits Located for Tennesseans

The Tennessee Department of Commerce and Insurance (TDCI) announced that over \$17.5 million in life insurance benefits have been located for Tennesseans since Jan. 1, 2019.

The National Life Insurance Policy Locator Service is a free tool that enables beneficiaries, executors, or legal representatives of a deceased person to track down the life insurance policies or annuity contracts of their late family members or friends anywhere in the country.

During the five-month period of January 1, 2019, to May 31, 2019, Tennesseans submitted a total of 992 requests to the Life Insurance Policy Locator Service. Of those submitted, 398 requests were matched to policy benefits. Companies reported \$17,509,674 in benefits being located for Tennesseans. By comparison, from January 1, 2018, to August 10, 2018, \$6,808,924 was located.

As a first step in locating a loved one's lost policy, TDCI suggests looking through papers or financial records to see if you can find where payments were being made to an insurance company. If consumers find any documents with an insurance company name listed, consumers are advised to contact the company directly and ask if a life insurance policy can be located.

(Source: WVLT)

Life insurance also provides a way for families to equalize estates among their children, particularly when illiquid assets, such as a family business, are involved. For heirs who do not expect to be involved in the business after their parents' death, life insurance offers the ability to receive a cash amount equivalent to the value of a business being passed onto other heirs.

2. Access to cash: If you believe the same level of coverage will no longer be needed, you can access the cash value of a permanent life insurance policy to help fund your retirement. In exercising this option, you would pay premiums into the policy during your working years, then leverage it as a source of retirement income (via withdrawals and/or policy loans utilizing the life insurance policy cash value) along with your 401(k) plan, Social Security benefits and other assets.

3. Support for a widow/widower: Perhaps you want to ensure that a surviving spouse is able to pay certain expenses after one of you passes away. These could include funeral costs, an existing mortgage or any other type of debt. Accounting for such possibilities can help you better enjoy retirement, knowing that life insurance death benefits offer expense coverage that would prevent the surviving spouse from extra financial burden.

4. Protection from the onset of chronic illnesses:

Many life insurance policies allow people to access the death benefits for chronic illness before death. Chronic illness is legally defined as either cognitive impairment (e.g., Alzheimer's disease) or the inability to perform two out of six activities of daily living. While you wouldn't necessarily need to be hospitalized to receive the money, annual certification from a medical professional is required.

5. Charitable giving: Life insurance can be used in several ways to support an individual's charitable giving strategy as retirement approaches. For example, you could make a gift of an existing life insurance policy to a charity. In addition, the policy beneficiary can be changed to a charity. Finally, the presence of life insurance enables a donor to make a gift of real estate, investments or other forms of property to a charity while continuing to provide a reasonable inheritance to heirs. This is known as a "wealth-replacement" use of life insurance in charitable planning.

Maintaining coverage into retirement can provide you with priceless peace of mind, thanks to advantages that include enjoying an alternative source of income, executing tax-advantaged wealth transfers, donating to a charity whose mission you support, protecting a surviving spouse, or receiving relief from the high costs associated with chronic illness.

(Source: MarketWat)

The Underwriter's Corner: Underwriting Q & A

Accelerated Underwriting is Changing the Game

Over the last few years, the life insurance industry has undergone one of the biggest transformations in its long history. The introduction of accelerated underwriting has brought with it a world of new possibilities for companies and applicants alike. Through this process, insurance providers tap readily available consumer information from places like LexisNexis, motor vehicle and other databases to gauge the potential risk of insuring an individual. One of the key benefits of this system is that the healthiest applicants have the ability to bypass invasive medical exams and receive a policy decision far faster than with traditional underwriting.

(Source: InsuranceNewsNet)

LIFE INSURANCE MYTH VS FACT

INSURANCE 101 Famous Estate Planning Failures



NAME: Thomas Kinkadee
DIED: April 6, 2012
AGE: 54

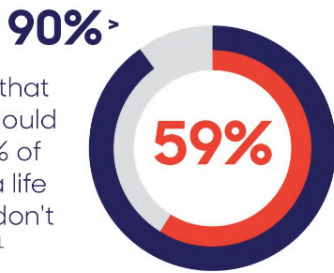
CAUSE: Alcohol intoxication
ESTATE BLUNDER:
Giving 2 handwritten notes with promises of money and a mansion to his girlfriend.

Kinkadee's reputation as the "Painter of Light," with his popular images of candlelit country cottages and Christian symbolism, cratered in the aftermath of his death, both by the revelations that he was a regular fixture at local bars and that his marriage of 28 years had recently imploded.

Kinkadee's live-in girlfriend, Amy Pinto, became involved with Kinkadee after his marriage broke up. After Kinkadee died she revealed that she had two notes written by Kinkadee directing that she receive his mansion as well as \$10 million designated for a museum of his artwork. Kinkadee's wife disputed the claim. After months of name-calling and finger-pointing, lawyers for Nanette Kinkadee and Amy Pinto reached a secret settlement. Lawyers would make no comment about the actual details of the settlement.

(Source: MercuryNews.com)

THE LIFE INSURANCE DISCONNECT



While 90% of people agree that the primary bread winner should own life insurance, only 59% of consumers currently have a life insurance policy, and 1 in 5 don't think they have enough.¹

The number of people who see the need for life insurance doesn't match up with the number of people actually purchasing protection. Misconceptions about life insurance may be a part of this disconnect.

MYTH

"I don't need life insurance if I'm young or single."

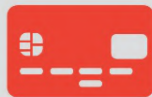


FACT

Even if you don't have people that depend on you, debts and expenses can still take a toll on your loved ones.



70% of graduates emerge from college with student loan debt.² On average, students' loan debt is \$37,172 which is \$20,000 than just 13 years ago.³

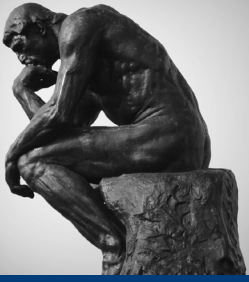


The average credit card debt per consumer is \$6,188.⁴



As of 2017 the average cost of a funeral ranged from \$6,260-\$7,360 not including the cost for the cemetery, obituary, or the headstone.⁵

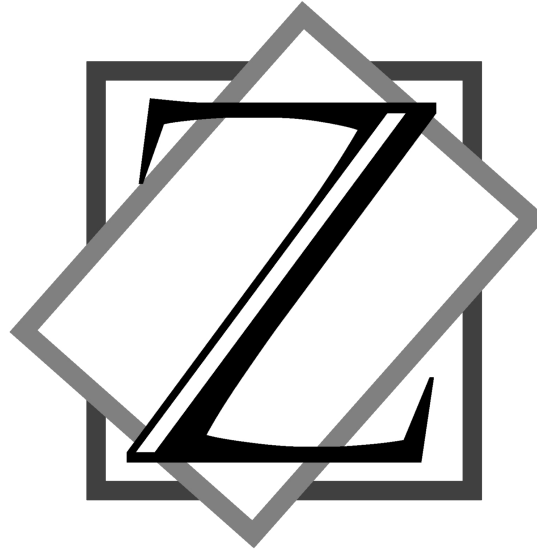
(Source: Trustmark)



HERE'S A THOUGHT...

*"August is like the Sunday of
Summer..."*

- Unknown



The Ziff Agency, LLC

www.theziffagency.com

*Get Ready for School!
Make sure your family is
protected and have your Life
Insurance reviewed today!*