

#SaveSomeGreen



From the Desk of Adam Ziff
The Ziff Agency, LLC



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Getting Life Insurance in 2022? 3 Moves to Make First

There's no such thing as the right or wrong age to get life insurance. Before you apply, figure out your coverage needs, the type of policy you want, and whether there are steps you should take to improve your health.

Buying life insurance is a move that could protect your loved ones in the event of your passing. Even if you don't work, it could still pay to put coverage in place.

Say you're a caregiver for an older family member, or you're a stay-at-home parent whose children are too young to attend school. If you were to pass, paid care might be needed, which makes the case for a policy as well.

But if you're going to apply for life insurance this year, there are a few moves it pays to make first. Here are three to aim to check off your list.



1. Decide how much coverage you need

It's easy to get upsold on life insurance. Before you apply, run some numbers to see how large a death benefit you think you'll need. There are different formulas you can use. One convention is to secure enough coverage to replace 10 times your income.

But you may want to take a different approach. If you have a working spouse, for example, you may decide that instead of replacing a specific multiple of your income, you'd like to secure a benefit that could pay off your combined debts, like your mortgage and cars, and leave enough money left over for your children's education.

Ph: 212.796.5433

Ph: 949.393.5433

Ph: 941.922.9433

Ph: 305.363.5433

adam@theziffagency.com

www.theziffagency.com

Current News:

New Bill Would Allow 401(k)s to Use Annuities as Default Investment

A bipartisan bill introduced in Congress in mid-February would for the first time allow retirement plan sponsors to use annuities as qualified default investment alternatives inside retirement plans.

Rep. Donald Norcross, a New Jersey Democrat, and Rep. Tim Walberg, a Michigan Republican, introduced the legislation, called the Lifetime Income for Employees Act, or "LIFE Act," for short. It would change U.S. Department of Labor rules to allow plan sponsors to make annuities a default investment for a portion of contributions made by participants who did not otherwise make their own investment selections.

The bill would allow the use of annuities for as much as 50% of plan balances.

The legislation also requires that savers who are placed into a qualified default alternative with an annuity component are notified of their participation within 30 days of the initial investment and have the option to reallocate their investment without penalty within 180 days.

A number of annuity providers, including TIAA, are supporting the bill, which could lead to billions of dollars' worth of annuities sold to retirement plan participants through plans' default investment mechanisms.

(Source: Financial Advisor Magazine)

Ultimately, there's no right or wrong answer when it comes to determining how much coverage to get. The key, though, is to avoid buying too large a policy, because that could drive your premium costs way up. If you earn \$60,000 a year, for example, you probably don't need a \$2 million death benefit.

2. Figure out if you want term versus whole life insurance

Term life insurance covers you for a preset period of time. It can last 10, 20, or 30 years, for example. If you never end up having to use your term policy, you don't get any money back once it expires.

Whole life insurance, on the other hand, accumulates a cash value over time. That's money you can opt to cash out or borrow against. Also, whole life insurance coverage never runs out. But it also costs a lot more than term life, so you'll need to weigh the perpetual coverage and cash value aspect against the higher premiums you'll be forced to pay.

3. Get a health checkup

If you can't remember the last time you saw a doctor for a physical, you may want to schedule an appointment before applying for life insurance. That way, you'll have a sense of how healthy you are, and you'll potentially get a heads-up on aspects of your health you may want to work on improving.

The better your health, the more likely you'll be to spend less on life insurance premiums. If a medical appointment reveals you're mildly overweight, you may decide to try to lose those extra 15 pounds and then apply for life insurance.

Putting life insurance in place is one of the most important financial moves you can make. If you take these steps beforehand, you may wind up in an even better position to choose the right coverage and snag an affordable rate on your premiums.

While many varieties of insurance coverage are designed to help protect a person's family and assets, life insurance is a vital type of protection. The right life insurance can help protect the people that depend on you the most if you should pass away. Choosing the right life insurance policy is critical to ensure your loved ones are protected properly. Consult an expert to sort through the various options to provide you with a choice of the best life insurance policies available today.

(Source: Motley Fool)

The Underwriter's Corner: *Underwriting Q & A*

What is the Life Insurance Underwriting Process?

The life insurance underwriting process helps insurers calculate risk to ensure your life cover is tailored to you.

What is underwriting?

Underwriting is the process insurance companies go through when evaluating the risk of insuring someone's life. The lower the risk, the lower the premium you pay - and vice-versa. In some cases, the risk could be too high to accept a life insurance application.

When does the underwriting process occur?

You'll go through the underwriting process once you've completed your life insurance application, detailing your current health conditions and medical history. You can compare quotes online and start your life insurance application today.

How long does the underwriting process take?

It really depends. The underwriting timeline changes based on what you've disclosed in your application and what the insurers requirements are. To avoid delays in the underwriting process, we highly recommend that you provide your medical information with your life insurance application. This way, the underwriters have a much better chance of getting your application through without having to request more information.

What key factors impact your level of risk?

There's a few key factors that are likely to contribute to an increase in your level of risk. These include your age, smoking status, current health conditions, occupation and your family's medical history.

INSURANCE 101

Famous Estate Planning Failures



NAME: Aretha Franklin

DIED: August 16, 2018

AGE: 76

CAUSE: Pancreatic cancer

ESTATE BLUNDER: Leaving at least 4 “draft” wills

The estate of Aretha Franklin just got a bit more complicated.

When the legendary singer died at 76 in 2018, her family assumed she had no will. Then, nine months later, a few handwritten documents, which may represent two or even three wills, were found in Franklin’s home, leading to a dispute among her four sons over how her estate should be run and its assets divided.

Now, a detailed document has emerged that lawyers for two of Franklin’s sons say is a draft of yet another will, from Ms. Franklin’s final years.

The papers, filed in a Michigan court just a few weeks ago in March 2022, include an eight page document titled “The Will of Aretha Franklin” and was apparently drawn up in 2018, along with another 23 pages that lay out the terms of a trust. Both are stamped “draft,” and neither document has her signature.

(Source: NYTimes)

There are two main types of life insurance:
term & whole life



Term

Coverage for a set amount of time.

While traditionally less expensive, the policy may end while you’re still living.

Whole life

Coverage for your entire life that can build up cash value.¹

A whole life policy can help you fund life’s financial opportunities — or realities — without tapping into your savings.²

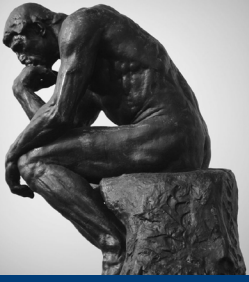
AND



Many people have **Term + Whole life** for additional protection.



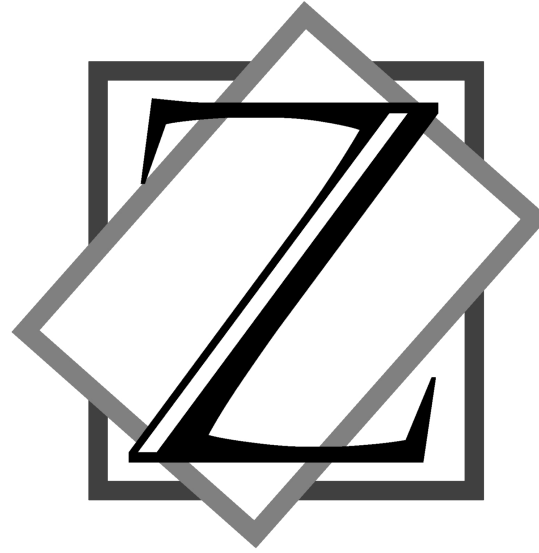
(Source: Guardian Life)



**HERE'S A
THOUGHT...**

*"April hath put a spirit
of youth in everything"*

– William Shakespeare



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