

NEVER SET IT AND FORGET IT

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Infomercials drive me nuts. However, they must be working somewhere because they now are on television 24/7. One of the longest running and ever annoying infomercials out there is the "Set it...and forget it" rotisserie oven. This irritating man wearing more make-up than a circus clown, spewing his nonsensical drivel that by using his magic oven you too will become a culinary genius without the hard work. Much to my dismay this guy has more airtime then old *Law and Order* episodes. Whenever I forget to bring my trusty AM radio to the gym I am forced to watch this painful program on one of the televisions in front of the treadmills. (My viewing choices are limited, I am still trying to decide what is worse, makeup rotisserie man or The View.)

Why am I telling you this?

It just so happens that the "Set it...and forget it" guy's pitch and demeanor is frighteningly similar to that of many insurance and annuity salesman. Over the past few years we have written extensively on the various ways variable annuities can decimate an individual's financial health. We are now doing everything we can to educate the public regarding the many pitfalls in regards to life insurance. Life insurance is sold far too often not by financial professionals but by salesman that give their customers the same dumb-witted advice to "Set it...and forget it."

FREQUENT PROBLEMS

Everyone who owns life insurance needs to periodically conduct a policy review. There are many policies we have looked at that are on some shaky financial footing with a potential to crash and burn. Unfortunately, most policy holders become aware of this when options available to remedy the problem are too expensive or no longer available.

We also have noticed that many people own term life insurance with the thought that they may not need it when they get older. However, people who need coverage at an older age are losing out because their renewal rates are extremely high or their current policy is not convertible or renewable.

Whole life policies are just not paying the dividends they once were and many policies have a variable and direct recognition loan feature that means if you take money out via loans, the company reduces dividends.

Vanishing premium policies will never vanish.

Variable Universal Life policies are almost always under-performing the markets and overcharging policy holders. A substantial amount of the VUL policies that we review are allocated wrong and their original salesman doesn't service them. (Set it...and forget it.)

Most Universal Life policies are not paying above 5% yet some were sold in the 1980's when interest rates were as high as 18%.

THE NEED FOR LIFE INSURANCE

Life insurance can be, and should be used for financial planning purposes. Among the many benefits that life insurance can provide include: A substantial benefit in exchange for a relatively low amount of premium dollars; an income tax-free death benefit to your beneficiaries; estate tax-free proceeds; liquidity when estate taxes are due; an opportunity to accumulate assets on a tax-advantaged basis; a source of tax-free funds to satisfy a variety of objectives, including education

funding and retirement planning.

DO A REVIEW NOW

If you already own life insurance, you should question whether or not you are getting the most out of your life insurance policy? Do you have the right type of life insurance? Does your current policy satisfy your needs? Is there a more competitive policy available? Like all other investments, life insurance policies should be reviewed regularly. If your personal situation and financial objectives have changed, it may be time that your life insurance policy changes also. Now is a good time to determine if you have the appropriate type of insurance and the right amount of coverage to fit your family's needs. Make sure you own a life insurance policy that meets your needs today. Call us for a complimentary review at (800) 447-0579.