
9 Times to Start Think about Life Insurance

June 2019 Newsletter | By: Ian Sachs

Many people recognize the benefits of planning for the future. Such efforts often uncover problems and frequently provide the motivation to make needed changes. For the most part, the issues involved are positive and enjoyable (e.g. retirement, well-educated children, etc.).

Planning for the unexpected – known as risk management – can be less pleasant. A key part of risk management is answering the question, “What if I were to die today?” Preparing for an untimely death is often referred to as “survivor benefit planning.” As a subset of estate planning, it addresses the need to keep one’s family in their current financial state.

Understandably, no one likes to contemplate their own demise. For some, death seems like a distant, future event. Others are simply too busy. Whatever the reason, delaying this part of planning can result in expensive, unintended, and even tragic consequences.

This month, I put together a short list of some of the most common “triggering” events that call for the purchase of life insurance or the reassessment of current policies that are already in place.

1. **Getting Married** - For the benefit of your spouse
2. **Having a Baby** – For the benefit of your child/children



3. **Income Adjustment** – To provide the appropriate level of income for family or loved ones
4. **Mortgage Protection** – To pay off the home
5. **Pay Off Loans** – To pay off a personal or business loan
6. **Business Needs** – To fund a buy-sell agreement, protect a key-person, and for collateral assignments
7. **Create an Estate** - Where time or other circumstances have kept the estate owner from accumulating sufficient assets to care for his or her loved ones
8. **Equalize Inheritances** - When a family business passes to children who are active participants, life insurance can give an equal amount of inheritance to other children in the family
9. **Charitable Gifting** – For the benefit of a charity

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Life insurance can offer much more than just a death benefit. If structured properly, certain products can provide a source of tax-free distributions. Because of this unique feature, life insurance is considered a key component to building a strong financial foundation and can be used for long-term wealth accumulation goals.

- **Supplement retirement funds:** Current insurance products provide competitive returns and are a prudent way of accumulating additional funds for retirement.
- **Establish a wealth accumulation vehicle:** Cash value increases in a policy can be accumulated and used to aid in various ways, such as putting money down on a house.
- **Build a college fund for children and grandchildren:** Cash value increases in a policy can be used to fund college expenses.

Life insurance is a unique asset that can solve some of life's most challenging financial problems and estate planning needs. Stay in front of the eight ball by planning ahead.

About Risk Resource

Risk Resource insures life's risks by providing a single-source solution for a wide range of financial services that protect our clients and their families. With four decades of experience in insurance planning, we partner with our clients to navigate the full spectrum of financial tools by exploring all options and customizing plans that meets their unique needs.

We specialize in Life Insurance, Disability, Long-Term Care, Annuities, and Tax-Free Wealth Accumulation, and understand that every need is different which is why we represent over 100 insurance carriers. This gives us the flexibility and freedom to find the right solutions for each of our clients.