



It's not hard to get caught up in the bad financial news. With news of the international and US economic crisis bombarding us, the average American has been immersed in a daily dose of doom and gloom. The employment market is still weak and the COVID virus still plagues the nation. Even as many of us are still trying to get back on solid financial footing there are concerns of a double dip pandemic.

While so many aspects of people's financial lives have been shaken, life insurance continues to do exactly what it was designed to . . . serve as the foundation of a family's financial security. While the value of many other financial assets have slipped, the death benefit of term life policies has remained the same, and the cash value of many permanent policies has continued to grow. So how can you help restore your clients' and prospects' inner peace and protect their loved ones?

Help Your Clients and Prospects Create a Legacy Recovery Plan

Ask your clients and prospects how much their assets have declined, and propose a term life policy equal to that number. It is not expensive. It will restore their legacy in the event of their death and provides a great conversation opportunity as soon as the market recovers—whenever it recovers—as a permanent solution as a stabilizing asset with attractive long-term IRRs on death benefit.

Indeed, life insurance can be a strategic and valuable supplement to an overall financial plan. Today's life insurance products typically offer strong minimum guarantees, impressive accumulation potentials, and flexibility in accessing accumulated values. Consider sharing the following lifetime features when visiting with clients and prospects about purchasing life insurance:

- 1 Potential long-term cash value accumulation**
Many consumers still think of life insurance only in terms of providing a death benefit. Consequently, we need to remind them of how life insurance can help provide supplemental retirement income.
- 2 Favorable loan terms**
Many life insurance owners have found that borrowing from their policies may provide better terms than borrowing from the bank. Although policy loans decrease death benefits, policy owners have the freedom to decide whether and when to pay interest on a policy loan.
- 3 Valuable tax advantages**
There is no tax on cash value accumulations. Cash values can generally be accessed on a tax-free basis, and as long as the policy remains in force until death, no amount of cumulative loans will be subject to income tax. Finally, the death benefit is generally received income tax-free under IRC § 101(a) and can be structured to be received estate tax-free.

Bottom Line: Now is the perfect time to educate your clients and prospects on how life insurance can be used to create a legacy recovery plan for their loved ones.

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