



TERRY'S TIPS

September 2016



Asset Preservation Group
The Key to Your Retirement Dreams

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September is National Life Insurance Awareness Month. In the past many families have viewed life insurance primarily as a way to pay for funeral expenses, but it's become much more than that today.

Lets look at the different types of Life Insurance:

Term Life

Term life insurance is also known as pure life insurance because its only purpose is to insure individuals against the loss of life. Premiums for term life insurance are based solely on a person's age, health and the life insurer's determination of life expectancy. If the person dies within the specified term, the insurer pays a death benefit to the designated beneficiary. If the term expires before death, no death benefit. Policyholders may be able renew a term policy at its expiration, but their premiums will be based on their attained age.

Variable Life

Variable life insurance policies are the most expensive because they build up a cash reserve that you can invest in any of the choices offered by the insurance company. The value of your cash reserve depends on how well those investments are doing. In a period of economic growth, your investment can grow quickly. Since these policies are dependent on the stock market, you can lose value as quickly as you gain.

Whole Life

In this more traditional life insurance policy, the premiums stay the same over the life of the policy, which stays in effect until your death, even after you've paid all the premiums. A cash reserve is built up, but you have no control over how it's invested.

Universal Life

This is a flexible policy which features both term and whole life. You can vary the amount of your premium with universal life insurance policies by using part of your accumulated earnings to cover part of the premium cost. You can also vary the amount of the death benefit. For this flexibility, you'll pay higher administrative fees.

Life insurance can be a way to leave money to cover your final expenses or to leave wealth for future generations. In many cases, though, it's a critical tool to help you provide for your family. For example, if you're the sole breadwinner in your family, a life insurance policy ensures that, if anything happens to you, your family has the funds and time to recover their footing. That's especially true if you work in a job or have a hobby that puts you at higher risk for an accident. Or you and your spouse might have a large family that requires two incomes. A life insurance policy prevents a rapid drop in income if something happens to you or your spouse. Here are some other advantages:

- Great way to replenish social security income that's lost.
- Life insurance provides an infusion of cash for dealing with the adverse financial consequences of the insured's death.
- Life insurance enjoys favorable tax treatment unlike any other financial instrument.
- Death benefits are generally income-tax-free to the beneficiary.
- Death benefits may be estate-tax free if the policy is owned properly.
- Cash values grow tax deferred during the insured's lifetime.
- Cash value withdrawals are treated on a first-in-first-out (FIFO) basis, therefore cash value withdrawals up to the total premiums paid are generally income-tax free.
- Policy loans are income tax free.
- A life insurance policy may be exchanged for another life insurance policy (or for an annuity) without incurring current taxation.
- Many life insurance policies are exceptionally flexible in terms of adjusting to the policyholder's needs. The death benefit may be decreased at any time and the premiums may be easily reduced, skipped or increased.
- A cash value life insurance policy may be thought of as a tax-favored repository of easily accessible funds if the need arises; yet, the assets backing these funds are generally held in longer-term investments, thereby earning a higher return.

Upcoming Client Event:

Don't forget Clients about our **SHRED PARTY** on Saturday September 24th, 2016 from 10-2pm

Food and drink will be provided.

All clients are invited to this event. We simply ask that you bring someone who would be interested in learning more about the services we offer. We are excited for the first of many client events as we start our new **APG Referral Program!**

Don't forget to **RSVP** by September 22, 2016 with your name and your referrals! You can call the office at (502)653-7981 or email us at Shirley@apgky.com

Also Contact us during your Medicare Annual Election Period
Mark your calendars from October 15th to December 7th 2016

 Happy  Birthday 

George Gore

Jae Choi

Edward Miller

Doris Herter

Danna Wilson

Stanley Skaggs

Dorothy Baker

Sue Dobson

Thomas E. Shartle

Mary A. Fogarty

Micheal Earl Harris

James Acles

Lee Kaiser

Carole Mays

Jeremy Noltemeyer

James Reed

Cynthia Corbett

*Want to know more?
Want to find your ideal retirement plan?
Contact us today for a complimentary consultation.*



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