North American Company
for Life and Health Insurance
Since 1886

Life

Agent Checklist

Using Life Insurance to Help with College Funding

The primary purpose of life insurance is to provide a death benefit to beneficiaries. The death benefit protection can make life insurance an attractive choice for establishing a self-completing plan to help fund a college education. Use the checklist below as a guide when planning a college funding strategy.

☐ Identify current death benefit needs.

Notes: ____________________

☐ Identify the client's college funding goals.

Notes: ____________________

☐ Discuss the college funding strategy in detail with the client.

Notes: ____________________

☐ Have your client complete the client worksheet (NAM-1761).

Notes: ____________________

NAM-1760 R1 7/13

Distributed by:
Financial Markets, Inc.
800-888-2829
www.fmiAgent.com

☐ Review client's financial standing and current college savings plan(s), if any.

Notes: ______________________________

____

____

____

☐ Identify client's current life insurance coverage (if any).

Notes: ______________________________

____

____

____

☐ Review life insurance product options.

Notes: ______________________________

____

____

____

The primary purpose of life insurance is to provide a death benefit to beneficiaries. Because of the uncertainty surrounding all funding options except savings, it is critical to encourage your clients to make personal savings the cornerstone of your clients' college funding program. However, even a well-conceived savings plan can be vulnerable. Should your clients die prematurely, their savings plan could come to an abrupt end.

To protect against this unexpected event, life insurance may be the only vehicle that can help assure the completion of a funding plan. In addition to the financial protection aspect of insurance, the tax-deferred buildup of cash values can be part of your clients' college savings plan. Generally, if the policy is not a Modified Endowment Contract then tax-free withdrawals can be made up to the contract's cost basis. Moreover, if the policy is not a Modified Endowment Contract, then loans in excess of the cost basis are also tax free as long as the policy remains in force.

We're Here For Life®

Distributed by:
Financial Markets, Inc.
800-888-2829
www.fmiAgent.com