

3 life insurance beneficiaries you may not have considered.



At Frankenmuth Insurance, *we know* death is an uncomfortable topic to talk about. But we also know how important it is to be prepared. Too often, we see someone's absence take an emotional toll – and a financial one. In a time when people should be grieving the loss of a loved one, they may also be covering the cost of a funeral and burial. And end-of-life expenses. And future financial commitments. And unfortunately, that list just goes on.

That's why many people choose to invest in life insurance, even if it's just a basic policy to ease the burden. According to the Insurance Information Institute, about 60% of all people in the U.S. were covered by some type of life insurance in 2018 – which can take at least a small amount of stress out of the situation.

So, when you think about who will benefit from your life insurance policy (i.e., your life insurance beneficiaries), your family will, of course, come to mind. But depending on your stage of life and level of protection, they're not the only ones to consider.

Aside from your spouse, children and/or parents, here are three life insurance beneficiaries you may not have considered:

1. **A charitable organization.** If your loved ones are financially stable, you can designate a nonprofit as your life insurance beneficiary. In doing so, you leave a lasting legacy to a cause that's close to your heart. Simply put the organization's name on your beneficiary designation form. Most policies allow you to choose multiple beneficiaries, so you could also leave a percentage to your spouse and/or children, and the rest to a charity. Or you could name a charity as your secondary beneficiary. In this case, if your primary beneficiary (such as your spouse) dies before you do, the money would then go to the charity you chose.
2. **Your business partner(s).** If you co-own a business with one or more partners or

stockholders, you can set up a buy/sell agreement which stipulates the terms for how your share of the business could be bought out by your partners. Along with creating the legal agreement, business partners or stockholders usually buy life insurance policies equal to the shares of the others, so that in the case of any partner's death, the remaining partners can use the insurance proceeds to buy their share.

3. **Yourself.** Typically, you can't benefit from your own life insurance policy. However, if you were to become terminally ill (with a life expectancy of a year or less), you could benefit from an Accelerated Death Benefit (ADB) rider, automatically included at no charge from Frankenmuth Insurance. With an ADB, you can receive a portion of your policy's death benefits while you are still living, which could be helpful in defraying costs such as home care assistance and hospice care. The portion of the benefit you take is then deducted from the total your beneficiaries would receive after your death. In addition, we offer a Chronic Illness Rider on all whole life policies with a face amount above \$100,000. With this rider, you can receive up to 75% of your face amount in the event you are diagnosed with a chronic illness and can't perform two activities of daily living without substantial assistance.

In the end, your life insurance can benefit many people – yourself included. Not only does it provide financial assistance, it also gives you the peace of mind you won't get elsewhere. Regardless of your unique situation, this coverage ensures the people you care about can face the future. So talk to an agent today. We have life insurance experts in Michigan, Ohio, Maine, New Hampshire and Vermont. Find one near you.