

New Northwestern Mutual Study Shows Americans Are Underutilizing Permanent Life Insurance Despite Multiple Benefits

MILWAUKEE, Sept. 4, 2014 – As both longevity and the cost of living continue to increase, Americans may be overlooking a key opportunity to strengthen their financial foundation. In contrast to savings and investing vehicles that focus on either asset accumulation or risk management, permanent life insurance is a multi-faceted financial solution that augments a death benefit with a number of important living benefits.

“Permanent life insurance is the proverbial Swiss army knife of financial solutions because it can be used to tackle any financial challenge from leaving a legacy to dealing with a medical emergency,” said David Simbro, senior vice president, Northwestern Mutual. “Flexibility combined with the fact that permanent life insurance is virtually recession-proof means invaluable peace of mind in today’s complicated and unpredictable economic environment.”

According to Simbro, the advantages of permanent life insurance include:

Guaranteed growth in value over time: The cash value of a permanent life insurance policy never declines and is guaranteed to continue increasing over time, tax-deferred.

Flexibility: Policyowners can leverage the value to pay for college, fund a business, or address any number of planned or unexpected financial needs. Because of its assignability, the policy can also serve as collateral.

Retirement: Policy cash value can be leveraged to supplement retirement income.

However, despite its many advantages, only 22% of Americans currently own a permanent life insurance policy, a fraction of the 66% who have savings accounts, according to [Northwestern Mutual’s 2014 Planning and Progress Study](#). As the company committed to helping Americans achieve financial security, Northwestern Mutual is leveraging September’s Life Insurance Awareness Month observance to deepen awareness for permanent life insurance and how it can serve as the cornerstone of sound financial strategy.

Simbro encourages people to meet with a financial advisor to explore the role permanent life insurance can play in their overall planning strategy. Additionally, Northwestern Mutual’s Online Learning Center features a wide range of resources and tools for individuals interested in learning more about attributes of permanent life insurance. The resources can help address such topics as:

How much insurance do I need? – [Interactive calculator](#)

How might longevity impact financial plans? – [Lifespan Calculator](#)

“Receive a lifelong paycheck: guaranteed income in retirement” – [On-demand webcast](#)

“Term or permanent life insurance: which option is right for you?” – [Downloadable article](#)

About Northwestern Mutual

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For further information: Jean Towell, 1-800-323-7033, mediarelations@northwesternmutual.com

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