

Combined Retirement/Life Insurance Plan Introduced for Small Businesses

Rebecca Moore – 04/22/2008

The Hartford and Plan Administrators, Inc. (PAi) have created Solo db Life, a defined benefit retirement plan designed for business owners with less than 10 employees who need both life insurance and a retirement plan.

According to the companies, part of the employer's contribution to the plan is allocated to traditional investments and the other part is used to purchase life insurance. The life insurance policy embedded in Solo db Life is Hartford Extraordinary Whole Life, a new permanent life insurance product that offers guaranteed level premiums, cash values, and a death benefit, a press release said.

The plan offers clients the ability to invest in The Hartford's family of mutual funds. The mutual funds and the cash value portion of the life insurance provide the funding for the future defined benefit. The announcement noted that since it is a qualified plan, contributions are generally tax-deductible, including the portion allocated to the purchase of the life insurance policy.

Solo db Life is a turnkey product that includes a plan document, annual maintenance, statements showing each participant's accrued benefit, and signature-ready forms for government compliance. The plan is administered by PAi, and is available in all states, except New Jersey and Pennsylvania.

For more information, visit www.thehartford.com.