IWAA *from page C1*

IWAA: *Founder Lorraine Schultz said, "I think that anyone who attends this event will come out quite a bit smarter about the industry."*

smarter about the industry," she said.

Panel speaker and a new IWAA member, Michele Tinson, of Commerce Township, finds the group particularly appealing because of it focus on broader industry issues.

"A lot of automotive associations deal with technical background. Whereas, this is broader – the technical and the not-so-technical," said Tinson, who began her career working at the Society of Automotive Engineers and is today Chrysler Corporation's safety and environmental public relations manager.

"We're all faced with somewhat similar challenges – balancing family and career," Tinson said of the group's purpose of serving woman.

This formal affiliation will certainly issue supportive relationships between women in the industry, she said.

The opportunity to talk with an empathetic peer in the industry about, for example, missing a child's school play because of job responsibilities, would be beneficial, she said.

"I also believe it can be looked at as a mentoring opportunity and a learning forum," Tinson said.

Ultimately, IWAA will provide scholarships to young women interested in entering the field and industry-employed women seeking to further their education.

An endowment fund, which will be sustained by membership dues and event fees, was set up last July.

"It really shows that times are changing," Tinson said. "There are more women in the work world and more women in the technical fields."

For additional information about the International Women's Automotive Association and its upcoming Round Table event, call (248) 646-5250.

Mittra *from page C1*

Menu of Life Insurance Products

	Description	Investment Vehicle	Flexibility of Investment	Flexibility of Premium	Flexibility of Face Amount	Appropriate For...
Term Insurance Yearly, renewable and convertible	Low cost. Great control.	None	None	None (Increases)	None	People with limited cashflow, temporary needs, need for large protection, desire to separate insurance from investment.
▲ Term Only = Mortality and expenses only ▲ • ▼ Term Plus = Mortality and expenses plus investment ▼						
Whole Life	Fixed life dividends provide investment returns.	Insurance company bond and mortgage general account.	None Can borrow from cash value	None Loans or dividends reduces premium	None	Conservatives who prefer guaranteed coverage.
Universal Life	Current interest rates.	Short-term guaranteed interest in general account.	None Borrow or withdraw cash value.	Maximum.Must have enough for mortality and expenses.	Maximum. Can increase or decrease it.	People who like only short-term investment rates.
Variable Universal	Control. Disclosure. Flexibility.	Money Market stock and bond separate accounts.	Maximum. You can split, move, withdraw or borrow.	Maximum. Must have enough for mortality and expenses.	Maximum. Can increase or decrease it.	For investors who wish to buy term and invest difference.

benefit element of the contract. Variable life insurance has a security component and is therefore offered by prospectus. It is important that all elements of the prospectus be reviewed before purchasing this product.

The accompanying box presents a menu of life insurance products.

A note on riders

In the last several years, as the demand for a wider variety of products has increased, life insurance companies have responded with a variety of "riders" to lower the premium costs of the product. The riders take two basic forms, term insurance riders, and paid-up additions insurance rider. Of these two, the latter is more popular.

Paid-up additions rider is used to shorten the premium payment period, if a specific period of premium payments is desired. The rider premium is used to purchase paid-up additions (similar to depositing the money in a premium bank) which are then used to offset the premiums in later years.

It should be understood that these riders depend on the company's current performance, and the shortened premium paying period is never guaranteed.

Therefore, the premium paying period may be different from what was originally desired

The amount of the rider can be adjusted to account for changes in interest rates, decreasing the possibility that the targeted premium paying period would be extended.

Rating company

There are at least six rating sources, of which A.M. Best is one. Generally, it is a good idea to select a company which has an overall good rating from A.M. Best, Standard & Poor's, Moodys, and (if possible) Duff & Phelps.

This does not mean, of course, that if a company does not satisfy such a stringent requirement then you shouldn't select it.

In fact, it appears that generous insurance ratings are gone for good.

Rating companies downgraded many companies in 1991 and 1992 after the real estate and junk bond markets collapsed. The rating market continues to stay tough. So it's better to consult a professional on this subject before making a final decision.

Next week: More on types of life insurance

Despite competitive labor market, many small business not offering retirement plans

In today's tight labor market, most employers are eager to offer benefits to compete for valuable human resources.

With the unemployment rate at nearly a quarter-century low, the balance of power is shifting from employer to employee, according to a 1997 study by the International Research Group. And because workers feel more in control of their careers, employers need to consider important perks, says Fidelity Investments.

Surprisingly, U.S. small businesses whose survival can depend on their ability to attract and retain the "best and brightest," are overlooking one of the most popular benefits available – retirement plans. According to a study commissioned by Fidelity, nearly 70 percent of U.S. small business owners do not offer employer sponsored retirement plans.

Fidelity's report shows that 66 percent of small businesses do not offer retirement plans, including 35 percent who never expect to offer one. The results of the study were tabulated following interviews with 352 small business owners nationwide who employ between 5 and 50 employees. Fidelity released this study to coincide with the third annual Small Business Savings Week, Oct. 6-10, a 72-city program helping small business owners and self-employed individuals select an appropriate retirement plan.

"We know employer-sponsored retirement plans are second only to healthcare when it comes to the most important benefit offered at work. We also know the majority of employees are not counting on social security and prefer to save for retirement through automatic salary deductions," said Barbara Casey, Fidelity Investments Executive Vice President of Retail Marketing. "Today's labor market is highly competitive both in terms of the number of available employees and their attitude toward job-hopping for better benefits. Successful small business owners are recognizing that in the current environment, offering a retirement plan has become a necessity instead of an option."

According to Casey, the Savings Incentive Match Plan for Employees (SIMPLE), a new retirement savings plan introduced last January, has the potential to increase the number of small businesses offering plans. Introduced specifically for businesses with 100 or fewer eligible employees, SIMPLE is designed to address administrative and cost issues associated with offering a retirement plan. SIMPLE plans are funded by a combination of employee salary reduction and employer contributions and do not require any annual tax filing or special IRS tests.

The study showed that almost a year later, while the level of awareness of SIMPLE has increased significantly (22% to 30%), 70 percent of small business owners still remain completely unaware of this option. After hearing a description of the SIMPLE plan, however, not only did 67 percent of survey participants say they thought it would be beneficial in general for small businesses, virtually all small business owners (83%) who expect to offer a retirement plan in the future would consider SIMPLE. In fact, even 29 percent of those who originally said they would never offer a plan said they would consider SIMPLE after hearing its description.

Of those small businesses who offer retirement plans, nearly half (45%) offer a 401(k), significantly higher than profit-sharing (19%) and SEP-IRA (14%) plans. Those small business owners are almost (99%) unanimously satisfied with their retirement plans and the vast majority (83%) either contribute on behalf of employees or match employee contributions. For those planning to offer a plan in the future, 401(k)s are also a top choice.

"Small businesses are similar to large companies when it comes to the preference for 401(k)s by those who offer plans, but they are at almost opposite extremes when it comes to the number who actually do offer plans," said Casey. "This may be attributed to misperceptions that offering a plan has to be expensive or complicated. The reality is that there is a broad range of plan options, not just 401(k)s, available for small businesses and a number of plan providers have very attractive programs specifically created for the small business employer. With many experts predicting a shortage of employees, it is well worth the effort to learn about plan options and how easy it can be to get one started."

Other survey findings include:

- 84 percent of small business owners think helping employees save for retirement is important and 93 percent think it is important for them personally; 77 percent expect to fund the majority of their retirement income from their own personal savings; only 13 percent expect to rely on an employer-sponsored plan. (NOTE: The 77 percent is an increase from 66 percent in a survey conducted last November and demonstrates the increasing perception that retirement savings is a personal responsibility.)
- The more established a business, the more likely it is to currently offer a plan (11% of those in business 1-5 years offer plans versus 43% of those in business 30+ years) but the newer businesses are the most optimistic that they will offer a plan in the future (53% compared to 32% overall)
- The top reasons for offering a retirement plan in the future are: retain employees (51%), motivate employees (32%) and help employees save for retirement (22%)
- Women business owners are less likely to offer a plan currently or in the future than male owners (42% of women never expect to offer a plan versus 33% of men).

For more information, a 24-page guide, "Retirement Plans for Small Businesses," is available to help small business owners and self-employed individuals select the appropriate retirement plan for their needs. Retirement Specialists are also on-call seven days-a-week from 8 a.m. to 9 p.m. at 1-800544-5373 to help answer specific questions, and information is available on Fidelity's Internet Web site (http://www.fidelity.com).