

Autos

THIS PICKUP IS BUILT FOR THE PASSING LANE

It flashes through the quarter-mile as fast as a Corvette ZR-1—at about half the ZR-1's \$50,000 price. Plus, it has 40 cubic feet of cargo space. Meet the \$26,995 GMC Syclone, a pickup truck with attitude.

Even before I rev the engine, I can tell that this is not just another peat-hauling pickup. The Syclone rides stylishly low, for better aerodynamics. The form-fitting seats snuggle around me, ready to hold me in during hairpin turns. Available only in bat-out-of-Hades black, the truck comes with a full list of standard equipment: automatic



THE GMC SYCLONE: AVAILABLE ONLY IN BAT-OUT-OF-HADES BLACK

transmission, air conditioning, leather-wrapped steering wheel, power windows, and four-wheel antilock brakes. A glaring omission in such a speed demon: no airbag.

NOT FOR COMMUTERS. It's not until I fire it up, though, that I fully appreciate the Syclone. The 280-horsepower, 4.3-liter, turbocharged engine comes to

life with a throaty roar. On an open highway, it's hard to keep the speed on the legal side of 80. Even at 65 mph, I push the accelerator, and the four-wheel-drive Syclone eagerly leaps forward. The speedometer goes to 120 miles per hour, but that's not the upper limit. At the Bonneville Salt Flats in Utah, a Syclone

LSR has rocketed to 210 mph.

The Syclone is no commuter car, of course. The transmission produces a jarring lurch from first to second gear under anything but the most feather-like acceleration. Nor does the Syclone double as a standard pickup. Its low ride makes it inappropriate for off-roading, and a sticker on the door warns you against putting a camper cap on the pickup's bed.

But people don't buy the Syclone for its 500-pound cargo capacity. Nor are they looking just for exclusivity, even though only 3,500 of the vehicles will be built in 1992. Buying a Syclone for those reasons would be like purchasing a rare wine for its potential investment value and the graceful shape of the bottle. No, this pickup is sold for its pick-up. Maybe it should come with one more feature: membership at a private race-track. *Jim Treece*

Gee, thanks, Dad, it's just what I wanted—life insurance!"

You can bet no child unwrapping birthday presents will shout those words. But some insurers, facing a shrinking market of young adults, are urging parents and grandparents to give kids their own policies. Low mortality rates for children mean you can buy a sizable amount of coverage for a relatively small, onetime premium. And some of your money gets set aside for long-term growth via interest and dividends, eventually providing the youngster with funds for college, starting a business, buying a home, or even retirement.

'LOW ENTRY.' A big selling point is that insurance investments grow tax-deferred. Some alternative ways to start a child's nest egg—giving Treasuries or municipal bonds, perhaps—also have tax advantages. But insurance salespeople can use "low entry cost" as an added lure (box).

For example, state regulations let savings banks in

Smart Money

LIFE INSURANCE FROM THE CRADLE

Connecticut, Massachusetts, and New York offer \$50,000 children's policies for only \$2,500 (for a 1-year-old girl) to \$3,400 (a 5-year-old boy). As dividends pile up, the amount that would be paid at death climbs above

be given \$10,000 policies with a cash value projected to hit \$120,000 at age 65.

In most states, children's policies require a somewhat larger investment because they must conform with recent restrictions on adult sin-

college time. If he or she keeps holding the policy, the fund should near \$675,000 by age 65, \$1.5 million by 75.

COLLEGE FUND. True, \$15,000 may not go far toward college costs 16 years or so down the line. So if your chief objective is to fund a child's education, an insurance contract—which typically guarantees interest of 4.5% or less—might not be the best choice. Instead, putting \$5,000 or \$6,000 in zero-coupon Treasuries at 8% would return about \$25,000 for school costs, notes Prudential Securities Vice-President Peter Perrine. Putting \$7,000 in tax-free munis—at currently available rates of 6.5% to 7%—would produce a similar result.

Of course, other gift investments don't include insurance's death benefit—something most people find hard to say in the same breath with "baby." But the industry is matter-of-fact about it. If you buy your year-old grandson a policy, don't be surprised to see it read: "Male, Age 1, Non-smoker." *Don Dunn*

INSURING A 1-YEAR-OLD

Policy	Premium	Cash value at		Death benefit at	
		Age 18	65	Age 18	65
SBLI*	\$3,052	\$12,977	\$641,006	\$114,295	\$1,150,729
BANKERS SECURITY	7,262**	9,212	170,106	170,000	204,128
WILLIAM PENN	5,000	14,622	673,718	176,000	808,461

*Savings Bank Life Insurance Fund

**'Vanishing premium' costs \$800 the first year, declining to \$618 at age 10

DATA: BW, Golsen/Leeds Inc.

\$100,000 by age 18, above \$1 million at 65. And a policy's cash-surrender value grows, too—reaching \$10,000 to \$13,000 by age 18, and about \$600,000 by 65. Or, for only \$630 to \$750, 2-year-olds can

gle-premium contracts. For example, \$5,000 put into William Penn Life's Crusader II provides an infant with \$175,000 worth of coverage plus a cash-value fund projected to hit about \$15,000 by