

WHAT TYPE OF LIFE INSURANCE DO I NEED?

An overview of temporary and permanent policy options

There are several types of life insurance, and they cater to people of all ages and various needs. Learn about the different types to determine which is the best option for your circumstances.

	TYPE	ADVANTAGES	COST	DID YOU KNOW?
Temporary Policies	Term Life Insurance This offers the simplest type of life insurance policy: You choose a term of 10, 20 or 30 years and pay a level premium for the duration of the term. Term life insurance makes sense when you need protection for a specific amount of time — for instance, until your kids graduate from college or your mortgage is paid off.	These policies are easy to understand, and the death benefits range from smaller amounts that can cover final expenses to larger amounts that can provide for a family's needs.	This is the most affordable life insurance option.	Getting term life insurance typically involves just two decisions: how much coverage you want and how long you want it to last. It's also possible to obtain some term insurance without undergoing a medical exam.
	Whole Life Insurance Whole life insurance offers lifelong coverage, consistent premiums and a guaranteed* return on the policy's cash value.	Whole life is the most common type of permanent insurance and, in addition to the death benefit, offers a savings account that accrues value at a predetermined fixed interest rate.	It's a more expensive option than term life insurance, but the level premiums allow you to plan for the expense.	The cash value of a whole life policy is a tax-deferred savings account.
Permanent Policies	Universal Life Insurance Universal life insurance offers adjustable premiums that give you the option to make higher premium payments when you have extra cash on hand or lower ones when money is tight.	With universal life insurance, you may be able to increase or reduce the death benefit over time. Policy features may include a "no-lapse guarantee," fixed interest earnings or the option to earn interest tied to a market index for potentially greater cash accumulation.	After your initial payment, universal life insurance offers the ability to pay premiums at any time, in virtually any amount, subject to certain minimums and maximums.	Universal life policies are popular with those who have federal estate-tax liability. Because premiums and death benefits can be changed, policyholders can update their policy to reflect changing estate tax rates.
	Variable Universal Life Insurance This type of permanent life insurance policy allows you to allocate your premium dollars in investment options offered by the carrier.	Should your insurance needs change over time, variable policies usually provide the flexibility to increase or decrease your amount of coverage while possibly skipping a scheduled payment and letting the accumulated cash value cover the policy's expenses in case of emergency.	These policies allow you to vary your premium payments, within certain minimums and maximums. You also have flexibility to transfer funds between the investment divisions, tax free.	Because you can choose how to invest your premium dollars and rebalance them over time, variable life policies offer potentially higher rewards for those with higher risk tolerance levels.
	Long-Term Care Insurance Long-term care policies, also called hybrid, combo or linked-benefit products, pay for extended long-term care services if you need them and offer a death benefit. Long-term care insurance typically covers both in-home care and care received at a specialized facility like an adult day care, assisted living facility, nursing home or memory-loss unit.	If you never need long-term care, your family will receive the full death benefit. If you do need long-term care, the policy relieves your family from financial and caretaking burdens.	A hybrid policy can save you money, compared with the expense of buying separate policies for life insurance and long-term care insurance.	Neither health insurance nor Medicare pay for extended long-term care services.

Once you have decided which type of life insurance is best suited to your situation, an experienced agent can suggest products that will help you meet your financial and legacy goals.

*Guarantees backed by the claims-paying ability of the issuing insurance company.

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