

Lifetime Protection

Questions to get you thinking about flexibility



How long will I need coverage?
How long am I willing to pay premiums?



What is Permanent Life Insurance?

Permanent insurance provides lifelong protection and the ability to accumulate cash value on a tax-deferred basis. Unlike term insurance, a permanent insurance policy will remain in effect for as long as you continue to pay your premiums.

Who Needs Permanent Life Insurance?

Someone might need coverage for an extended period because contrary to what a lot of people think, the need for life insurance often persists long after the kids have graduated college or the mortgage has been paid off. If you died the day after your youngest child graduated from college, your spouse would still be faced with daily living expenses.

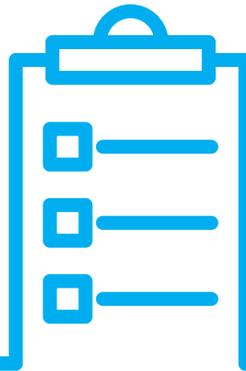
Would your financial plan, without life insurance, enable your spouse to maintain the life style you worked so hard to achieve? And would you be able to pass on something to your children or grandchildren?

Lifetime Protection

Questions to get you thinking about flexibility



How do permanent life plans differ?



Whole Life

Whole life provides you with the certainty of a guaranteed amount of death benefit and a guaranteed rate of return on your cash values. You'll have a level premium that is guaranteed to never increase.

Universal Life

Universal life 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 (subject to certain minimums and maximums). Many universal life policies will also provide a guaranteed rate of return on your cash values, as long as minimum premiums are paid. It is also possible that you will not accumulate any cash value if administrative expenses increase, mortality assumptions are changed, the insurance company's investment portfolio under performs or premium payments are insufficient.

No Lapse Guarantee Universal Life

This kind of universal life insurance has an additional guarantee that will prevent a lapse of coverage. The additional guarantee is commonly referred to as a secondary guarantee because this is in addition to the primary policy guarantee. This guarantee provides an extra layer of protection to one who pays the defined premium on time to prevent the policy from lapsing.

Lifetime Protection

Questions to get you thinking about flexibility



What is “Cash Value” and how does it work?



About Cash Value

Permanent insurance is often referred to as cash-value insurance because these types of policies can build cash value over time, as well as provide a death benefit to your beneficiaries. Cash values accumulate on a tax-deferred basis.

Borrowing from Your Policy’s Cash Value

With all types of permanent policies, the cash value of a policy is different from the policy’s coverage amount. The coverage amount is the money that will be paid at the death of the policy holder. Cash value is the amount available if you surrender a policy before its maturity or your death. The cash value may be affected by your insurance company’s financial results or experience, which can be influenced by mortality rates, expenses, and investment earnings.

Cash Value VS Policy Coverage

You can borrow cash value for a down payment on a home, to help pay for your children’s education or to provide income for your retirement. When you borrow money from a permanent insurance policy, you’re using the policy’s cash value as collateral and the borrowing rates tend to be favorable. You ultimately must repay any loan with interest or your beneficiaries will receive a reduced death benefit.