

Term Life Insurance

With premium rates at record bottom levels, you owe this to your loved ones

If you died today, could your family go on in the same lifestyle you've given them over the years? With high debt-to-asset ratios among so many families today, the risk of loss from an untimely death of the head-of-household is high. And when you add up the kids' college fund, a spouse's retirement fund and other large future outlays, term life insurance is about the only way to avoid a disaster.

Best rates in history

With people living longer today, insurance companies are paying out fewer benefits, which lowers their costs. And insurance companies are passing these savings on to new policyholders. Young adults especially can buy inexpensive protection for their families because of their low death probability. Even if you already have life policies, today is a great time to shop around.

Level Term policies have become the most popular form of term life insurance. They're great for planning and budgeting because your premium

payments remain level throughout your policy term. And you can choose term periods as long as 10, 15 or even 20 years with a premium guaranteed never to increase during that time.

With Annual Renewable Term policies, your premiums increase every year as you age, and you have no assurance of what your premium payments will be from one year to the next. If you're certain you only need coverage for a few short years, annual renewable may be more economical, but for most families a level term policy with a flat premium makes the most sense.

Term vs. permanent insurance

The danger of having term insurance alone is that when your low-cost level term period is over, your renewal rates for a new term policy will skyrocket because of your older age. So at some point, or as soon as you can afford it, start building up your permanent

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insurance to give yourself some lifetime protection after your term policy expires. An important feature of many term policies today is the conversion option, which allows you to convert all or part of your coverage to permanent life insurance. Term life is for when you die too soon; permanent life is for when you live too long.

How much life insurance is enough?

A rule of thumb for life insurance is six to eight times your annual income. Review your requirements with a qualified insurance representative and then ask yourself if a secure financial future for your loved ones is worth the annual cost, which will most often be less than a modest weekend vacation. The best inheritance you can give your loved ones is OPTIONS! **S**