

What Type of Life Insurance Should I Buy?

All life insurance falls into one of two categories of coverage. Each category has certain characteristics that make it more suitable for certain needs:

1. Term Life Insurance

- Provides temporary protection for the term of the policy.
- If the insured dies within the term period, the insurance company pays the death benefit.
- If the insured survives the term period, the coverage terminates.

2. Cash Value Life Insurance

- Provides lifetime protection, so long as the policy is kept in force.
- The insurance company pays the death benefit regardless of when death occurs, so long as the policy is kept in force.
- The policy accumulates cash values that can be used during the insured's lifetime (withdrawals and loans will reduce the policy's death benefit and cash value available for use).