

Why People Buy Life Insurance

People Buy Life Insurance:

For the Death Benefit:

- To replace earning power at death
- To pay for cash needs that arise at death

As a Disciplined Savings Program*:

- To help pay for educational costs
- To supplement retirement income
- To take advantage of business opportunities
- For financial emergencies

Because of the Risk of Waiting:

- Insurability may be impaired or lost
- Premiums are lower now than they will be at a higher age
- To begin building cash values that may be used in the future for collateral

For the Tax Advantages:

- Death proceeds are received free of income tax
- Cash value accumulations are tax deferred
- Cash value loans or withdrawals* are free of tax, as long as the policy stays in force
- Accelerated death benefits are received free of income tax

In Recognition of Personal Responsibility to:

- Family
- Banker
- Mortgage company

For the Flexibility:

- Benefits may be available regardless of whether the policyowner lives, quits, dies or becomes disabled
- Life insurance is portable; benefits are not lost due to job changes

* Withdrawals and loans will reduce the policy's death benefit and cash value available for use.