

When Safety and Guarantees Count Most - Whole Life Insurance

These days, with the economy not sure what it wants to do, the words "safety" and "guarantee" sound pretty sweet. Well, when it comes to life insurance, if you want a product that provides both these features — including a locked-in, level death benefit; fixed, level premium; and guaranteed cash value accumulation — consider a whole life policy.

As its name states, whole life insurance provides protection for your whole, or entire, life provided premiums are paid when due.

Among the many advantages of whole life insurance are the following:

- **Lifelong insurance protection.** As long as all premiums are paid, coverage will not expire and cannot be canceled by the insurer... ever. (As the policyowner, however, you have the option to borrow¹ cash values, stop paying premiums² or cancel the policy at any time.) Even if your health deteriorates and you become otherwise uninsurable, your policy will remain in force, no matter how long you live. (Actually, at the policy's maturity, generally around age 100, your policy will endow for the full face amount, provided there are no loans against the cash value.)

¹ Loans against your policy accrue interest at the current rate and decrease the death benefit by the amount of the outstanding loan and loan interest.² Dividends are based on the policy's applicable dividend scale or interest crediting rate which is neither guaranteed nor an estimate of future performance.

- **Guaranteed cash value accumulation.** Your policy steadily builds values year after year. In these times of low interest rates and volatile financial markets, whole life insurance offers stability and safety. There is a guaranteed interest rate on the cash value in your policy, which cannot be reduced.
- **Fixed, level premium** that cannot be increased, even as you grow older. If the premium on your policy is \$400 a year when you are 25 years old and in excellent health, it will be the same 50 years later, even if your health has deteriorated.
- **Fixed, level death benefit** for life (or as long as you choose to keep the policy in force). If you purchase a policy with a \$200,000 death benefit when you are 30, that death benefit will remain at \$200,000 for as long as the policy is in force. (If there are dividends, however, it may be increased by paid-up additions, at your option.)
- **Access to cash values** through policy loans at any time after the policy has cash value and for any reason, guaranteed. The policy loan interest rate may go up or down, which is described in the policy provision. Also, loans need not be repaid during your lifetime, but can instead be paid out of proceeds at death. (Be aware, however, that removing cash values through policy loans will reduce your overall death benefit. Also, it is possible that excessive loans could cause the policy to lapse.)
- **Control.** While your whole life policy cannot be canceled by the insurer, you have the option to stop paying premiums at any time. If so, you have several options. You can take the cash value in cash. You can use accumulated cash values to purchase a reduced amount of paid-up coverage (so, you have a lesser amount of protection for life without ever having to pay another premium). Or you can purchase the full face amount of term insurance for a reduced period of time. The choice is yours.

Over the years, and especially in turbulent economic times such as we are experiencing today, whole life insurance has proven itself as an effective financial product. It has helped millions of men and women protect their families and meet their financial objectives. It can do the same for you.

At no charge to you, I can help you analyze your needs and recommend appropriate solutions through insurance and financial products and concepts. [Click here](#) to request a no obligation review.

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