

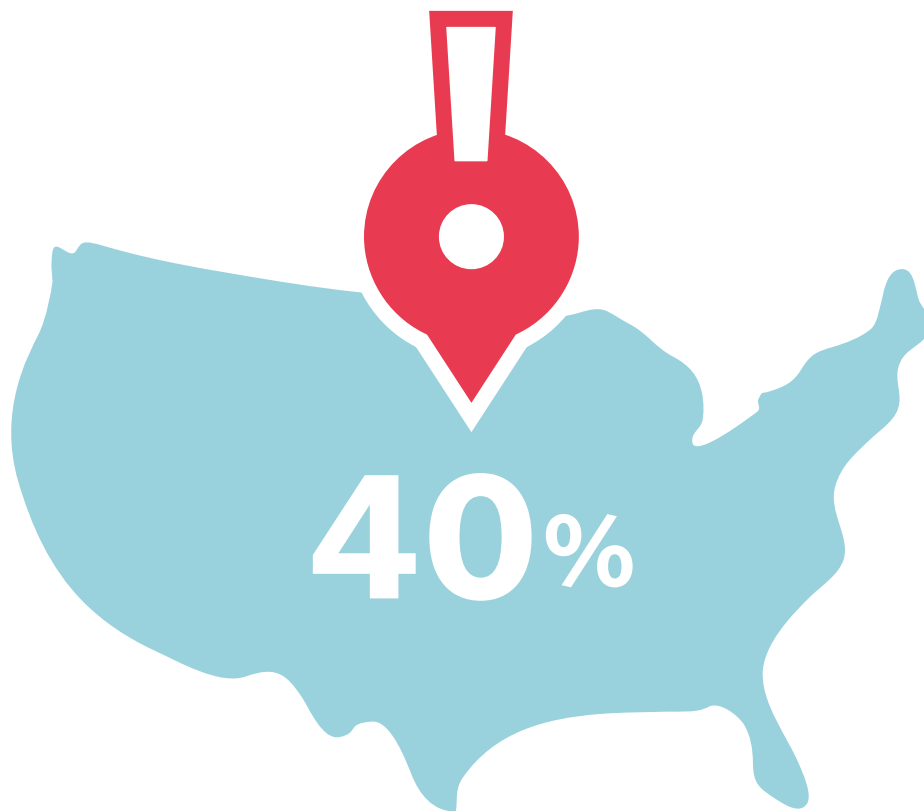
Life Insurance

Protect Your Family



A Transamerica Company

Only 59 percent of Americans have life insurance coverage, and, of those who have coverage, about half are underinsured.¹



Over a third (35 percent) of all households would feel an adverse financial impact **within one month** if a primary wage earner died.²

¹ "Life Insurance: How to Make Sure You're not Underinsured," Satta Samah-Hightower, Insure.com, February 26, 2020.

² "How Much Life Insurance Do You Really Need?," Kristin Stoller, Forbes.com, January 13, 2020.

So, what type of protection does life insurance provide?

Here are the most common reasons people purchase life insurance:^{3,4}



Help replace the income of a wage earner



Cover burial costs and other final expenses



Transfer wealth or leave an inheritance



Help pay off a mortgage



Pay for home expenses



Pay for estate taxes or create estate liquidity



Provide funds for a college education

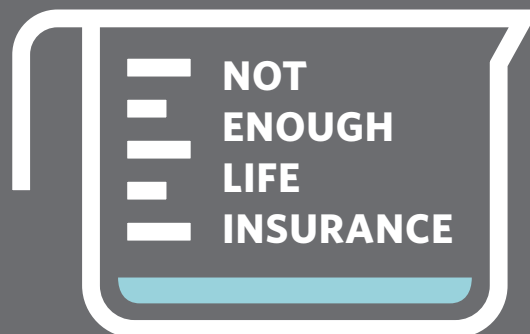
³ "Why I have Life Insurance - 10 Reasons to Buy Life Insurance," Ryan Guina, CashMoneyLife.com, July, 16, 2019.

⁴ "Why Buy Life Insurance in 2020// 15 Reasons Why + Tips," SimplyInsurance.com, December 11, 2019.

Nearly three in five adults (59 percent) have life insurance coverage (individual and/or group).⁵



Among those with life insurance, about 1 in 5 say they don't have enough.⁶



⁵ "Life Insurance: How to Make Sure You're not Underinsured," Satta Samah-Hightower, Insurance.com, February 26, 2020.

⁶ "How Much Life Insurance Do You Really Need?," Kristin Stoller, Forbes.com, January 13, 2020.

In fact, approximately 50 million households recognize they need more life insurance coverage.⁷



So what's holding everyone back?



Two of the most common reasons people do not buy – or do not buy more – life insurance?⁸

1.

52% think it's too expensive

2.

11% say the process is too confusing

⁷ "How Much Life Insurance Do You Really Need?," Kristin Stoller, Forbes.com, January 13, 2020.

⁸ "6 Reasons Americans Don't Have Life Insurance, and Why They're All Bogus," Maurie Backman, The Motley Fool, May 5, 2019.

Are they right? **Is life insurance expensive?**

Although many consumers think so, studies show that people overestimate the cost of life insurance, especially those in younger generations. For example, 44 percent of millennials estimate the cost of insurance at more than five times the actual amount.⁹

Who can help clarify any **confusion surrounding life insurance?**

If you're looking to buy life insurance, a licensed agent can help you understand your options. The agent should have a good grasp of what kinds of policies are available, and which would be a good fit for your financial situation and your lifestyle. However, you also may want to do your own research so you're confident that the policy being sold is not more than you need.¹⁰

A life licensed insurance agent with World Financial Group Insurance Agency, LLC. or its subsidiaries (WFGIA) is ready to provide the help and information needed as you consider your life insurance options.



⁹ "Best Life Insurance of 2020," Finance.Yahoo.com, January 3, 2020.

¹⁰ "What Does a Life Insurance Agent Do?," Jennifer Pan, PolicyGenius.com, November 13, 2019.

Are insurance needs different for **Millennials, Boomers and Generation X?**

Insurers categorize insurance needs based on the different stages in an adult's life.^{11,12}



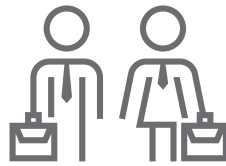
Single



Newly Married



Proud Parents



Working Years



Empty Nesters



Retired

¹¹ "The Best Types of Life Insurance for 4 Life Stages," Tim Devaney, CreditKarma.com, July 23, 2019.

¹² "How to Choose Right Insurance for Different Life Stages?," Priyadarshini Maji, financialexpress.com, May 2, 2020.

How does life insurance help at **each of these stages?**^{12,13}



Single

Single adults may consider purchasing life insurance if they have loans, a mortgage or a debt with a co-signer who would be responsible to complete the payments should they pass away. They also may wish to avoid leaving end-of-life expenses to their loved ones.

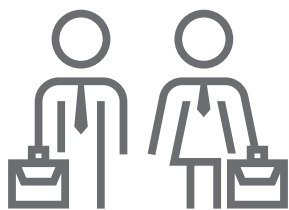
Newly Married

This is a time when consumers should identify the amount of coverage they need to replace future lost income and cover any large debts that would put a burden on their partner.



Proud Parents

Life insurance often becomes a part of preparing for a newborn's future. From diapers to diplomas, parents are likely paying for it all. In case of a loss of one parent, insurance provides protection for the long-term expense of raising the child, which can include paying for the child's education.



Working Years

During your career, your income may increase and you can take on new expenses such as a larger family, a bigger home, etc. Life insurance can provide money to help protect all that you've achieved in life.



Empty Nesters

At this stage you may not need as much life insurance because your children are out of your home and you have paid down your mortgage. However, you may consider it as part of an estate plan with your financial provider.



Retired

Preparing for your financial future does not end with retirement. Maybe you want to travel, buy a new home or simply relax in your backyard. Whatever you enjoy doing, you can do it with the comfort of knowing a life insurance policy's death benefit provides a layer of protection for your spouse, children and/or your favorite charity.

¹² "How to Choose Right Insurance for Different Life Stages?," Priyadarshini Maji, FinancialExpress.com, May 2, 2020.

¹³ "Life Insurance at Various Life Stages," FirstCitizens.com, 2020.

So how do I decide what **type and how much insurance I need?**

Even for people at the same stage in life, there's no one-size-fits-all for life insurance. Every person's needs and budget are different, and the coverage you require will more than likely change as your circumstances change.

Here are some things to think about as you consider purchasing life insurance:^{14,15,16,17}



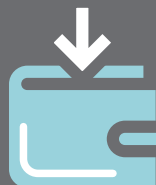
Age



Your health



Dependents



Current income



**Amount of debt
you have**



Long term goals



**Amount of income
needed in the future**



**Funeral costs and
emergency funds**



**Term or permanent
life insurance**



**Amount of coverage
needed**



**The price of
insurance coverage**



**If additional riders
may be beneficial**

14 "Understand the Cost of Life Insurance," Nupur Gambhir, PolicyGenius.com, January 31, 2020.

15 "Types of Life Insurance," Colin Lalley and Amanda Shih, PolicyGenius.com, July, 16 2020.

16 "How to Buy Life Insurance," Cherise Threewitt and Jeff Kinney, USNews.com, January 17, 2020.

17 "How Much Life Insurance Should You Carry?," Andrew Beattie, Investopedia.com, October 11, 2019.

What do you mean **Term** or **Perm**?

TERM



Term Life Insurance

Term life insurance policies provide coverage for a set time, or term, and build no cash value.

Term policies are less expensive than permanent life insurance policies with the same face value.

VS

PERM















Permanent Life Insurance

Permanent life insurance policies remain in effect until the policy holder's death - unless the policy is surrendered or lapses - provided premium payments are made.

Most permanent life insurance policies also add some type of savings component that may build cash value over time.

What other **features** should I consider?

	Term Life	Whole Life	Universal Life
Death Benefit			
Economical		—	—
Access to Cash Value	—		
Guaranteed Minimum Interest	—		
Market Participation	—	—	—
Tax Advantages			
Flexible Premium Payments	—	—	

How can a **WFGIA** agent help?

A WFGIA life licensed agent starts with a Financial Needs Analysis (FNA)¹⁸ to help you identify your current financial situation. They will listen to your needs and goals, and use this information to help determine what type of policy may be right for you.

These are the areas that the FNA looks at:



Cash Flow

- Earn additional income
- Manage expenses



Proper Protection

- Protect against loss of income
- Protect family assets



Debt Management

- Consolidate debt
- Strive to eliminate debt



Build Wealth

- Strive to outpace inflation and reduce taxes



Emergency Fund

- Save at least 3-6 months' income
- Prepare for unexpected expenses



Preserve Wealth

- Reduce taxation
- Build a family legacy

When purchasing a product, there are certain risks, fees and charges, and limitations that one must take into consideration.

Your **Next Step**

Now that you understand more about life insurance, it's time to meet with a WFGIA agent. Working together, you can craft a strategy to help make your future more secure.

¹⁸ The WFG Financial Needs Analysis is based on the accuracy and completeness of the data provided by the client. The analysis uses sources that are believed to be reliable and accurate, although they are not guaranteed. Discuss any legal, tax or financial matter with the appropriate professional. Neither the information presented nor any opinion expressed constitutes a solicitation for the purchase or sale of any specific product or financial service.

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