Life Insurance generally falls in two categories:

Term Life provides protection for a specific period of time (the term), often 10, 20 or 30 years. Term Life Insurance makes sense when protection is needed for a specified number of years, i.e., until the kids graduate from college or the mortgage is paid off. Term life insurance typically offers the most amount of coverage for the lowest premium. This makes term insurance a good choice for tighter budgets.

Permanent insurance provides lifelong protection, as long as premiums are paid. Permanent insurance also:

- accumulates cash value that can be used to buy a home, supplement retirement income, cover an emergency expense, etc.
- pays dividends that increase the initial death benefit buy purchasing additional insurance

These features make permanent life insurance premiums higher than a term life insurance policy with the same amount of coverage. Depending on circumstances and financial goals, a combination of term and permanent insurance is the answer.

What does Insurance Cost?

In general, the price of life insurance is less expensive the younger and healthier an applicant is at the time of purchase because premiums are based on many factors including: age, health and the type of life insurance policy.

Determining the Amount to Purchase:

The amount of life insurance to buy depends on who the insurance is meant to protect financially and for how long. For a general idea:

1 **Add up immediate, ongoing and future expenses loved ones would incur,**

if the proposed insured was deceased, ie: funeral costs, rent or mortgage, college tuition, cost of living

2 **Add up the financial resources available to those left behind,** ie: a spouse's income, life insurance already in place, investments.

3 **Subtract the financial resources from the anticipated expenses.**

The difference between the two numbers is the approximate life insurance to buy or as a rule of thumb, experts recommend having 10 to 15 times gross income.

Call 310 540 7760 to discuss your specific needs.