

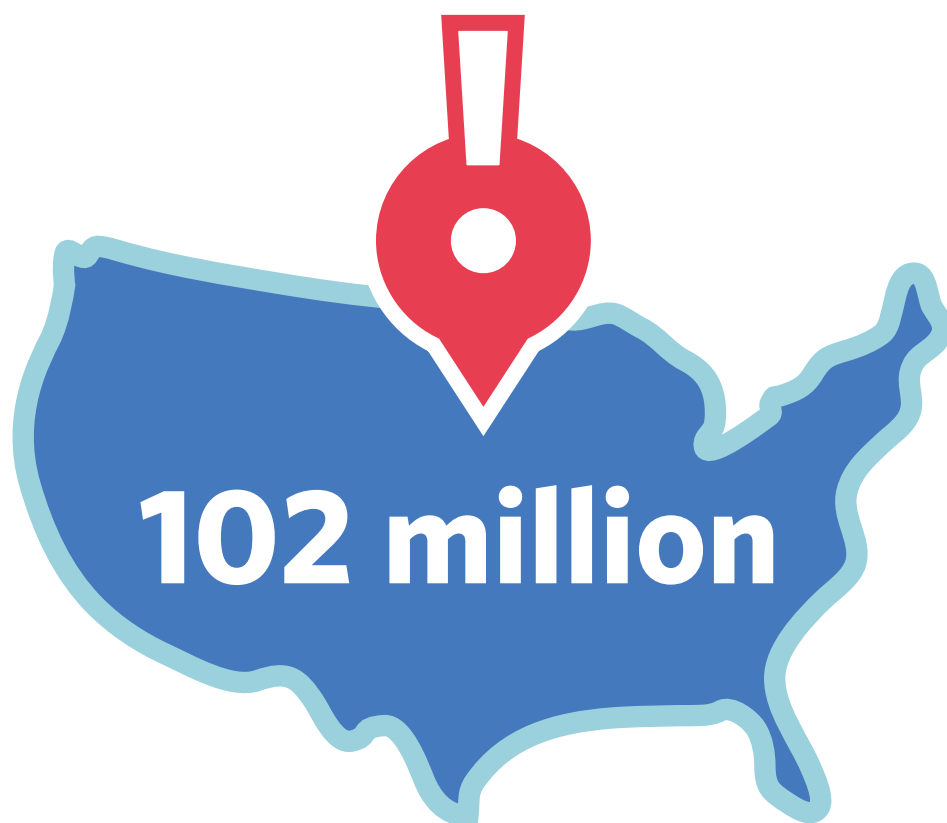
Life Insurance

Protect Your Loved Ones










A Transamerica Company

A recent study showed that **102 million U.S. adults had a life insurance needs gap**, with 30% of them being people who had no coverage at all but said they needed it.



What type of protection does life insurance provide?

Some common reasons people purchase life insurance is to:

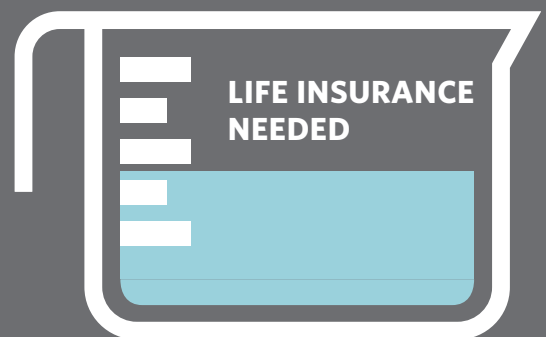
-  Help replace the income of one or more wage earners
-  Cover burial costs and other final expenses
-  Transfer wealth or leave an inheritance
-  Help pay off a mortgage
-  Pay for home and other expenses
-  Pay for estate taxes or create estate liquidity
-  Provide funds for a child's college education

As of January 2024, 51% of consumers said they owned some type of life insurance, which is a significant decrease from the 63% reported in 2011.²



Although many people should have life insurance, there are certain segments of the population who are even less likely to have it than others, including:³

- Households earning less than \$50,000 per year (56% of households)
- 53% of Hispanic American households and 49% of Black American households
- Younger generations, aged 18-59: 45% of Gen X, 46% Millennials and 49% Gen Z
- 45% of Women



² 2024 Life Insurance Fact Sheet, LIMRA, July 2024.

³ "Securing the Future," LIMRA & Life Happens, 2024.

The number one reason that consumers give for not purchasing life insurance – or purchasing more of it – is that it’s too expensive (52% of respondents), yet people consistently overestimate the cost. A recent study showed that 78% of Americans overestimate the true cost of a basic term life insurance policy, and when asked how they determined their life insurance cost estimate, 54% said it was based on their gut instinct or was a wild guess.⁴

Is life insurance expensive? An average term life insurance policy cost for someone in their 30s who is in good health costs approximately \$30 per month (\$360 a year).⁵ The cost is higher for permanent life insurance policies.

The other top reasons for not purchasing life insurance:⁴



1. Other financial priorities

2. Not sure how much they need or what type of policy they should purchase

⁴ "Securing the Future," Data from the 2024 Life Insurance Barometer Study, LIMRA and Life Happens.

⁵ "Average Cost of Life Insurance in 2024: Rates by Age and Term," Lacey Jackson-Matsushima, insuranceopedia.com, July 4, 2024.

Understanding **Your Options**

If you're looking to buy life insurance, a licensed agent can help. They know the different kind of policies available and can work with you to determine the one that would best fit your needs. Make sure to ask the agent all questions you have about life insurance, generally, and any about the specific policy they are recommending to ensure you're comfortable with your decision.

A licensed 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.



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

Insurance needs can change based on the different stages in a person's life.



Single



Married



Parents



Working Professionals



Empty Nesters



Retired

How does life insurance help at **each of these stages?**



Single

If you're single you may want to purchase life insurance if you have loans, a mortgage, or other debt, especially if there is a co-signer who would be responsible to complete the payments should you pass away. You may also want to help pay for your end-of-life expenses so the financial burden doesn't fall to your loved ones.

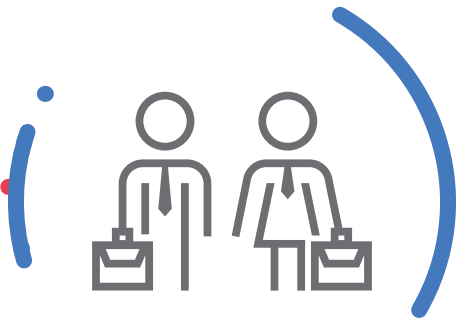
Married

When you're married, it's important to identify the amount of coverage needed to replace future lost income and cover any large debts that would put a burden on your partner.



Parents

In case of a loss of one parent or both, life insurance provides protection that can help with the long-term expense of raising a family, including helping to pay for a child's education, and other costs.



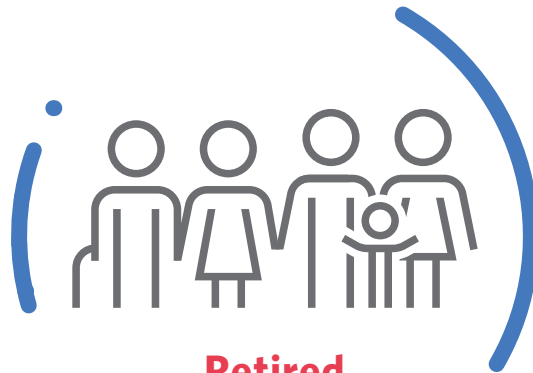
Working Years

Over the course of your career, your income will likely increase and you'll probably take on more expenses, whether it's purchasing a house, having a larger family, buying a bigger car, or something else. Life insurance can provide money to help protect all that you've achieved in life.



Empty Nesters

As you age or once your kids have left home, you're likely to need less life insurance as you've paid down - or paid off - your mortgage and your expenses may diminish. However, you may want to discuss it with your financial services professional to see if it would make sense as part of your estate plan.



Retired

Just because you're retired doesn't mean you don't need life insurance. Whatever you end up doing in your retirement, life insurance can provide a sense of comfort - knowing you have a death benefit that provides some protection to your spouse or partner and any of your children or even that you can donate to a favorite charity.

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.

Things you should consider when purchasing life insurance:



Age



Your health



Number of 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**



**How much coverage
you need**



**What you can
afford to pay**



**If additional riders
may be beneficial**

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 that have the same face value.

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			
Low Cost of Coverage		—	—
Access to Cash Value	—		
Guaranteed Minimum Interest	—		
Market Participation	—	—	—
Tax Advantages			
Flexible Premium Payments	—	—	

How can a **WFGIA** agent help?

A WFGIA licensed agent starts with a no obligation Financial Needs Analysis (FNA)⁶ to help you identify your current financial situation. They will ask about your needs and goals, and use this information to help determine what type of policy may be right for you.

The needs analysis covers several areas, including:



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

- Consider saving 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.

⁶ 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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WFGUS10029R4/9.24

