

# Life Insurance

*A young couple works with financial papers and a laptop, and then the image freezes to a still image.* **Narrator:** “You work hard to provide for your family. But what if you were no longer able to do so? How would your loved ones get along without you? A good life insurance program may help you provide for those who might depend on you long after you are gone. That’s why life insurance can be a valuable component of a smart financial plan.”

*Text with highlights of the narrator’s explanation overlays the still image of the couple.*

**Narrator:** “Life insurance is a contract between an insurance company and you. You pay premiums to the company and they in return promise to pay a specified dollar amount to your beneficiaries when you die. You can purchase policies that could pay as little as a few thousand dollars. Or with the right premium, you can arrange for as much money as you feel you might need.”

*An image of file folders appears, including one labeled Personal and another Insurance. The words Term Life and Whole Life appear above the folders.* **Narrator:** “The two most common types of life insurance are term life and whole life.”

*The background changes to show the image of a desk calendar, and the words Whole Life disappear. Text with highlights of the narration appears below the words Term Life.* **Narrator:** “Term life offers insurance for a finite period of time, with contract periods as short as one year or as long as several decades. As long as you keep current on your premium payments, your beneficiaries would receive the face value of your policy if you die during the term. However, once the term ends, the policy expires. If you die after that point, your beneficiaries would not be eligible for a payout. Some term life policies can be renewed, some can be converted into other types of policies, and some may increase or decrease their face value over time. While term life may be an affordable type of insurance, be mindful that the premiums could increase as you get older.”

*The screen changes to show a seashore with large rocks dotting the waterline. The words Whole Life appear at the top of the screen, and text with highlights of the narration appears below.*

**Narrator:** “Whole life may offer protection for your entire life. There is no fixed end date for the policy. Whole life insurance also builds a cash value over time. You may borrow against the cash value of the policy, in many cases without tax consequences. Premiums for whole life policies are typically much higher than premiums for term life. Be sure to consider your ability to make regular premium payments for long periods before purchasing. If you fail to keep up with your premiums, your policy could be cancelled.”

*A child sits on a pier fishing with two older individuals and a dog alongside her. The question Who Needs Life Insurance? appears at the top of the screen. Below is a list that says Couples, Singles, Parents, Grandparents, and Anyone.* **Narrator:** “If you have someone in your life who

could suffer from an economic hardship if you died, then life insurance may be suitable for you. Whether you are looking to provide for a spouse, a child, a parent, a sibling, partner, or other dependent, life insurance can play a key role in helping you support the ones you love after you're gone."

*A man walks down the beach at sunset with his two young daughters.* **Narrator:** "To find out more about the different types of policies and to determine which one may be right for you, contact a qualified financial professional."

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