Whole Life Insurance: For Good Times And Bad

(NAPSA)—In good times and bad, whole life insurance can help. Whether it's to assist your family in case of a financial emergency, pay for a child's college education, buy a new home or find a way to supplement retirement income, whole life may be right for you.

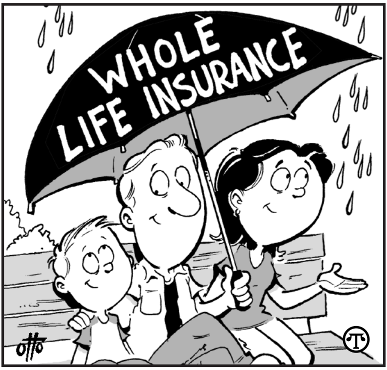
Whole life is the traditional form of permanent life insurance. You are insured for your entire life, provided you continue to pay premiums. And the premium is guaranteed to stay level over the life of the policy.

The primary reason for having life insurance is to protect a family's financial future. Beneficiaries can use the death benefit to help pay off mortgages, fund college educations, take care of final expenses or offset the loss of the insured's income.

Also, a new type of whole life policy allows you to choose how long you wish to pay premiums, thus ending your premium payments while your valuable life insurance coverage continues.

Whole life is a valuable asset regardless of economic conditions. In good times and bad, it is still an important part of a sound financial plan. Here's why:

The money can be yours—The whole life policy builds cash value tax deferred over time, and you can put that money to work for you in a number of ways. You can borrow from your policy's accumulated cash value by taking a loan at competitive interest rates and use this money in any way you wish. Should the full death benefit no longer be needed, the policy owner has the option to access the policy's cash value to help supplement retirement income while keeping the policy in force. Keep in mind, loans against your policy accrue interest and decrease the death benefit and cash value by the amount of the outstanding loan and interest. Finally, depending on state law, policy values (the cash value plus death benefit) are not exposed to liability judgment and are exempt from creditors, a unique benefit generally not available with other assets.



It grows with you—Your whole life policy can expand to provide greater protection and cash value as your needs increase. Optional policy riders are available that allow you to boost your coverage, add family members to the policy or even guarantee that premiums will continue to be paid should you become disabled.

More money through dividends—Your policy may be eligible for dividends if and when your insurance company declares them. Each year, the company determines what portion of its earnings, if any, must be retained to build surplus and any funds in excess that can be returned to policy owners. This portion is returned in the form of dividends. Dividends are generally considered a return of premium and, therefore, nontaxable and can be used in a number of ways, such as to purchase more insurance, or be received in cash. Naturally, dividends are not guaranteed because future interest rates, mortality experience and expenses cannot be guaranteed.

Is whole life right for you? A life insurance agent will help you determine the amount of insurance needed to protect your family. For more information, visit the Web site www.newyorklife.com.