



# YOUR MONEY

## Safeguarding Your Family's Financial Future

(NAPSA)—Building a family nest egg that won't crack could require having something known as term life insurance.

A term life insurance policy offers insurance protection for a specified term, or period of time—typically 10, 15, 20 or 30 years.

People often use term insurance to help secure mortgage payments, wedding expenses, college loans, car loans and similar types of debt. Because the policies pay a predetermined amount should something happen to you within a specific time frame, they can be a good way to help prevent long-term—but not lifetime—payments from being passed on to surviving family.

### Choosing Term Insurance

Fortunately, term insurance can be a simple insurance product to research and purchase.

Start by going online and getting quotes for similar policies from different companies. Be sure to have your basic personal and health information handy, and answer all questions truthfully. Then compare the quotes against your needs. Here are a few facts that will be helpful to know:

- Term premiums may increase each year (known as an annually renewable term) or remain level for a set period (called a level term).
- Term insurance is generally less expensive than permanent (cash value) life insurance.



### Customizing life insurance to fit changing needs can help protect finances.

- At the end of the term period, the policy may contain a provision permitting it to be renewed without a medical exam, although the premium rate will probably be higher.
- Some term life insurance policies include an option to convert to a permanent life insurance policy.
- Traditional term life insurance provides a death benefit only; the policies do not offer an opportunity to build cash value.

Some policies may include terms that are more customizable and that can be linked to specific life events, including retirement, the payoff of a mortgage or a child's graduation from college. But they might also provide more affordable coverage for people in a variety of situations.

For instance, if an individual wants to purchase term insurance but has high cholesterol, a 30-year policy may be too expensive. However, the individual could be covered on a 26- or 27-year policy that might be a better fit for his or her monthly budget.

### Coverage into Retirement

Traditionally, term insurance was seen as a vehicle to insure yourself until you had enough financial security to self-insure. However, with these new, more customized term options, insurance can be affordable well into retirement.

Coverage may also include expanded ages, meaning consumers in their mid 50s, 60s and even people who are 70 years old can purchase term insurance, providing coverage into their 80s—considerably longer than most term plans currently allow.

With people living longer, and working well past 65, the added coverage can be a smart way to help safeguard a second mortgage, medical or other expenses people tend to encounter later in life.

### Learning More

You can visit the Web site [www.aigag.com/ROPselect-a-term](http://www.aigag.com/ROPselect-a-term) to learn more about term life insurance. The site can be a valuable resource and provide important information to help with your decision.