

One Policy Does Not Fit All

Explore Options For Universal Life Insurance

(NAPSA)—Many financial advisors would agree that the basis of a good financial plan is life insurance. The need to prepare financially in the event of an unexpected death is universal. However, the financial needs of a family with young children and a large amount of debt are vastly different from those of a couple of empty-nesters looking forward to retirement.

Universal life insurance is a type of life insurance that addresses a wide variety of financial needs in addition to providing protection of a death benefit.

“Generally speaking, universal life insurance provides policyowners with a death benefit, flexibility with how and when they pay their premiums and a way to accumulate cash,” said Mutual of Omaha Vice President Andy Hutchison.

Some universal life insurance policies emphasize guarantees in order to provide policyowners with additional security. Examples of such guarantees include:

- A guaranteed death benefit. This will ensure your family is secure in the event of a death.

- Guaranteed premiums. This feature is ideal if you’re worried about whether you will be able to afford premiums that increase as you age.

- The ability to choose your coverage period. Some universal life products offer a feature that allows you to shorten the length of time for which the coverage is guaranteed and lower your premiums accordingly. This can make



your premiums more affordable. For example, if given your family history you think it’s not likely that you will live to age 100, you can choose to pay premiums based on coverage to age 90.

With other universal life insurance policies, their ability to build cash value make them appealing.

“The beauty of many universal life insurance policies is that they offer a death benefit plus they accumulate cash value that grows tax free,” Hutchison said. “If you are concerned about having enough money to maintain your lifestyle, you can use the cash value to generate an income stream during retirement.”

Some universal life insurance policies also offer a wash loan feature, which allows you to take interest-free loans from the cash value without incurring a tax hit. The loans can be used to fund expenses such as college tuition or a mortgage payoff.

For more information, visit www.mutualofomaha.com.