

# You Deserve the Right Protection. So Does Your Family.

Getting your life insurance right can ensure your family's financial future and give you peace of mind. Make sure you get the right coverage from a company you can count on. Primerica was founded in 1977 on the conviction that term life insurance is the best kind of life insurance for the vast majority of families.

## Compare cash value life insurance and term life insurance.

### Cash Value Life Insurance

Your life insurance and investments are "bundled" together.<sup>1</sup>

You pay higher premiums for less death benefit.<sup>2</sup>

Contains an investment component, but returns on these investments tend to be lower and fees higher than with other savings vehicles like investing in stocks over time.<sup>3,4</sup>

Borrowing from your policy reduces the face amount available at death. If you borrow too much money and do not repay the loan and make premium payments, it may cause the policy to lapse. If that happens before you have repaid the loan, you could owe taxes on the unpaid loan money.<sup>5</sup>

Investing in a cash value policy is not the same as investing in a retirement plan such as an IRA or 401(k) account.

Although it can accumulate a cash value, with most policies you only receive this money if you surrender your policy. If you die, your family will receive only the face amount and not the cash value.<sup>7</sup>

Most consumer advocates do not recommend cash value life insurance for families with few assets.

### Primerica's Term Life Insurance

Your life insurance and investments are separate.

You can buy more coverage to protect your family because term life insurance has a lower initial premium for the same coverage.

You can control your investments and have options to invest in the market.

Withdrawing money from your investments has no effect on your term insurance face amount because your investments are separate. Taxes are usually due on the gain of your investment.

You can invest your savings in a retirement plan (401(k), IRA) that may have tax advantages.<sup>6</sup>

You keep your life insurance and investments separate. Upon death, your family receives the face amount of your term insurance.

Consumer advocates recommend buying term life insurance and investing the difference for most families.<sup>8</sup>

### The Answer – Individual Term Life Insurance

Most financial experts are pretty clear about where they stand on the term insurance versus cash value insurance question.

**"Term insurance is pure protection, like fire insurance or auto insurance, its sole function is to support your family if you die. You can buy large amounts of coverage for modest amounts of money – and big policies are what your spouse and children need."**

*Making the Most of Your Money Now*, Jane Bryant Quinn

**"In my opinion, there is only one kind of insurance that makes sense for the vast majority of us: term life insurance."**

*The Road to Wealth: The Answers You Need to More than 2,000 Personal Finance Questions*, Suze Orman

**"Many financial experts recommend term life insurance for the average family."**

Money.com, "Best Life Insurance of 2020," January 3, 2020

## Primerica Term Insurance

Term is the only type of life insurance Primerica's life companies offer. It's really the only type of insurance that will allow working families to buy enough to cover their needs. While everyone's needs will vary by family and even over time, a good rule of thumb is that you'll need five to 10 times your annual income. The good news is you can do that with Primerica's term.

### Cash Value vs. Buy Term and Invest the Difference

	Death Benefit Before Primerica	Changed to Primerica's Term
John	\$100,000	<b>\$250,000</b>
Mary	\$100,000	<b>\$250,000</b>
<b>Monthly Premium</b>	<b>\$225</b>	<b>\$80</b>
<b>Difference = \$145/month!</b>		

**More than double the coverage for \$145 LESS per month!**  
**\$145 monthly savings invested at 9% for 30 years = \$265,457 at age 65**

Monthly premium and accumulated cash value for cash value policies is an average of whole life policies from three major North American life insurance companies for male and female, both age 35 and standard risk. Cash value life insurance can be universal life, whole life, etc., and may contain features in addition to death protection, such as dividends, interest or cash value available for a loan or upon surrender of the policy. Cash value insurance usually has level premiums for the life of the policy. Term insurance provides a death benefit and its premiums increase after initial premium periods and at certain ages. Primerica monthly premium for 30-year Custom Advantage Policy: primary (ICC17CJO) and spouse rider (ICC17CKO), both age 35, non-tobacco use, underwritten by Primerica Life Insurance Company, Executive Offices: Duluth, GA. The accumulation figure reflects continued investment at the same rate over 30 years at a 9% nominal rate of return compounded monthly and does not take into consideration taxes, fees or other factors, which would lower results. This example uses a constant rate of return, unlike actual investments, which will fluctuate in value. This is hypothetical and does not represent an actual investment.

### Three Great Reasons to Buy through Primerica

- **Primerica has been helping families earn more income and become properly protected, debt free and financially independent since 1977.**
- **Primerica and its affiliates have placed \$808 billion of individual term life insurance in force. We are industry leaders.**
- **Primerica life companies have an A+ (Superior) rating from A.M. Best.<sup>9</sup>**

Numbers reflect the combined totals or daily average, as indicated above, as of, or for the year ended, December 31, 2019, for the following affiliated companies: Life Insurance: National Benefit Life Insurance Company (Home Office: Long Island City, NY) in New York; Primerica Life Insurance Company (Executive Offices: Duluth, GA) in all other U.S. jurisdictions; Primerica Life Insurance Company of Canada (Head Office: Mississauga, ON) in Canada.



1. Forbes.com, "Comparing Term Life vs. Whole Life Insurance," January 13, 2020 2. Ibid. 3. TheSimpleDollar, "Four Reasons Whole Life Insurance Is Not Worth It," September 24, 2019 4. Investopedia.com, "Is Life Insurance a Smart Investment?" August 18, 2019 5. Investopedia.com, "How Can I Borrow Money from My Life Insurance Policy?" July 28, 2019; Unlike cash value, term insurance provides a death benefit only. 6. Consult your Certified Public Accountant or tax advisor for more information. 7. Forbes.com, "Comparing Term Life vs. Whole Life Insurance," January 13, 2020 8. TheSimpleDollar, "Four Reasons Whole Life Insurance Is Not Worth It," September 24, 2019 9. A.M. Best ratings range in order from the highest ratings as follows: A++, A+, A, A-, B++, B+, B, B-, C++, C+, C, C-, D, E, F.