

Term Life or Whole Life Insurance?

Which is right for you? The right solution is one that provides a balance between premium costs and plan benefits while meeting your coverage needs, and it very well may be a combination of both types of life insurance products.

Term Insurance: Provides coverage for a particular length of time and pays a benefit if you die during the term period.

Why Consider Term?

- The lowest initial premium to obtain the highest death benefit
- Ideal for those who need coverage for a specific period of time
- Option to convert to whole life insurance later without evidence of insurability
- Income tax-free death benefit¹

Whole Life Insurance: Provides lifetime coverage and guaranteed cash value accumulation.

Why Consider Whole Life?

- Lifetime² coverage as long as premiums are paid
- Tax-deferred growth of policy cash values
- Liquidity through policy loans, which can help supplement retirement income, college costs and more³
- A stable financial asset on your balance sheet that will never lose value year to year
- Income tax-free death benefit¹

It is important to consider the length of time for which you are seeking coverage. If you select term insurance, you may be at a higher risk of outliving your policy.

Are you more interested in a short-term option, or would you like the opportunity to build up cash value over time?

Term insurance is less costly in the short term, but there is no cash buildup. If you select whole life insurance, cash value grows tax deferred over the life of the policy and can be accessed through a loan to help provide an emergency fund or to supplement educational expenses or retirement income and more.³

Would a blended approach make sense for you?

By combining a whole life policy and a term life policy that is convertible to whole life, you can have an affordable plan that meets your protection needs while also establishing a lifetime asset.



Your Illinois Mutual agent can help you determine the right mix of products based on your specific coverage needs.

Go to 5GQuote.IllinoisMutual.com to get started!

¹Life insurance benefits are generally included in one's estate. Beneficiaries generally receive death benefits free of income taxes, but a tax advisor should be consulted if your estate is sufficiently large to be subject to estate taxes.

²Whole life policies have a maturity date at which time cash value is distributed.

³Sufficient loan value generally not available in early policy years. Outstanding loans reduce the death benefit.