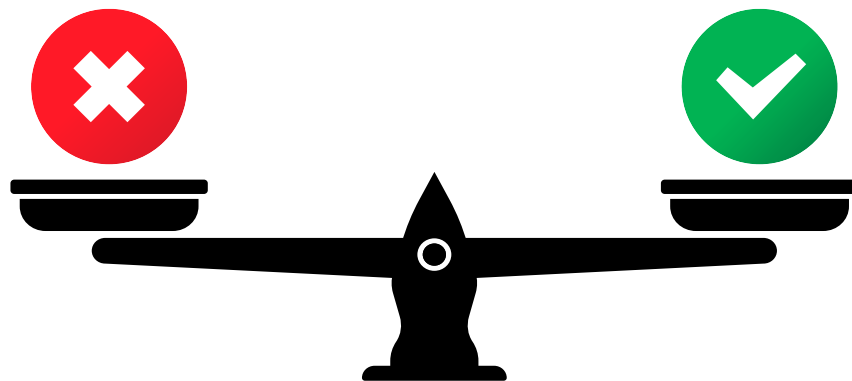


SAFE HANDS BDA

Life Insurance 101

Myths vs. Facts



MYTH: "LIFE INSURANCE IS ONLY FOR HEALTHY, MIDDLE-AGED ADULTS."

FACT: You are never too old or too young to purchase life insurance. Yes, it's true – costs will increase as you age and people with illnesses or certain risk factors may pay more, but there are life insurance policies available for everyone.

MYTH: "AS A STAY-AT-HOME PARENT, IT DOESN'T MAKE SENSE FOR ME TO GET LIFE INSURANCE COVERAGE."

FACT: As a stay-at-home parent, you may not bring home a paycheck, but you likely provide services that could cost a lot of money to replace, such as child care, daily transportation, cooking, household chores, etc. A life insurance policy can help to cover some of these costs.



"I HAVE HEALTH CHALLENGES SO I PROBABLY WON'T QUALIFY FOR LIFE INSURANCE."

FACT: While your health status may influence rates and coverage amounts when determining your policy's premium, that does not mean that life insurance is out of the question for people with pre-existing conditions.

"I DON'T HAVE CHILDREN, SO I DON'T NEED LIFE INSURANCE."

FACT: Life insurance is not just for parents of young children. If you have loved ones for whom you wish to provide such as parents, other family members, even personally important causes, life insurance may be worth considering.



"I SHOULD ALWAYS BUY TERM LIFE INSURANCE AND INVEST THE DIFFERENCE RATHER THAN BUYING WHOLE LIFE."

FACT: Term life coverage can become prohibitively expensive in later years. People who know for certain they must be covered at death should consider permanent coverage.

There is also the risk of non-insurability in one's older years to consider.

"IF I GET A TERM LIFE INSURANCE POLICY, I WON'T BE ABLE TO CONVERT IT TO A PERMANENT OR WHOLE LIFE POLICY."

FACT: Depending on your insurance provider, it may be possible to convert your term life insurance policy.



"I DON'T NEED LIFE INSURANCE SINCE I HAVE PLENTIFUL SAVINGS."

FACT: Your savings may be vulnerable to market downturns, unexpected expenses, and other potential negative outcomes. Life insurance provides peace of mind that you will be able to pass along an inheritance and that your loved ones will not be burdened by funeral costs and/or responsibility for your financial obligations.

"I CAN'T AFFORD LIFE INSURANCE."

FACT: Life insurance may be much more affordable than you think. Statistics say that 50% of people overestimate the cost of term life insurance and that Millennials, in particular, overestimate the cost by 213%.



"ONCE MY CHILDREN ARE GROWN, I WON'T NEED LIFE INSURANCE."

FACT: Having life insurance later in life has many advantages. These include relieving the burden of funeral costs, paying estate taxes, paying off your debts, or simply giving your loved ones a nest egg that they can use to help support their own families.

"LIFE INSURANCE DOES NOT COVER DEATH BY SUICIDE."

FACT: In many cases, life insurance policies do cover a policy holder's death by suicide. Policies often include contestability and suicide exclusion clauses that expire after a period of 2 to 3 years.



"I'M BETTER OFF INVESTING THAN BUYING LIFE INSURANCE".

FACT: You take a big chance when you depend solely on your investments in the early years of your life, especially if you have dependents. If you die without coverage for them, there may be no other means of provision after the depletion of your current assets.

"WHEN I PASS AWAY, MY HEIRS WON'T HAVE TO WORRY ABOUT INHERITING MY DEBTS"

FACT: Life insurance helps reduce the burden of any financial obligations that may be passed on to your estate or your loved ones. Life insurance benefits can be used to pay off your student loans, mortgages, car loans etc. as well as final burial expenses.



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Learn more about life insurance
and how you can better
protect your loved ones today.

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