



Life Check-up

UNDERSTANDING YOUR LIFE INSURANCE NEEDS

Not FDIC/NCUA Insured	Not Bank or Credit Union Guaranteed	Not a Deposit
Not Insured By Any Federal Government Agency		May Lose Value

Protective refers to Protective Life Insurance Company and Protective Life and Annuity Insurance Company.



If something happened to you...

- What would happen to your family?
- Would they have to worry about money?
- Would their lifestyle be changed?
- What would happen to their dreams for the future?

There's no denying it — life insurance brings up uncomfortable questions. No one wants to think about a time when they won't be around. But there's a lot riding on those answers, for both you and your family.

At Protective Life, we've developed a Life Check-Up process to help you think through these important questions, and many more. Together with your financial professional, you can develop or update your plan to protect your family, in the event you're not there to do it yourself.

You'll be able to stop worrying about the future and be free to embrace all that today can bring.

Why Do I Need Life Insurance?

It's simple. Life insurance is about protection. It can provide a cash benefit to your loved ones in case you die early or unexpectedly. This cash benefit (usually called the death benefit) can help your family cover many types of expenses.

Consider the following questions:

Could your family **live comfortably without your income**?

Would your family be able to **stay in their home**?

If you have children, would they have enough money to **go to college**?

Who would pay for their **weddings**?

Do you want to leave an **inheritance for your family**?

What can a cash benefit cover?



Funeral expenses



Mortgage & auto payments



Weddings



Outstanding debt



Credit card payments



College tuition



Household expenses



Inheritance

Life insurance helps protect your family's future like no other financial product. It's flexible and adaptable to many needs and situations. And because beneficiaries pay no federal income taxes* on life insurance proceeds, its impact on your family's long-term financial security can be even more powerful.

* The tax treatment of life insurance is subject to change. Neither PLICO nor its representatives offer legal or tax advice. Investors should consult their attorney or tax professional regarding their individual situations before making any tax-related decisions.

Beyond family protection

Life insurance can be used to provide much more than a death benefit. If you are a business owner, life insurance can play a key role in your business continuation plan, and it can protect your business should you, or other key employees, die prematurely.

In addition to family and business protection, life insurance can play a key role in your estate plan. You don't have to be wealthy to have an estate plan. In fact, everyone should have a plan in place for their property and assets. Life insurance can be a powerful tool in your overall plan, since it can provide income replacement and protection for your family. The death benefit of a life insurance policy usually passes to the beneficiaries free of income tax,* providing the cash your family may need to pay taxes, debts and other obligations.

Life insurance is more than a death benefit

Many life insurance policies provide features that can offer benefits while you are still living. Certain policies can be structured to provide a monthly income stream during retirement, while others can provide benefits if you were to become chronically ill. Planning for events such as chronic illness is important, since having coverage in place can help protect your other assets from erosion due to costly health care expenses. Overall, the tax advantages and flexibility of life insurance make it a powerful tool for protection, business planning, estate planning and overall financial planning.

Have you experienced life changes recently?

A change in your life can trigger the need to purchase life insurance or adjust the type or amount of coverage that you currently have.

Here are just a few examples of life change events:

Marriage or divorce	Significant changes in your income
Purchasing a new home	Starting or owning a business
Childbirth or adoption	Financial support of elderly parent(s)
A new job or career change	Nearing retirement

If you've experienced one of these events, or another significant life change, it may be a good time to consider life insurance. And if you already have life insurance, you may need to change the type and amount of life insurance you need to better meet your long-term goals.

How much life insurance do I need?

Everyone's insurance needs are different. Some factors to consider are your financial obligations, such as mortgage and other debt, as well as your dependents' long-term financial needs.

- Do you have other savings and retirement funds?
- Are there others who rely on you for financial help?
- Do you have children? If so, how many, and how old are they?
- Does anyone in your family have unusual medical expenses?

As you can see, determining your life insurance needs can be complicated, but the next several pages are dedicated to helping you understand your specific needs. For a general estimate, you can use the **Calculate My Needs** tool at protective.com, or use the **Quick Needs Analysis** on page 4 in this brochure. It's important to work with a licensed insurance professional to determine the precise amount and type of life insurance coverage you need.

Reality Check

Is it time to consider life insurance? Take this quiz by yourself or with your spouse to determine if life insurance, or additional coverage, is needed.

1.	Would your family be able to continue their standard of living without your household income?	<input type="radio"/> Yes	<input type="radio"/> No
2.	If you died tomorrow, would your family be able to continue without hiring help for services like child care, elder care or housekeeping?	<input type="radio"/> Yes	<input type="radio"/> No
3.	Does your family have the resources they need to provide for future emergencies or higher education ?	<input type="radio"/> Yes	<input type="radio"/> No
4.	Do you have a plan to pay all your debts (mortgages, car loans, credit cards)?	<input type="radio"/> Yes	<input type="radio"/> No
5.	Do you have long-term care coverage?	<input type="radio"/> Yes	<input type="radio"/> No
6.	Can you afford to leave a legacy ?	<input type="radio"/> Yes	<input type="radio"/> No
7.	Do you have a financial professional ?	<input type="radio"/> Yes	<input type="radio"/> No

If you answered no to any of these questions, or if this is the first time you've considered some of them, consider how life insurance or a change in policy coverage may be able to address some of the challenges you might face in planning your financial future.



Quick needs analysis

Determining your life insurance needs involves many factors. It's a lot to think about, but the following equation is a simple place to start and gives you a framework for beginning your plan. The following pages will explain the different types of life insurance, how it can help your family and how much you may need.

Use this tool to calculate how much life insurance you may need

(fill out the form below for the entire household or by individual spouse)

Your annual household income/salary (Homemakers, insert the approximate value of your services here)		\$ _____
Years your income will be needed to support family members	X	_____
Cash for immediate needs (final expenses)	+	\$ _____
Debts and obligations (mortgages, car loans, credit card debt)	+	\$ _____
Total available funds (savings and investments you may have)	-	\$ _____
Estimated life insurance needed	=	\$ _____

What are the different types of life insurance?

There are two basic types of life insurance. Term life insurance is generally a less expensive choice designed to provide pure death benefit protection for a specific period of time. Permanent life insurance can last a lifetime and may provide additional value beyond the security and assurance of death benefit protection. expensive choice designed to provide pure death benefit protection for a specific period of time. Permanent life insurance can last a lifetime and may provide additional value beyond the security and assurance of death benefit protection.

About Term Life Insurance

Term life insurance can provide protection for a specific period of time, usually between 10 and 30 years, as long as your premiums are paid. Term insurance is often used when you know that your need for coverage will disappear at some point in the future.

Term policies are usually less expensive than permanent life insurance and allow you to purchase only the amount of death benefit coverage that you need.

Keep in mind that with term insurance, there is no cash value for you to access. Also, renewal premiums can be very expensive if you need to extend coverage beyond your initial term.

About Permanent Life Insurance

Permanent life insurance can provide lifelong protection — provided planned premium payments are made on time. It also offers flexibility and other advantages not included with term insurance.)



Types of permanent life insurance



Whole Life - A straightforward policy offering a level premium, and both a death benefit and cash value component



Universal Life - Offers more flexibility, including the death benefit amount, premium payment amounts, and optional features which can help tailor the policy to fit your exact needs



Variable Universal Life - Similar to universal life insurance, but premium payments can be allocated among variable investment sub-accounts to offer the potential for even greater cash value accumulation



Four in ten households would feel the financial impact within six months if the primary wage earner died.¹

What type of insurance is best for you?

You might want to consider **term insurance** if:

- You have a limited budget for policy premiums.
- You have a family with young children.
- You have short-term insurance needs.
- You want to supplement an existing life insurance policy.

You might want to consider **permanent insurance** if:

- You want your life insurance coverage to last a lifetime.
- You want both life insurance protection* and tax-advantaged** accumulation of cash value.
- You might need to access your policy's cash value through loans or withdrawals to meet estate planning, wealth transfer or retirement planning needs.
- You have advanced planning needs like business continuation or key person protection.

Features and benefits of life insurance policies vary widely, but a financial professional can help find out which is right for you.

¹ LIMRA and LIFE Foundation 2022 Insurance Barometer Study.

* Lapse protection guarantees the policy death benefit for the duration of the guarantee and does not cover cash or surrender value. Loans, withdrawals, and other policy and premium changes will affect the cost and length of protection. Failure to make premium payments as planned may cause the policy to lose lapse protection and premiums required to restore it could be significantly higher. Refer to the policy and endorsements for complete terms, conditions, and limitations.

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Reviewing your current coverage

When you have life insurance, it's important to regularly review your policy to ensure that it continues to meet your needs and to ensure that information is accurate and up to date. Your financial professional can be a valuable resource during a policy review and can help you make adjustments if needed.

Examine your existing policy	
What type of policy do you have?	<input type="checkbox"/> Term <input type="checkbox"/> Permanent
If you have term, how many years are left on the policy?	
If you have a Universal Life policy, how long is your coverage guaranteed?	
Have you built up cash value with your policy? If so, how much?	
Do you have group insurance?	

What is the Difference Between Group Coverage and Individual Coverage?

Many companies offer life insurance to their employees, often referred to as group coverage. The amount of coverage and the premiums may vary, but the policy usually terminates at the same time as employment. So if an employee quits, they no longer have life insurance with that company. While group coverage offers a death benefit if the employee dies while employed with the company, the policy does not offer many of the benefits found in individual insurance.

With individual insurance, you can tailor a policy to fit your unique needs and keep it regardless of your job. From death benefit and premium amounts, to specialized riders and benefits, an individual life insurance policy can provide a more comprehensive approach to family or business protection that can last a lifetime.



Half of American adults - representing 129 million Americans - say they don't have life insurance.¹

¹ LIMRA and LIFE Foundation 2022 Insurance Barometer Study.

Choosing the Right Insurance Company

When you choose an insurance company, or carrier, you'll want to make sure it's strong, stable and financially secure.

Start by checking its financial ratings. These ratings are provided by independent firms that evaluate the financial security and performance of all insurance companies. They consider factors such as overall operating performance, asset quality, financial flexibility and capitalization.

Although a high rating doesn't guarantee financial stability, it may indicate a company's overall ability to meet the financial commitments of its policyholders. Be sure to do your homework. Visit the company's website to view its financial strength ratings before making a final decision.

Financial Strength Ratings are Provided by the Following Organizations:

- A.M. Best Company
- Standard and Poor's
- Fitch Ratings
- Moody's Investor Services

Educational Resources

Before selecting a life insurance product, you may want to do a little more reading.

At protective.com, you'll find resources on protection planning with life insurance. Here you can read about the different types of life insurance, complete an online needs analysis or even run a quick quote to find out what your monthly premium may be. By visiting this site, you can build a great foundation for better understanding life insurance and how it fits into your overall financial plan.

In addition, you can find helpful information at the Life and Health Insurance Foundation for Education (LIFE) website at lifehappens.org. You can learn all about the different types of life insurance, and try out their popular **Life Insurance Needs Calculator**.

LIFE is a nonprofit organization dedicated to helping consumers make smart insurance decisions to help safeguard the ones they love with life insurance. LIFE does not endorse any product, company or insurance professional. Their only interest is seeing that consumers get the coverage they need to protect themselves and their loved ones.



Let's keep the conversation going. Contact me with any questions you may have regarding our Life Check-Up meeting or your future financial stability.



We're Protective

Protective provides protection that fits your life, because we believe everyone deserves a sense of security and protection. We've been protecting people for over 110 years, delivering on our promises and pushing to do more for more people.

Because we're all protectors.

protective.com

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Consult policy for benefits, riders, limitations, and exclusions. Policies are subject to underwriting and a two-year contestable and suicide period. Benefits adjusted for misstatements of age or gender. All payments or guarantees are subject to the claims-paying ability of Protective Life Insurance Company. The tax treatment of life insurance is subject to change. Neither Protective Life nor its representatives offer legal or tax advice. Purchasers should consult with their attorney or tax professional regarding their individual situation.

Investors should carefully consider the investment objectives, risks, charges and expenses of the applicable variable universal life insurance policy and its underlying investment options before investing. This and other information is contained in the prospectuses for the applicable variable universal life insurance policy and its underlying investment options. Investors should read the prospectuses carefully before investing. Prospectuses may be obtained by contacting PLICO at 800-456-6330.

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