



AAFMMA[®]

COMPASSION • TRUST • PROTECTION

Life Insurance Policy Benefits



Our Mission: to be the premier provider of financial solutions for the American Armed Forces community.



Today's Experts



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Today's Agenda

- Term life insurance benefits
- Whole life insurance benefits
- Benefits on all policies

Term Life Insurance: Overview



Convenient &
Low Cost



No Cash
Accumulation



Primary Benefit=
Death Benefit



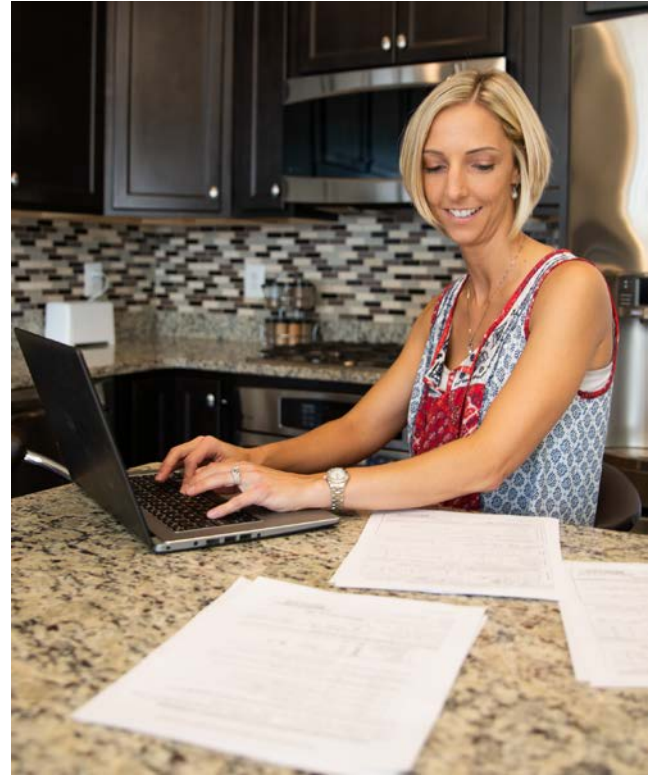
Simple



Term Life Insurance

FAMILY COVERAGE

- Right to convert to a permanent plan
- Allows continuation beyond the term period
- Often bypasses underwriting





Term Life Insurance

RENEWABLE TERM

- Right to renew coverage at the end of the initial term period
- Allows continuation beyond the term period
- Often bypasses underwriting



BENEFIT

Can continue coverage if not insurable



CAUTION

Can be more expensive than a new, fully underwritten policy

Conversion of Renewable Term Life Insurance





Term Life Insurance

CONVERSION OPTION

- Coverage can be inherent in the plan or purchased separately
- Often easier to add than a single traditional policy



Whole Life Insurance: Overview



Permanent
Insurance



Cash Accumulation



Level Premium



More Complex with
Many Features

Whole Life Insurance

Cash Value

- Take out a loan against the policy
- Competitive interest rate
- Easy and flexible
- Make sure to avoid overloan





Whole Life Insurance

PARTIAL SURRENDER

- Withdraw Cash Value
- Lowers policy benefit

Example

- \$100k Benefit with \$10k Cash Value
- \$25k Partial Surrender
- \$3.5k Cash Return



Whole Life Insurance

REDUCED PAID UP

- Stops future premiums
- Purchases a reduced benefit that is paid up
- Continues to have cash value growth

Policy Benefits

All Policies



Beneficiary

Keep up to date

Major Family Changes

Simplify settlement

Divorce may invalidate spouses
from being a beneficiary

Successor Owner

Owner not insured

Allows simple transfer of
ownership if owner dies

Avoid costs and time for survivors

Summary

Policy Benefits

- Not just a death benefit
- Review your policy
 - Read the policy
 - Contact your company for an overview
- Be an informed consumer!





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