Your Life Insurance Decision Journey

**DECISION #1**
Do you need life insurance?

If you answered NO, you may want to explore permanent insurance options.

If you answered YES, a term (or temporary) policy may be the best option for you.

**DECISION #2**
What kind of insurance do you need?

1. Are you searching for lowest-cost solution?
   - If you answered NO, you probably do need life insurance.
   - If you answered YES, you may want to consider term life insurance.

2. Is your need for life insurance temporary (to cover kids or a mortgage)?
   - If you answered NO, your need for life insurance may be permanent.
   - If you answered YES, you may want to consider term life insurance.

3. Does your retirement income depend on a spouse’s Social Security?
   - If you answered NO, you may not need life insurance.
   - If you answered YES, you probably do need life insurance.

**DECISION #3**
How much life insurance do you need?

DIME

- Debt: How much would it take to pay off your debt? You may want your life insurance to pay this debt off, so it doesn’t become a burden to loved ones.
- Income: What would it take to replace your income? Some experts recommend multiplying your income by 10 – this should give loved ones adequate time to transition to a new source of annual income.
- Mortgage: How much is needed to pay off your mortgage? You may want enough life insurance to pay off your mortgage so your loved ones have affordable shelter.
- Education: Do you want life insurance benefits to include funds to pay for your children’s college?

To calculate your potential needs, consider the DIME formula – debt, income, mortgage and education.

Add up these figures to get a total life insurance need. Ask your independent agent to provide a quote for this figure as well as two lower figures. For example, if the total needed is $500,000. Ask for three quotes, for policies with benefit amounts of $500,000, $400,000 and $300,000.

**DECISION #4**
How much life insurance can you afford?

While you want to buy as much life insurance as you can afford, you do not want to strain your monthly budget. Consider the quotes you received, and weigh the costs/benefits of how much you buy today.

**CONGRATS!**
You’ve reached the end of your journey. Enjoy the peace of mind that comes with having life insurance!

**SECURITY:** Some life insurance is better than none at all. Even if you can only afford to purchase half of your total need, you’ve created some financial security for your loved ones.

**HEALTH:** Those in good health typically receive better rates than those with medical conditions.

**AGE:** Your rates today will be lower than they might be in the future when you’re older.

Life insurance issued by Protective Life Insurance Company. A life insurance policy is intended to pay a death benefit amount at the death of the insured. The above options are a few ways in which a death benefit could be used.

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