

PROTECTING
YOUR FUTURE

A Woman's Guide to Life Insurance





TODAY

I realized how valuable I am.

You are valuable.

You insure your house, your car, your jewelry, and your health, right? But what about you?

You are not only valuable, but invaluable. You are irreplaceable to your family, friends and colleagues. Every day, you're providing support, love, guidance, an extra hand, an encouraging nod, wiping a tear, lending an ear, opening your arms to so many that you know and love. Aside from the emotional support you give relentlessly, you may provide income for your family, thousands of dollars of "services", or both.

What would happen if you—and all of these valuables—were gone tomorrow?



TODAY is the day to make sure your plan is in order. Your contributions to your family, job, neighbors or charity are critical to their day-to-day lives. Find out how life insurance can work to protect their tomorrow, so you can embrace today.

WOMEN AND LIFE INSURANCE

The idea of planning for your death may seem depressing, so you may just avoid it altogether. You're not alone: only one in three women have life insurance.² But have you ever taken time to really think about what may happen to your family or friends if you died unexpectedly?

- *Could your family afford to stay in the same house?*
- *Could your children continue to attend the same schools you have chosen for them?*
- *Could your spouse afford to pay for child care, housework, bookkeeping—all of the things you do now?*
- *If you are single, could your parents, children or other relatives afford your funeral and final expenses, as well as any debts or medical bills you may have?*

2 While planning for death may make you uneasy, the real tragedy is what can happen to a family who loses its financial security at the same time they lose a loved one. Making a plan today can ensure that your immediate family, friends, and relatives who depend on you will be taken care of if you die unexpectedly.

Whether you refer to yourself as a breadwinner, a working mom, an independent singleton, a stay-at-home-mom, the CEO of your household, or a 50/50 partner, you are undoubtedly valuable, and it's time for you to make sure you have a sound financial plan and life insurance coverage.

In this brochure we'll explore why insurance coverage for women is so important, and how it fits into a variety of real life scenarios. You can fill in your information throughout the brochure, and bring it with you when you meet with a financial advisor to begin a discussion about life insurance and your financial future.



Women are underinsured¹

- **Three in ten** American households are uninsured.
- **Half** of American households say they need more life insurance.
- Only **1 in 3 women** have life insurance.
- **56 percent** of working women do not have enough coverage, or are not sure if it is enough.
- **One-third** of wives own no life insurance.
- **7 in 10 households** are dual-income households, and nearly **30 percent** of wives earn more than their husbands.

¹ "Facts from LIMRA," LIMRA, September 2012.
Women Need Life Insurance, Tool, Millionaire or Bust.com, March 31, 2011.

Five Myths About Life Insurance



1

I stay at home and don't need it. My husband has insurance.

Don't undervalue yourself! If you stay at home with small children or elderly parents, what will it cost to replace that work? According to Salary.com, the average stay-at-home mom has a 95-hour workweek, and performs tasks that would draw an annual salary of \$112,940. Can your family afford to pay someone to take care of everything that you do? While you are certainly irreplaceable, by planning with life insurance, you can help to ease some of the hardships your family would experience if you died unexpectedly.



2

We don't have children. We don't need life insurance.

If you died tomorrow, is your spouse's income enough to pay off debts like credit card balances and car loans? Can it cover the mortgage/rent and utilities? Do you know what your final medical and funeral expenses will be? Most people aren't prepared for these expenses, but life insurance can ensure that your spouse doesn't experience additional financial stress while coping with his loss. Additionally, today's life insurance policies offer much more than just a death benefit. Optional features and riders can help couples plan for expenses related to chronic illness or long term care, and can help them set up an income stream for each other or other family members upon their death. And most importantly, there is no better day than today to start coverage.



3

Our children are grown. It's time to cancel our policies.

If you have no insurance, your spouse will run into the same challenges discussed in Myth #2. Plus, your adult children might find themselves caring for an aging parent and young children at the same time. Can they afford this? Would you like to have something to pass on to your grandchildren? Life insurance can be an excellent tool for planning a legacy, both for your kids and grandchildren, and it can be structured so the death benefit is distributed as income stream payments, or annual gifts that are distributed at birthdays or holidays. The flexibility of life insurance can give you much more than just a lump sum death benefit.



4

Insurance is too expensive.

Life insurance is cheaper now than ever before. You can put important coverage in place for just pennies per day. For example, a 42-year-old woman can purchase \$500,000 of coverage for a 10-year period through Protective Life for less than 65 cents a day.² That's less than a bag of chips from a vending machine. Remember, you'll never be younger than you are today, so why not lock in rates and insurability now?



5

I am single with no children. I don't need it.

You are free as a bird, but even single women without children should consider life insurance to cover personal debts, medical bills, funeral expenses and more. Did you know the average funeral costs \$8,000 to \$10,000?³ And life insurance is much more than a death benefit these days. Today's life insurance policies offer living benefits for policyholders. When you think about your long term care or supplementing your retirement income, the innovative product features with life insurance could be the answer that helps you ensure a death benefit while providing financial protection for chronic illness care or additional cash flow during retirement.

Myths busted.

While these are some of the more common myths, there are many more misconceptions about life insurance. The key takeaway is that life insurance is a good tool for financial protection for women in a variety of situations. If you're in doubt about insurance or unsure about how it would benefit you or your family, talk to your advisor about your concerns.

² Benefit values are based on hypothetical client inputs. Actual results will vary based on a variety of factors including age, gender, health, and other underwriting factors. This example assumes a Protective Custom Choice UL initial level death benefit period of 10 years; 42 year old female, select preferred non-tobacco rate class.

³ <http://www.nfda.org/media-center/statisticsreports.html>, <http://funeral-tips.com/how-much-does-the-average-funeral-cost/>

A Reality Check

QUIZ: IS IT TIME TO CONSIDER LIFE INSURANCE?

YES | NO

Would your family be able to continue their standard of living without your income?

YES | NO

If you died tomorrow, would your family be able to continue without hiring help for services like child care, elder care, or housekeeping?

YES | NO

Does your family have the resources it needs to provide for future emergencies or higher education?

YES | NO

Do you have a plan to pay all your debts (*mortgages, car loans, credit cards*)?

YES | NO

Do you have long-term care coverage?

YES | NO

Can you afford to leave a legacy?

YES | NO

Do you have a financial advisor?


If you answered NO to any of these questions (or if this is the first time you've considered some of them), take some time to consider how life insurance may be able to address some of the challenges you may face in planning your financial future. The following pages will explain the different types of life insurance, how it can help your family, and how much you may need.



A Reality Check

HOW MUCH DO YOU NEED?

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

- 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?
-  Are your children depending on you to fund their education?
- Does anyone in your family have unusual medical expenses?
- Are you interested in leaving a legacy for future generations of your family, or for a charitable organization?

As you can see, determining your life insurance needs involves many factors. It's a lot to think about, but the following calculator is a simple place to start, and gives you a framework for beginning your plan. Get started by filling out this equation on page 9, and then bring it with you when you meet with your advisor.



CALCULATE HOW MUCH LIFE INSURANCE YOU MAY NEED:

_____ Your annual income/salary (If you are a homemaker, you can insert the approximate value of your services here)

X

_____ Years your income will be needed to support family members

+

_____ 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

Insurance Options

Life insurance is not a one-size-fits-all proposition; there are many choices that can be customized to fit your situation.

Here are the different types of life insurance, with the key benefits of each:

TERM INSURANCE

Term is widely known as the most affordable type of insurance for most people and is designed to meet temporary needs. This option provides protection for a certain period of time—called the “term”—and it pays a benefit if you die during the term.

This type of insurance often makes sense when you need coverage for a specific period of time. For instance, you may decide that you only need coverage until your children graduate from college or until particular debt is paid off, such as your mortgage. Most term policies offer an option to convert to permanent insurance.

UNIVERSAL LIFE

Universal life (UL) is a form of permanent life insurance, providing guaranteed protection and flexibility that allows you to change, within limits, the death benefit and the timing and amount of your premium. You can build your policy's cash value, or pay a lower premium and focus more on guaranteed protection.

VARIABLE UNIVERSAL LIFE

Variable universal life is a form of permanent life insurance offering flexible premium payment and death benefit options along with tax-deferred cash value accumulation for long-term investment planning. These features offer opportunities for creative retirement and legacy planning. VUL can develop cash value over time that you can access while you are living. This can provide important cash flow at a later time, such as during retirement.

Like UL, VUL has flexible terms that allow you to change, within limits, the death benefit and the timing and amount of your premiums. It also lets you invest your cash value in professionally managed funding options that reflect the performance of underlying investments such as stocks and bonds.

SURVIVORSHIP LIFE

Survivorship life insurance insures the lives of two people, typically a couple, under one policy. The death benefit is paid upon the death of the second insured person. This type of insurance may be more affordable than purchasing two separate policies.

A survivorship life insurance policy can be the right choice if you want to leave an inheritance for your heirs or a charity, make it easier to control how your estate is distributed, or maintain coverage for both insureds' entire lives, even well beyond age 100.

WHOLE LIFE

The simplest form of permanent life insurance, whole life features lifelong protection with guaranteed premiums, death benefit, and cash value. Whole life insurance protects you for your entire life unless you cancel the policy.

OPTIONAL COVERAGE

Both term and permanent insurance plans offer a variety of optional riders, which allow you to customize your family's protection. With optional riders you can address specific situations such as chronic illness and long-term care needs, provide accidental death benefits, create an income stream after your death, and more.

Not all products are offered by Protective Life Insurance Company. You should talk to your financial advisor to determine which product may work for you.



Getting Started

Every woman is irreplaceable. Life insurance is an essential tool to help you continue protecting your family and legacy.

If you'd like to learn more about life insurance or building a financial plan that will ensure your family's protection, contact your financial advisor. Make sure you bring your notes from this brochure and any questions you may have so you can work together to create a plan to protect your tomorrow, so you can embrace today.

12





Protective or Protective Life refers to Protective Life Insurance Company (PLICO) and its affiliates, including Protective Life & Annuity Insurance Company (PLAICO). Insurance products issued by PLICO in all states except New York and in New York by PLAICO; securities issued by Investment Distributors, Inc. (IDI) the principal underwriter for registered products issued by PLICO and PLAICO, its affiliates. All companies are located in Birmingham, AL. Protective Life Corporation is a separate company and is not responsible for the financial condition or contractual obligations of PLICO or IDI. Product features and availability may vary by state.

Protective Custom Choice UL (UL-22) is a universal life insurance policy issued by Protective Life Insurance Company, Birmingham, AL. Policy form numbers, product features and availability may vary by state. Consult policies for benefits, riders, limitations and exclusions. Subject to underwriting. Up to a two-year contestable and suicide period. Benefits adjusted for misstatements of age of sex. In Montana, unisex rates apply.

Variable universal life insurance involves the risk of investing in stocks, bonds and other securities, including market, interest rate and credit risk and loss of principal. If the investment performance of underlying investments is poorer than expected (or if sufficient premiums are not paid), the policy may lapse or not accumulate sufficient value to fund the intended application. Investments in variable universal life insurance policies are subject to fees and charges from both the insurance company and the managers of underlying investments. Loans and withdrawals may negatively impact policy value, investment performance, death benefit, and any Lapse Protection.

This brochure is intended as general educational information about insurance and its importance in the lives of women. It is not intended to represent or promote any specific products or services offered by Protective Life. For information about Protective Life's products and services contact your insurance or financial representative or contact Protective Life directly at 1-800-866-9933 or www.protective.com.

