

Whole Life Insurance:

Survivor Protection— Yet So Much More!



Feature	Whole Life	Level Term
Premiums Guaranteed?	Yes	Generally Yes
Level Premiums?	Yes	For a limited period only
Provide Lifetime Survivor Protection?	Yes	Generally No
Can Death Benefit Increase Automatically?	Yes; via Paid-Up Additions Rider. Dividends applied to purchase paid-up additions also provide for the automatic increase in coverage.	No
Is the Policy's Cash Value Generally Protected from Creditors? <i>(Creditor protection laws vary by state of issue.)</i>	Yes	N/A
Can Cash Value be Available for Policy Loans?	Yes	N/A
Can Policy Loans be Repaid?	Yes	N/A
Effective in Retirement Planning, Both in Protecting Survivor Income and Supplementing Retirement Income?	Yes	Not Usually
Policy Eligible for Dividends if Declared by Company? <i>(Dividends are a return of premium and are not guaranteed.)</i>	Yes	Generally No
Add Riders to Provide Additional Protection such as Disability Waiver of Premium and/or Accidental Death Benefit?	Yes	Yes

Whole Life Insurance: Offers Flexibility You Can Choose!

Whole Life Insurance: Survivor Protection, Yet So Much More!

Many financial advisors recommend term life insurance as the preferred life insurance product for survivor protection. This strategy obviously has some merit. After all, term life certainly can guarantee large amounts of survivor benefits for small premium outlays provided the insured dies during the coverage period. It is, however, not necessarily the optimal strategy. No question about it – whole life requires larger annual premium expenditures than term life does. Whole life may appear more expensive at first, but it's important to remember that along with the higher whole life premium comes an array of benefits term life insurance simply cannot match. And, it's hard to beat whole life's value when planning for the long term.

- **Whole life and term life both feature guaranteed level premiums.** The difference is that the term life premiums are level for a specific period of time and then will increase, and increase dramatically. To continue the life coverage beyond an initial level period will require a substantial increase in the term life insurance premium. The premium increase can make continuing the term life policy impractical. Converting the term coverage to a whole life insurance policy may be a better option.
- **Whole life insurance provides protection for a lifetime, not just a limited time frame.** Term life insurance protection, on the other hand, will expire at some point in time. Many planners who recommend term life subscribe to the belief that the need for life insurance declines with age. They feel that at a future point in time, like at retirement for example, life insurance simply isn't needed, making term life a more suitable product choice. Whole life insurance, however, can continue to be effective in providing survivor protection while making cash available to supplement other retirement income.
- **Term life typically does not have a savings component or cash value.** Meanwhile, an often overlooked benefit of whole life insurance is its tax-deferred cash value growth. Whole life builds cash value at stable rates. This cash value can be borrowed against at the policyowner's discretion. Policy loans do reduce the policy's death benefit and cash value, but may be repaid at any time.
- **Living benefits of whole life insurance are often underappreciated.** Policy loans and surrenders give whole life policyowners ready access to funds. Policy loans may be repaid, restoring the policy's death benefit and cash value and long-term growth potential. Security Mutual's whole life products offer many benefits:
 - Policy loans are available as soon as there is a loan value;
 - Policy loans accrue interest at a variable policy loan interest rate;
 - Under the Advantage Loan Benefit, the variable loan interest rate reduces by 0.5 percent beginning in Year 20.
 - No direct recognition dividend adjustment applies. (In other words, the outstanding policy loan does not adversely impact any dividend calculation.)Term life insurance typically offers no liquidity benefits. Both whole life and term life insurance may offer accelerated benefits in the event of terminal illness.
- **A whole life policy can be configured with a paid-up additions rider to quickly build guaranteed cash value and increase the death benefit payable to the beneficiary.** Term life insurance almost never offers increasing death benefits. Whole life requires a higher premium up-front, but it can be far more cost-effective in the long-term. When you consider the additional benefits, including the liquidity benefits, it's clear that whole life delivers excellent value in a far more comprehensive tool for one's lifetime.

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This is not a policy. In the event of a conflict between the terms outlined herein and the policy, the terms of the policy will control. Policies issued by the Company contain exclusions, limitations and terms for keeping them in force. Your life insurance agent can provide you with costs and complete details. This is not a contract or an offer to contract, and the description of the policy and benefits are in summary form. Product availability and features may vary by state. This publication is intended for general information purposes or to support the promotion or marketing of the Company's products and does not constitute legal or tax advice. This publication is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed on the taxpayer under the Internal Revenue Code or any other applicable tax law. Taxpayers are advised to seek tax advice based on the taxpayer's particular circumstances from an independent tax advisor.

Guarantees are based on the claims-paying ability of Security Mutual Life Insurance Company of New York.

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Policy Form Nos. 2112-NY-17CSO; ICC14-2112; Series 2112.
2106-NY; ICC11-2106; Series 2106.
Rider Form Nos. IO-9359-NF-TPC in NY; ICC15-IO9359; Series
IO-9359, IO-9359-NF. ICC26-IO9413-TPCSR; Series IO9413-NF-
TPCSR, IO-9413-NF-TPCSR-FL.