

Picking Life Insurance

**Whole life? Term insurance? Which type do you need—and why?
This quick quiz can help you make a fruitful decision**

It's been lingering in the back of your mind for months, maybe years. *I need more life insurance.* But just as you're about to make a move, you face a common dilemma—term or permanent insurance?

The choice can be confusing, but looking at some common life situations can make the decision as clearcut as choosing between apples and oranges. Take this quiz to see what type of life insurance product fits your needs.



Anticipating Baby

You're spending weekends hanging pink or blue wallpaper. No doubt you're also doing a little dreaming of big plans for your kids. A growing family leads to thoughts of saving and investing for the future. But will you have enough? And what if you or your spouse—or both of you—were suddenly out of the picture? From diapers to diplomas, would there be enough income to pay for day care, college education and everything in between?

If these questions are on your mind, take an orange.



Wedded Bliss

Driving away from the reception in a sleek convertible with balloons flapping in the wind, you're headed for a bright future. Together, you dream of a nice home, a good education for the kids and a comfortable retirement. At the same time, as a married couple you're now financially dependent on each other and sharing many costs —beyond deciding where to eat on "date night." But what if the worst were to happen? Would your spouse have enough money to pay for final expenses, eliminate debts and buy some time to be able to adjust to a new way of life?

Such thoughts got you tied in a knot? Put an orange in your basket.



A Bunch of Bills

Like many of us, you rely on credit to help pay for lots of important things like a reliable car, home improvements and vacations while sometimes daily living expenses, such as groceries and gas sneak in there too. Yes, it's best to live within your means or consolidate balances, but if your debt has grown, you have yet another worry—how would your family manage the payments if something were to happen to you?

Sound too familiar? Add an apple.



A Couple's Castle

It can be more than a little daunting. You sign that huge check, and your real estate agent hands you the keys to your first house. Yet, what if one of you were to die tomorrow? Could your spouse manage the mortgage payments without you? What about monthly maintenance, utilities and unforeseen repairs and property taxes? How long would your spouse have before your dream house is back up for sale?

Is protecting your home and family the key to your worries? Place an apple in your pile.



Business Is Booming

One of the keys to running a successful small business is being able to adapt to change. Maybe you need to buy an expensive new piece of equipment to keep pace with a competitor. Or perhaps you're looking to take on some additional funding or even conduct a buy/sell agreement with a partner. Any time you make big changes in your business, it's a good idea to review your life insurance plan to make sure you and your assets are covered.

Big business plans in your future? It's an apple for you.





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Happy Golden Years?

Mention “retirement planning” and most people think about their 401(k)s, IRAs or mutual funds. Keep saving, invest those savings wisely, get to age 65 and you’re set for retirement, right? Maybe. But what if things don’t work out exactly the way you planned? What if you die young or become disabled? What will happen to those people in your life, especially your spouse, who may be depending on your retirement savings?

Want to secure your retirement? Pick an orange.



What’s in Your Basket?

Now that your basket is full, you can start determining which type of life insurance product may be best for you. ERIE agent Phil Garlow, Garlow Insurance, Charleston, W.Va., helps evaluate the harvest.

Mostly Oranges

If your life scenarios led mostly to a basketful of oranges, it’s possible that a permanent, or whole, life product is the right fit for you.

“Starting a new job, getting married, having a baby? These are the times permanent is often the best option,” says Garlow. The benefit of securing a permanent life policy is that it serves as a life insurance policy and a guaranteed cash value that you can borrow. In addition, permanent life insurance is generally less expensive when you are younger and in good health.

Mostly Apples

A collection of apples says a term product might

better fit your needs. Term insurance covers a certain segment of time; for instance, the period until your kids are out of college. Since term insurance doesn’t accumulate a cash value, it’s less expensive, too.

“Permanent insurance is often the best choice, but the challenge sometimes is cost,” Garlow says. “Term is a good option when money is tight, such as when a person goes through a divorce, is buying a business or has accumulated a great deal of debt.”

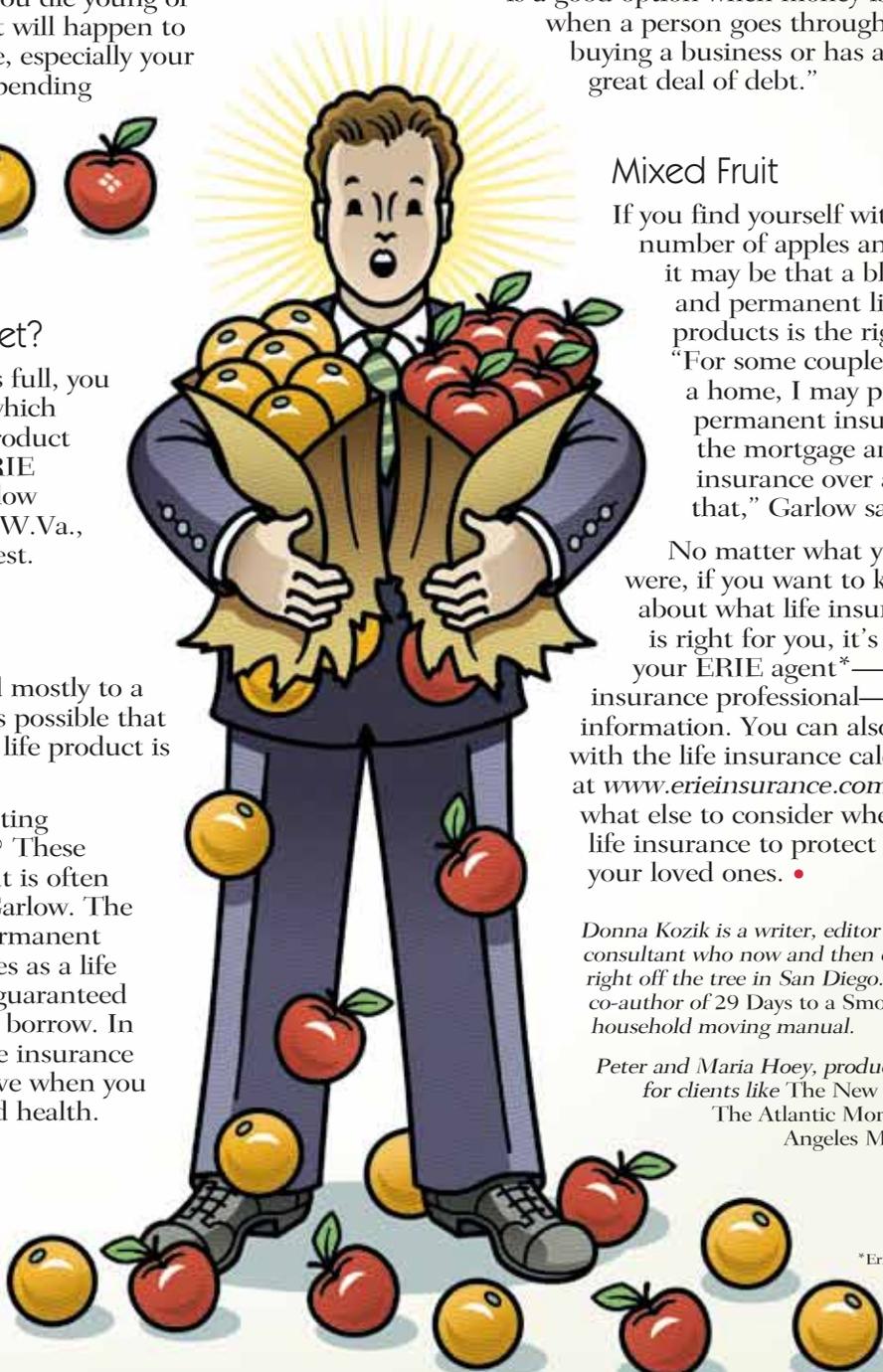
Mixed Fruit

If you find yourself with an equal number of apples and oranges, it may be that a blend of term and permanent life insurance products is the right choice. “For some couples buying a home, I may propose permanent insurance to cover the mortgage and then term insurance over and above that,” Garlow says.

No matter what your quiz results were, if you want to know more about what life insurance product is right for you, it’s best to contact your ERIE agent*—a skilled life insurance professional—for more information. You can also get started with the life insurance calculator found at www.erieinsurance.com to discover what else to consider when looking for life insurance to protect yourself and your loved ones. •

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