

Life Insurance 101

Life insurance guarantees financial protection for your loved ones in their most vulnerable moments. Find out what you need to know to make an informed decision.



What is life insurance?

6% of kids lose a parent by age 18.¹

A life insurance policy ensures that your loved ones will receive a lump-sum payout, known as a death benefit, if you pass away while your policy is active. This payment is generally tax-free, and can be used to cover things like mortgage or rent payments, education costs, funeral arrangements, and more.

Every life insurance policy is made up of four components:

1 The Insured

The person whose life is covered under the policy.

2 The Beneficiary

The person(s), entity, or institution(s) that receive the death benefit if the insured person dies.

3 Premium

The money paid to keep a policy active. If you stop paying premiums, the policy lapses.

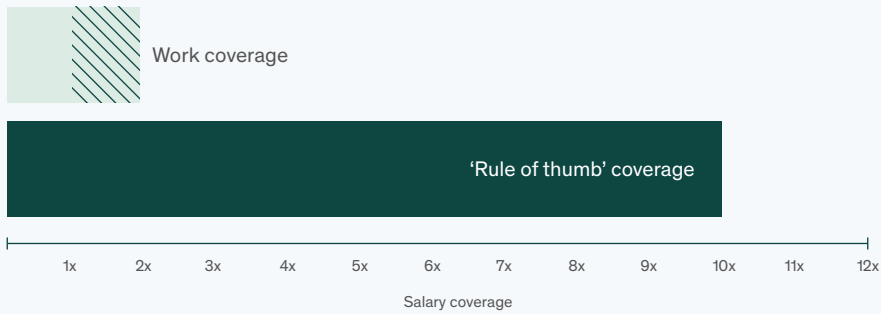
4 Death benefit

The money paid to beneficiaries if the insured person passes away. Death benefits are tax-free and paid in a lump sum.

Employer-sponsored (group) life insurance

You may already have some coverage provided to you as an employee benefit. However, this type of policy usually provides a fraction of the coverage you need. And it's rarely portable, which means coverage expires when you leave your job. An individual term life insurance policy can supplement the coverage you may receive through work.

Is coverage through work enough?



How much does life insurance cost?

The cost varies based on your unique situation. The biggest factors that can affect your premium include:

- **Your coverage amount and term length:** Less coverage and shorter term lengths cost less.
- **Your age:** Younger people typically have lower rates.
- **Your health status:** Healthier people typically have lower rates.
- **Your tobacco use:** Non-smokers typically have lower rates.

Average monthly premium for male & female

10-year term life insurance policy with a death benefit of \$1,000,000.

Age	25 years old	35 years old	45 years old
Smoker	\$123	\$137	\$332
Non-smoker	\$58	\$65	\$135

Research finds people overestimate the cost of term life insurance by 300-500%—millennials in particular overestimate it by 5-10x!² Our 100% online process takes just minutes to apply and find out for yourself.