



LIFE INSURANCE

AWARENESS MONTH
SEPTEMBER 2007

Superheroes and Superparents: Who Needs Life Insurance More?

Finding out if you need life insurance shouldn't be very difficult. Yet many Americans appear to be confused about who needs it and who doesn't.

The nonprofit Life and Health Insurance Foundation for Education (LIFE) asked a thousand Americans which of the following fictional characters needs life insurance the most: Batman, Spiderman, Fred Flintstone, Harry Potter or Marge Simpson. Surprisingly, Americans made the two superheroes their top choices – mistakenly attributing the need for life insurance with dangerous lines of work.

Reality is, no matter what you do for a living, you never know what tomorrow will bring. Because Fred and Marge have young children who would suffer financially if they were to die prematurely, they need life insurance much more than, say, Batman, who is independently wealthy and has no dependents.

Different people need life insurance for different reasons. Consider the following:

- ❑ **You're Married.** If you died suddenly, could your family afford to live on your spouse's income alone? And if you don't have kids, could your spouse maintain the standard of living that the two of you have grown accustomed to? Life insurance makes sure that your family's plans for the future don't die when you do.
- ❑ **You're a Single Parent.** As a single parent, you're the caregiver, breadwinner, cook, chauffeur, and so much more. You need to make doubly sure that you have safeguarded your children's future in case you are no longer there to care for them. Make sure you have enough life insurance, and designate who will take care of your children in case the unthinkable were to happen (see *Answering the Dreaded Question: 5 Things You Need to Do*).
- ❑ **You're a Stay-at-Home Parent.** Just because you don't earn a salary doesn't mean you don't make contributions to your family that would be expensive to replace. If you were no longer there, could your spouse afford to pay someone to provide the childcare, transportation, cleaning, cooking and other household responsibilities that you handle everyday?
- ❑ **You're Approaching Retirement.** The kids may be gone and the mortgage paid off, but that doesn't mean Social Security or your savings will necessarily take care of what lies ahead. What if your spouse outlives you by 10, or even 30 years, which is certainly possible today? Would your financial plan, without insurance, enable your spouse to maintain the lifestyle that the two of you worked so hard to achieve?
- ❑ **You're a Small Business Owner.** Life insurance can help protect your business in a number of ways in the event you, your partner or a key employee die prematurely. A buy-sell agreement funded with life insurance allows surviving business owners to buy the company interests of a deceased business owner at a previously agreed-upon price. Key person insurance can provide business owners with the flexibility to hire a replacement when the key employee dies.

Once you've decided that you need life insurance, the next step is to figure out how much coverage and what kind to buy (see *It Takes Two... Ask Yourself: How Much? and What Kind?*). For more information on who needs life insurance and to find a qualified insurance professional in your area, visit LIFE's website at www.life-line.org.