

How much coverage should I buy?

To help you decide how much Final Expense insurance coverage is right for you, use the five steps below:

Step 1 Household expenses
Total your average monthly bills (utilities, car expenses, food, insurance, etc.) and multiply it by three. This will give you an idea of how much your family needs for three months.
Example: Household expenses = \$400/month
 $\$400 \times 3 = \mathbf{\$1,200}$

Step 2 Debt
How much debt do you have? Consider these debts: mortgage, credit card balances, auto loans, etc. Total the monthly amount and then multiply it by three.
Example: Total debt payments = \$1,800/month
 $\$1,800 \times 3 = \mathbf{\$5,400}$

Step 3 Funeral costs
The cost of a funeral depends on what kind of services you choose. The average funeral can cost **\$7,360** or more.

Step 4 Subtotal
Add the totals of Steps 1-3 to figure out the minimum amount of coverage you'll need. This would cover your funeral, as well as three months of household expenses and debt payments.
*Example: \$1,200 + \$5,400 + \$7,360 = **\$13,960***

Step 5 Inflation
Multiply the total from Step 4 by the inflation factor¹ listed under the number of years before you reach age 90. This is your final estimated cost.
*Example: \$13,960 x 1.34 (age 80) = **\$18,706***

Number of years before reaching age 90 ²				
10 yrs	20 yrs	30 yrs	40 yrs	50 yrs
1.34	1.81	2.34	3.26	4.38

Sources:

¹Based on 3% inflation per year

²Inflation Calculator, www.calculator.net/inflation-calculator.html

Flexible coverage options

Both level and modified plans* are available to provide flexible coverage options to meet your unique needs. Specific plan details can be found below.

Level Plans

Full face value from policy issue date regardless if death is due to an accident or natural causes.

Accidental death

Full benefit immediately

Non-accidental death

All policy years = full benefit

Modified Plan

Full face value immediately from policy issue date if death is due to an accident.

Accidental death

Full benefit immediately

Non-accidental death

Policy years 1 and 2 =
110% of earned premium
Policy year 3 = full benefit

Level benefit amounts

Issue age**	Min. death benefit	Max. death benefit***
40-55	\$2,000	\$50,000
56-65	\$2,000	\$40,000
66-75	\$2,000	\$30,000
76-89	\$2,000	\$25,000

Modified benefit amount

Issue age**	Min. death benefit	Max. death benefit***
40-75	\$2,000	\$25,000

*Annual policy fee \$40.

**Age as of last birthday.

***Maximum benefit amount varies according to the age of the applicant at the time of policy issue.

Benefit Riders (available for Level Plan only)

Accelerated Death Benefit Rider

This rider pays up to 50% of the death benefit (less policy loan) if a physician provides written certification that the insured meets the definition for a qualifying event, which is a medical condition that results in a terminal, chronic or critical illness with a life expectancy of 12 months or less.

The minimum benefit is \$1,000 and the maximum benefit is \$15,000. An administrative fee of \$200 will be taken from the benefit amount.

Accidental Death Benefits Rider

This rider pays 100% of the base policy's face amount for accidental death for issue ages 40 through 70.

Children's Term Insurance Rider

This rider provides coverage for a child, stepchild, legally adopted child, grandchild, legally adopted grandchild, or great grandchild.

This benefit is available from \$2,500 up to a maximum of \$10,000 per child, in \$2,500 increments. Coverage amount selected will be the same for all covered children and may not exceed the face amount of the base policy.

Issue ages begin at older than 30 days through less than 18 years old. Policy becomes convertible to a whole life policy between the ages of 22 to 25 after two years in force.