

It's reliable, initially low cost, and gets you started.

Remember when that one-bedroom apartment was all you needed to get by? It may not have come with the latest bells and whistles, but it served the purpose—day in, day out—until you were ready to move on to bigger and better things.

That's kind of how our Yearly Convertible Term Life Insurance works. This initially affordable policy makes it easy to provide your family the financial protection they deserve, while giving you the ability to upgrade as your needs and lifestyle change.

Let's start with the basics.

Before we go any further, it's important to know the difference between the two main types of life insurance:

term and permanent cash value life insurance. While both pay money if you die to those you care about—generally free of federal income tax—there are a few distinctions:

Term insurance: Initially your lowest cost option, term insurance provides death benefit protection for a specific period of time. In many cases, the amount of premium you pay is "locked in" for 5, 10, or 20 years—then increases annually until your coverage expires.

Permanent insurance: Unlike term, permanent cash value insurance never expires. As long as you pay your premiums, your protection is guaranteed to last a lifetime.* **On certain products, such as whole life, premiums will stay level and may not be increased by the insurance company once the policy is issued.** Permanent life insurance also accumulates cash value. This feature allows money to grow within your policy on a tax-deferred basis—money that you can access generally income tax free to help pay for college, buy a business—anything at all.¹

Compare the benefits and advantages.

Term	Permanent
Lowest initial cost.	Best long-term value.
Basic protection for a specific period of time.	Lifetime protection, as long as premiums are paid.
Premiums often "locked in" for a specific period of time, then increase.	Scheduled premiums as stated in the policy.
No cash value feature.	Tax-deferred growth of cash value.

*Guarantees are based on the claims-paying ability of the issuing insurance company.

It's like renting vs. owning.

An easy way to think about the difference between term and permanent insurance is to compare it to renting vs. owning a home. In the short term, renting—like term life insurance—is probably the most affordable option. In the long run, however, it may actually cost more since there is no way to know how high your rent will rise. And, just as buying a home allows you to build equity, buying permanent life insurance allows you to build equity in the form of cash value.

Keep your options open.

We know not everyone needs, or can afford, a permanent life policy—at least not right away. But we also know that most people don't keep their term life insurance policies very long:

What happens to term policies?

Year 1



12% of all policies are projected to terminate or convert to permanent insurance in the first year.²

Year 10



As a result, about **68%** of term policies have been dropped by year 10.²

Given these facts, you might want to buy term coverage that allows you to upgrade to permanent cash value life insurance later on. That way, you get the initially affordable coverage you need now, while making it possible to secure lifetime protection as your needs and budget grow.



The Company You Keep®

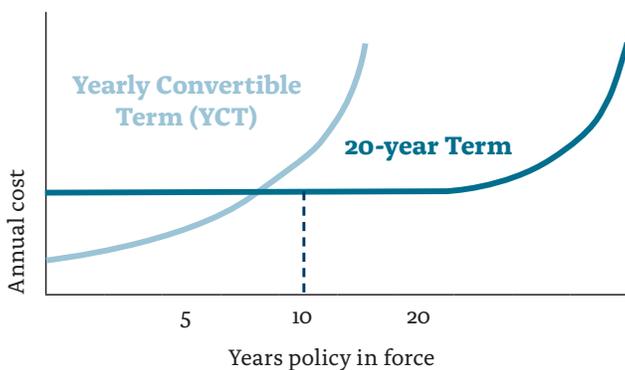
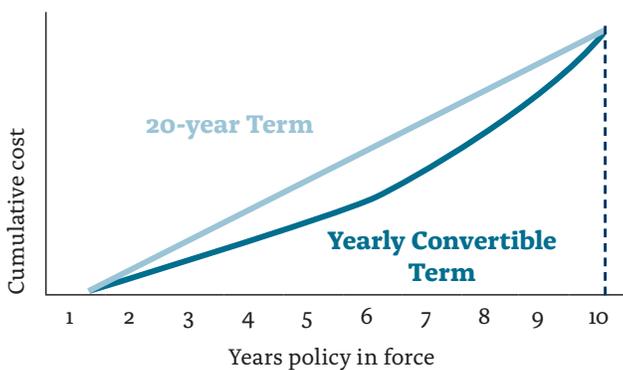
Why overpay for coverage?

As the chart below shows, premium payments on a Yearly Convertible Term policy start out low, and gradually rise. Even so, there's a good chance you'll still come out ahead as you probably won't reach the 20-Year Level Premium Term premium payment level until sometime after year 10. And, if history is any indication, there's a good chance you'll want to upgrade your coverage long before then.

It's like leasing—with an option to buy.

With Yearly Convertible Term life insurance, you will enjoy low initial premium payments—lower than might be the case with a typical 20-30 year level premium term policy—as well as the option to upgrade to permanent life insurance at a later date without furnishing evidence of insurability. That way you can afford to take your time and see which coverage is ultimately going to work out best for you in the long run.

Payment amount by year.



For illustrative purposes only.

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14557.RB.022016 SMRU1687436(Exp.04.01.2018)

If you compare the cumulative premiums for both types of policies (see chart), you can see that the YCT cumulative premiums are generally lower in the years the policy is most likely to remain in force.

When it comes to your family, safety matters.

Whether you're renting or buying a home, you want to make sure it is well-built and in a good, safe neighborhood. The same is essentially true when buying life insurance. It's important to look for a company, and a policy, that you can count on to be there for you and your family when needed.

At New York Life, we've been protecting America's families and keeping our promises since 1845. And today, we enjoy the highest ratings currently awarded to any life insurer by all four major rating agencies for financial strength.³ That means you can buy with confidence, knowing that your life insurance policy is as safe and secure as they come.

Protect those you care about now—the rest you can figure out later.

Life insurance is one of the most selfless gifts you can ever give your family. And with New York Life Yearly Convertible Term insurance, you now have an initially affordable way to protect their lifestyle and future immediately.

Contact your New York Life agent today, and see how this versatile policy can be the first step in building a solid financial foundation.

In Oregon, the Yearly Convertible Term policy form number is ICC15-216-60P.

¹The cash value of a life insurance policy is accessed through cash withdrawals and policy loans that accrue interest at the current rate. Loans and withdrawals will decrease the death benefit and cash value.

²A 2014 New York Life study that was based on a cross-section of New York Life's term policies issued during 2013. Projections in the study were made using reasonable price assumptions based on experience data from 2000-2012.

³A.M. Best (A++), Fitch Ratings (AAA), Moody's Investors Service (Aaa), and Standard and Poor's (AA+). Source: Individual third party ratings reports (as of 8/11/2015).