

## There Are Two Main Types of Permanent Insurance:

**Whole Life Insurance** is designed to insure someone for their “whole” life. With Whole Life, you have a guaranteed premium, interest rate, and death benefit for the life of the policy. The cash value grows tax-deferred and typically allows for withdrawals and loans against the policy. One major advantage to this type of policy is that you can cancel it and receive the accumulated cash value.

**Universal Life Insurance** is similar to Whole Life as they both have cash value that accumulates in a tax-deferred savings account over time. However, Universal Life policies have a greater degree of flexibility over a traditional Whole Life policy. Universal Life policies give you the ability to adjust the premium and the benefit amounts over the term of the policy. There are several types of Universal Life plans available, including a Variable Universal Life policy, which allows you to invest the cash-value portion in a variety of investments such as mutual funds.