



THINKING OUTSIDE THE BOX: LIFE INSURANCE LADDERING



Term life insurance is a smart solution, ensuring the people you love are protected no matter what life brings. Now consider this: Your need for life insurance coverage may decrease as you progress through your career, increase your savings, raise your children and reach retirement. Here’s where life insurance laddering can help.

How Does Laddering Work?

Rather than purchasing one large term policy, laddering enables you to purchase multiple smaller term policies with varied expiration dates, allowing you to customize your coverage and save money on premiums.

Laddering in action

Michael is 35 and has young children. He wants to purchase \$1 million in coverage now to cover his family’s mortgage, living expenses and future college tuition.

- In ten years, he anticipates he’ll need only \$500,000 coverage as his savings and retirement accounts grow.
- In twenty years, he’ll need just \$250,000 in coverage when his children have finished college.

What are Michael’s options?

OPTION 1 – SINGLE POLICY

\$1 Million • 30 Year Policy

ANNUAL TOTAL: \$749.77¹

Purchase \$1 million of SBLI 30-year term coverage to provide a broad safety net and the flexibility to reduce coverage manually overtime.

OPTION 2 – LADDERING

\$500K • 10 Year Policy • \$192.91

\$250K • 20 Year Policy • \$174.65

\$250K • 30 Year Policy • \$249.61

ANNUAL TOTAL: \$617.17¹

Purchase one SBLI 30-year \$250,000 term life policy, one SBLI 20-year \$250,000 policy, and one SBLI 10-year \$500,000 policy to provide a customized solution to meet the identified needs.

\$132.60² ANNUAL premium savings with the laddering option!

FOR ADDITIONAL INFORMATION, PLEASE CONTACT YOUR LOCAL AGENT.

¹SBLI Term Insurance rates based on a male, aged 35, with excellent health as of 04/04/2024. ²Please note for with the laddering option there will be less coverage in years 11-30 for the lower premium. Approved for consumer use. Policy Form Series #B-56. SBLI is a registered trademark of The Savings Bank Mutual Life Insurance Company of Massachusetts, Woburn, MA. NAIC #70435. Licensed in 49 states and DC (excludes NY). Products and features may not be available in all states © 2024 All rights reserved. SBLI is in no way affiliated with SBLI USA Life Insurance Company, Inc. 04/2024