

# Term riders: Flexible coverage solutions

Stacking 10, 15 or 20 years of term coverage on top of a base policy may be the most cost-effective way for your clients to buy term life insurance

## The need

Your client needs 30 years of affordable coverage, but the protection need will shrink as financial milestones are reached:

- Mortgage paid
- College tuition paid
- Credit card debt paid
- Retirement

## The solution

A term rider is an additional insurance rider that provides temporary coverage for a shorter time period than the base policy. Riders may be larger in face amount than the base policy but must be of shorter duration.

## The benefits

Term riders can give your clients flexibility while saving them money and time:

**Save money** — multiple policy fees can really add up, making term riders a great option

**One easy payment** with consolidated billing

**Flexible options** — one to three term riders in durations of 10, 15 or 20 years may be stacked

**Automatic** — riders drop off and premiums are reduced as each rider's coverage period expires

**Convertible** — while riders are in force



**Use term riders to get your client the right amount of coverage, for the right amount of time.**

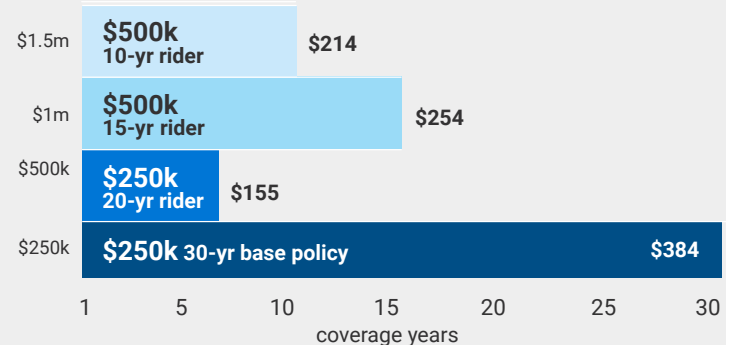
## A case study with term riders

No additional policy fees or charges for term riders means clients can save money when compared to purchasing multiple policies or one large policy.

### OPTerm 30 policy with 10, 15 and 20-year term riders

\$1.5 million initial total coverage amount

Male, Age 40, Preferred Non-tobacco



### \*Sample term rider cost breakdown

POLICY	COVERAGE	COST
OPTerm 30 base policy	\$250,000	\$384
20-year rider	\$250,000	\$155
15-year rider	\$500,000	\$254
10-year rider	\$500,000	\$214
Total:	\$1,500,000	\$1,077

### Four individual policies

Purchasing four individual OPTerm policies of the same coverage amounts and durations costs **\$1,277** annually — policy fees increase the cost by \$270 per year and can really add up over time.

### One cover-all policy

A \$1.5 million OPTerm 30 policy costs **\$1,901** annually — that's almost double the cost of stacking coverage with term riders.

\*Premiums should always be quoted online and sample rates provided should not be used as a means for quoting premiums with clients or prospects.

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