Do I need term or whole life?

Compare the job, the duration and the commitment.

Start with the need, not the debate

Term and whole life are different tools, and online arguments often skip the person who will pay for and depend on the policy. First describe the responsibility you want covered. Does it have an approximate ending, or do you expect a need to continue throughout life?

What term generally does

Term life provides a death benefit during a defined period and generally has no cash value. A level-premium period may make the cost predictable for that period. Check what happens afterward, including renewal prices, age limits and any conversion opportunity.

What whole life generally does

Traditional whole life is designed for lifetime protection with scheduled premiums and contractual guarantees, provided policy requirements are met. It includes cash value. Premiums are typically higher than term for a comparable initial death benefit, and early cash values may be limited.

What the labels leave unanswered

You still need to know the amount, affordability, insurer terms, guarantees and how the policy behaves if life changes. A product category cannot answer those questions for a particular household.

MY SITUATION IN ONE SENTENCE

Private notes - keep this copy

OFFICIAL / PRIMARY REFERENCES - TAP TO READ

Texas DOI: life insurance guide
NAIC: choosing a type of life insurance
NAIC: life insurance illustrations

02 Compare with confidence

Term or whole life?

Put the same need in both columns

Compare proposals using the same protection goal and a clearly stated time horizon. Separate the price of the initial period from later obligations. Ask what benefit remains if payments stop, if coverage expires or if cash value is used.

For term, inspect the ending

When does the level period end? Is renewal available and at what cost? Is conversion permitted, to which products and by what deadline? A conversion provision is not the same as an indefinite right to keep the original price.

For whole life, inspect the commitment

Review guaranteed premiums, guaranteed cash values and the death benefit. If dividends are shown, distinguish them from guarantees. Ask about surrender values, policy loans, loan interest and the effect of borrowing on the benefit. Understand the outcome of an early exit.

Avoid choosing by a slogan

A low premium is not a complete needs analysis; cash value is not a separate promise of easy access to money. Do not replace a current policy based only on a sales comparison. Get the old and proposed terms reviewed before changing protection.

THE QUESTION I WANT ANSWERED FIRST

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03 Prepare for a conversation

Term or whole life?

Prepare your own comparison brief

Privately list the people you want protected, the responsibilities involved, their approximate duration and existing coverage. Think about what payment you could sustain, including during an ordinary setback. Exact financial details belong in an appropriate private professional discussion, not public comments.

Ask these questions out loud

What need does this option address? What is guaranteed for how long? What would cause the policy to end? What happens if I stop paying or borrow? What does the alternative accomplish at the same protection amount? What important tradeoff am I accepting?

Ask Derek for the reasoning

Say: "Help me compare term and whole life against my actual need." Confirm authorization for your state and request a plain explanation of the contract. A useful discussion should make the differences easier to describe in your own words.

Decide what must be verified

Before taking a next step, identify any unanswered question about coverage, payments or replacement. Ask for the relevant document and time to read it. Keep current protection in place until a replacement, if appropriate, is confirmed active.

A clearer next step starts here.

BOOK A CONVERSATION **READ THIS ONLINE** **CALL DEREK**

Derek Patterson | (760) 504-4939
Start with your situation and state. Keep health records and detailed finances private.

General education, not a quote, eligibility decision or recommendation to buy or replace coverage. Terms and availability vary. Verify authorization, plan rules and deadlines with the appropriate professional or official program.

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