

# Know all about life insurance before buying it

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Life insurance is important but you must get your facts right before buying it. Before buying it you must know what the policy offers and what it does not offer. And for this you must make your agent sit and answer your questions.

Life insurance gives you a secure future however you must not think that it will protect you against all the possible events. Such policies that protect you against all eventualities are actually not worth it. In addition to that they will also cost you a small fortune. So make a list of questions and get them answered before you buy the policy.

## 1. What are the prohibiting clauses?

You must know what your policy covers and what it does not. To avoid buying unnecessary coverage, you must fully understand all the clauses. If you do not understand a particular section, ask your agent or company representative. All this will make you feel comfortable and save you from unwanted nervousness.

## 2. Do you have an exchangeable policy and for how long?

If your policy is convertible, you must ask about this clause and all the clauses associated with it. You can exchange a convertible policy with another policy later on without providing further evidence of insurability.

## 3. Is there a loan clause in your policy?

A loan clause allows you to borrow from its cash value. People are often not aware of this clause, and so you must not forget to ask about it. Also ask about the tenure and interest.

## 4. What premiums you have to pay?

You must know whether you have to pay a fixed or a variable premium. Different companies have variable rates for premiums. You must know how much you will have to pay along with the due dates. This is the most important thing and you must get it clear before hand.

## 5. When does your policy expire?

You should know when your policy starts and when it ends. Check if your policy offers a grace period. Some renewable policies offer a grace period of 31 days after the expiry date. You must get yourself clear on this issue.

## 6. What change of plan provision does the policy have?

There are clauses which allow you to change over to a high premium policy during the lifetime of your plan. You must know if your policy offers this clause and you must also know the criteria for it.

## 7. How do you claim your policy and is your policy renewable?

You must know how to claim your policy. For this the contact person or agency must be clearly mentioned in the document along with the necessary guidelines. You must also know the basis on which the company can refuse your claim. Policy renew ability is another thing which is very important for you to know. You must know the criteria for renewal. Make sure that this clause is clearly stated in your policy.

Get all your doubts clear before you buy a policy. You want a safe and secure future for your family, and for that you must understand your policy properly. {mosgoogle left}