

Buying a Life Insurance

Contributed by admin
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Buying a life insurance is a critical decision. Having too little life insurance can be devastating to your family should you make an early exit. Having too much is an utter waste of money. Before buying insurance, you must decide what is right for you and your family. Don't forget, your family also may be protected by such plans as Social Security, veteran's benefits, or other savings plans. That makes knowing how much you need--and what type of coverage is best for you. Then you should go for visiting the websites of major insurance companies. You need to find out the different policies they are offering and the premiums they are charging. You have to decide the best insurance company or a policy with a reasonable comparison.

Term life insurance is the simplest way to go. You have to find out what amount to pay the premium and that are covered for a specific benefit for the period during which you want coverage. You have to find out a term policy that almost always is less costly than a whole life policy. Term life insurance policies are quite affordable but they are temporary to some extent. Some of these policies can be converted into permanent ones. In fact when you stop paying, you stop being covered. Term is a much cheaper option in the long run, and you can invest the money you would have otherwise paid for whole life in mutual funds. The normal periods of term in life insurance policies are range from 1 to 30 years. You should choose policies according to your personal requirements. In fact one should take a policy with at least a 15 year term if a person wants to buy a policy to protect his 8 year-old twins till they pass out of college. Look at your capacity to pay premium. There are lot of risk factors to be considered like your age, health, use of tobacco, family health history and the type of life insurance in paying your insurance premium. The premium may increase as the term passes in term insurance policies. Policies are may be similar in nature and size offered by good companies and don't forget to compare these policies. Find out good rated company and moreover it should be financially strong and in fact it should have ability to pay claims also. You should not raise your hand to complete the application form with all the relevant information without deciding upon the policy and the company. The company will determine be if you can be issued a life insurance policy in form of a medical test program. Even the company will also assess your application to decide your policy. Before signing you should read the life insurance contract thoroughly. You will get all sorts of details about the policy provisions, amount of benefit, premiums and premium guarantee period etc. If some clauses don't suit you then you can reject the policy also because you are not mandatory to have a life insurance policy. {mosgoogle left}