

Life Insurance through Life Stages

You have taken the first step, and have selected a **life insurance** policy that meets your coverage goals. Before you put that policy in a drawer to gather dust you must remember that life insurance needs change when you reach life's various milestones. In order to ensure your coverage continues to meet your needs and stays current, you must review your policy throughout the years on a *regular* basis.

Clearly, you recognize the importance of life insurance and the role it can play in protecting the financial security of your loved ones. And yet, are you reviewing your policy on an annual basis? Doing so becomes particularly important whenever you reach any of life's milestones. New additions in your life such as a spouse, homeownership, or a child make reviewing your policy a necessary component of planning your financial future. You may need to give your policy extra consideration in the event of:

Marriage. In addition to determining whether or not your coverage amount is still appropriate, you may also consider insurance for your spouse. Updating your **beneficiary** list to include your new spouse, as well as correcting your policy to reflect a name change, if applicable, are important aspects of your plan.

Children. With added responsibilities comes the need for additional coverage. Keep in mind that the skills of a child's primary caretaker are not easily replaced, and childcare can be expensive. As your family grows, be sure to update your beneficiary list.

New Home or Refinancing. Owning your own home is an unbeatable feeling, but extra coverage may be necessary to help ensure that mortgage requirements continue to be met.

Start a College/Retirement Savings Plan. Review coverage amounts to supplement a potential loss incurred before your financial goals are met. Know the coverage periods of your policy to ensure you are covered for a length of time that meets your current needs and future objectives.

Starting Your Own Business. If you leave your old job to start your own business, make sure that you do not sustain a significant loss in coverage when you leave your employer's benefit plan. You should again review your policy objectives and consider the ways in which life insurance can be a useful business tool. For example, for business continuation purposes, you may now be interested in obtaining coverage for financing a **buy-sell agreement**. In certain circumstances, you may consider placing business partners on your beneficiary list.

New Job. If you change jobs, pay attention to the benefits. Coverage amounts will often vary greatly from employer to employer, and this must be factored in to your personal policy.

Perhaps one of the most secure feelings in life is knowing that you have covered your bases and are prepared for whatever may happen. Through annual checkups you can plan

for coverage that will provide for your loved ones, and help ensure that financial goals and obligations will be met. As you approach each one of life's many milestones, you will find that additional consideration and planning are well worth the effort.

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