

Understanding Insurance

Life Insurance Should Be Updated Regularly

(NAPSA)—While life insurance can be an important “safety net” for families in times of tragedy, getting the most benefit from a policy means making sure it reflects your family of today—instead of when the policy was first purchased.

Remember, life insurance provides financial protection. A life insurance policy can provide cash resources for your dependents after you die. This money could save your family from selling assets to pay bills or debts and could provide for education or other large future expenses you foresee. Also, your dependents will not have to pay federal income taxes on life insurance benefits.

The Insurance Marketplace Standards Association encourages families to work with an agent and reevaluate their life insurance needs on a regular basis to make sure their policy takes changes into account. For example:

- If there is a change in your family status—due to a wedding, birth, adoption, divorce or death;
- If you change jobs and are making substantially more (or less) money;
- If your assets significantly increase.

Knowing your future requirements can help you choose the right product. Other issues to consider might be how long you will need life insurance coverage and how much ongoing premium you can realistically afford, keep-



A life insurance policy should reflect the current state (and size) of your family.

ing in mind your other financial obligations.

When choosing an insurance company, it's a good idea to look for the IMSA logo. Member companies are committed to high ethical standards, have passed a rigorous independent assessment process and follow a stringent market conduct code.

The association's Web site, located at www.IMSAethics.org, offers a wide variety of valuable resources to assist you when considering a life insurance, long-term care insurance or annuity product. The site includes consumer guides, a glossary of insurance terms and links to state insurance departments and insurance rating agencies.