

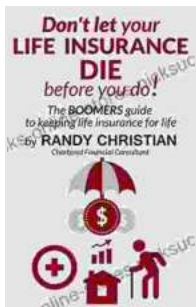
# Don't Let Your Life Insurance Die Before You Do: A Comprehensive Guide to Keeping Your Policy Alive

Life insurance is an essential part of financial planning. It provides a safety net for your loved ones in the event of your death, ensuring that they have the financial resources to cover funeral expenses, outstanding debts, and other expenses. However, if your life insurance policy lapses, it becomes worthless, leaving your family vulnerable.

According to a study by the life insurance industry's trade group, LIMRA, around 12 million Americans let their life insurance policies lapse each year. This can happen for a variety of reasons, including:

- **Forgetting to pay premiums:** This is the most common reason why life insurance policies lapse. Life insurance premiums are typically paid monthly or annually, and if a premium payment is missed, the policy will lapse.
- **Financial hardship:** If you experience a financial hardship, you may be tempted to let your life insurance policy lapse in order to save money. However, this is a short-sighted decision. If you die while your policy is lapsed, your family will not receive any benefits.
- **Changes in life circumstances:** If your income or family situation changes, you may no longer need as much life insurance as you did when you first purchased the policy. However, it is important to keep your policy in force in case of unexpected events.

If your life insurance policy lapses, you will lose all of the benefits that you have paid for. This means that your family will not receive any death benefits if you die while the policy is lapsed. In addition, you will have to重新 apply for life insurance if you want to get coverage again. This can be a difficult and expensive process, especially if you have developed any health problems since you last applied for coverage.



## Don't Let Your Life Insurance Die Before You Do!: The Boomers Guide to Keeping Life Insurance for Life (The Boomer's Guide to Financial Planning Book 1)

by Randy Christian

★★★★★ 5 out of 5

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Screen Reader : Supported  
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Word Wise : Enabled  
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There are a few simple things you can do to keep your life insurance policy active:

- **Make sure your premiums are paid on time.** This is the most important thing you can do to keep your policy in force. Set up automatic payments from your bank account or credit card so that you never miss a due date.

- **Keep your policy information up to date.** If you change your address or phone number, be sure to update your policy information with your insurance company. This will ensure that you receive important notices and correspondence about your policy.
- **Review your policy regularly.** As your life circumstances change, you may need to adjust your life insurance coverage. Review your policy regularly to make sure that you have the right amount of coverage for your needs.

If your life insurance policy does lapse, there are a few things you can do to try to reinstate it.

- **Contact your insurance company.** The first step is to contact your insurance company and explain why your policy lapsed. They may be able to help you reinstate your policy without having to go through the underwriting process again.
- **Re-underwrite your policy.** If your insurance company is unable to reinstate your policy without re-underwriting, you will need to complete a new medical exam and provide updated financial information. This process can take several weeks or even months, and there is no guarantee that you will be approved for coverage.
- **Purchase a new policy.** If you are unable to reinstate your old policy, you may want to consider purchasing a new life insurance policy. However, this can be a more expensive option, especially if you have developed any health problems since you last applied for coverage.

There are many different types of life insurance policies available, so it is important to choose one that meets your specific needs. Some of the most

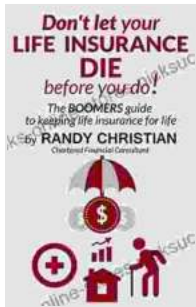
common types of life insurance policies include:

- **Term life insurance:** This is the most basic type of life insurance. It provides coverage for a specific period of time, such as 10, 20, or 30 years. If you die during the term of the policy, your beneficiaries will receive a death benefit. However, if you outlive the term of the policy, you will not receive any benefits.
- **Whole life insurance:** This type of life insurance provides coverage for your entire life, as long as you continue to pay the premiums. Whole life insurance policies also accumulate a cash value that can be borrowed against or withdrawn. However, whole life insurance premiums are typically higher than term life insurance premiums.
- **Universal life insurance:** This type of life insurance is a hybrid of term life insurance and whole life insurance. It provides coverage for your entire life, but you can adjust the premium payments and death benefit as your needs change. Universal life insurance policies also accumulate a cash value, but the cash value growth is not guaranteed.

When choosing a life insurance policy, it is important to consider your age, health, income, and family situation. You should also compare quotes from multiple insurance companies to get the best possible rate.

Life insurance is an important part of financial planning. It provides a safety net for your loved ones in the event of your death, ensuring that they have the financial resources to cover funeral expenses, outstanding debts, and other expenses. However, if your life insurance policy lapses, it becomes worthless, leaving your family vulnerable. By following the tips in this

article, you can keep your life insurance policy active and ensure that your family is protected in the event of your death.

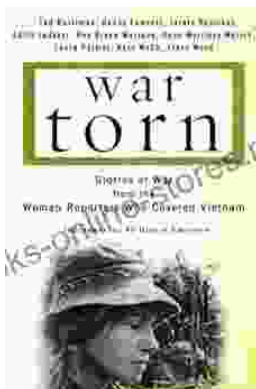


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