

WHATSINIT 4me

HOW does regular premium help?

■ ONCE you have purchased a life insurance policy, your only duty is to pay your premiums regularly and gain the maximum from it. How does paying your premium regularly help? Take a look: 1) Start early, keep your premium low: As per the policy terms, life insurance companies offer to insure your life for decades at a time. However, you have the right to decide whether you want to be insured every time your premium is due. Every time you pay your premium, your life is covered till the next premium is due; though insurance companies maintain your life cover through the grace period. It still makes financial

It still makes financial sense to pay your premiums every time and avoid discontinuing your cover. This is because the next time you purchase insurance, your age of entry will be higher and so will be the premium that you are locked into paying for the rest of the term. 2) Delivers gains over the long term: For those who use insurance as a wealth building tool, some very beneficial laws of mathematics such as compounding apply to your premium payments, especially if begun early and continued regularly.

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