



Lenders Insurance Solutions Group LLC

Without Enough Life Insurance, Who Truly Suffers?

As we know, life insurance isn't for the deceased, but for their family and estate. Though many individuals who purchase life insurance, do so to cover funeral costs, mortgage and perhaps college; how many consider the need to replace the lost income and maintain an established lifestyle for the surviving family?

Consider, how much of their life insurance would be taken to eliminate debt such as home equity loans, credit cards, auto loans or other consumer debt. The affordable alternative would be to protect the debt with Payment Protection. Credit Life, though not required, is essential to protect the other life insurance the family already has in place. It doesn't matter what the demographic is. For example, let's consider the different scenarios:

Married: Would the surviving spouse's income provide enough to pay off credit related debt as well as cover the mortgage, utility bills, groceries, medical needs? Or will this spouse need to alter their lifestyle?

Single Parent: Consider what this individual is responsible for. Caregiving, breadwinner, cook, chauffeur and yet, four in ten parents have no life insurance and those who do say they need more than they have. Consider what has to be replaced.

Single: Though many believe they don't need coverage, are there individuals who depend on them financially, such as aging parents or a sibling with special needs?

Retired: Depending the size of their estate, could the heirs be hit with an estate tax payment of up to 45%? Could the estate be held in probate until debts are paid causing a delay in estate distribution?

71% of individuals say they personally need life insurance, yet only 59% have coverage*. So, for those loan customers who tell us they have plenty of life insurance, is this always the case? According to the statistics, 61% (or 6 out of 10 of your loan customers) have a need to protect their debt! Are 6 out of 10 of your loan customers protected with Payment Protection? The question to ask your customer is this; ***"in the event of your death, who will truly suffer?"***