**LIFE INSURANCE**

Everyone needs Life Insurance. A life insurance policy ensures financial support for your family, assuring you of a stress-free life.

* **to protect against uncertainties**
* **to reduce risk of heavy debt**
* **to achieve life goals**
* **to secure a well retired life.**

**Who Needs Life Insurance?**

* Working Professional
* Married
* I have growing responsibilities
* I am nearing retirement

# Getting Started with Life Insurance

# **Know where to buy from.**

# **Decide which policy to go for.**

# **Get familiar with your chosen policy.**

# **Fill in your application.**

# **Accept your policy**

**Accidental Death Benefit**

The accident death benefit is a payment given to the beneficiary on account of the life assured dying of natural causes.

**Critical Illness**

A critical illness insurance policy provides insurance for life-threatening critical illnesses such as cancer, heart attack, renal failure etc. At the time of diagnosis of a covered illness, the insurer is liable to pay a lump sum as coverage.

**Death Benefit**

The ‘Death Benefit’ is what the life insurance company pays to the nominee in case the life assured dies during the policy tenure.

**Endowment Policy**

An endowment policy is essentially a life insurance policy which apart from providing life coverage also works as a savings pool for the policyholder. Provided the policyholder survives the term, he or she is entitled to receive a lump sum amount on maturity.

**Extra Life Option**

Some insurance companies provide an extra life option wherein the life insured gets twice the sum assured in case of the unfortunate demise of the life assured due to any accident.

**Group Life Insurance**

Group Life Insurance is a type of life insurance in which a single policy covers an entire group of people. The policyholder is typically an employer of an organization, and the policy covers the employees or members of the group.

**Joint Life**

Joint Life Insurance is a type of policy wherein both you and your partner will be the owner as well as the beneficiary of the policy. So, in case something happens to one of you, your partner will receive the life coverage benefit.

**Keyman Insurance**

Key man insurance, in simple terms, is when Life insurance is purchased for the key person in a business. In small businesses, this is usually the owner, the founder(s) or perhaps a key employee. The ones insured are usually the people without whom the company could sink.

**Money Back Plans**

In a money back plan, the life assured gets a percentage of the sum assured at regular intervals, instead of receiving a lump sum amount at the end of the term. This is basically an endowment plan with a liquidity benefit.

**Whole Life Policy**

Whole life insurance is a type of policy that provides coverage for the entire life of the insured. In addition to providing a death benefit, whole life also contains a savings component for cash accumulation. These policies are also known as permanent or traditional life insurance.

## **How to Calculate Insurance Premiums**

* **Your age**

Insurance companies look at your age because that can predict the likelihood that you'll need to use the insurance. With health insurance, younger people are less likely to need medical care, so their premiums are generally cheaper. Premiums increase as people age and have a [higher chance of needing more medical services](https://www.investopedia.com/retirement/how-plan-medical-expenses-retirement/).

* **The type of coverage.**

 In general, you have several options when you buy an insurance policy. The more comprehensive coverage you get, the more expensive it will be.

* **The amount of coverage.**

The less coverage, the cheaper the premiums—no matter what you're insuring.

* **Personal information.**

Depending on the type of insurance you're shopping for, the insurance company may take a close look at things like your claims history, driving record, credit history, gender, marital status, lifestyle, family medical history, health, smoking status, hobbies, job, and where you live.

# How Life Insurance Claims Work

# ****Steps to file a maturity claim****

* Every insurance company usually sends in a maturity claim intimation letter many weeks before the maturity date. This gives you time to get all the required documents ready for submission.
* The basic documents required are the original policy document, an age and identity proof, a cancelled cheque leaf or a copy of your bank passbook.
* On the date of maturity, the life insured is required to send the maturity claim discharge form with the original policy bond. It’s advisable to send these much before the maturity date to enable timely settlement of claim.
* Most companies issue cheques and / or transfer electronically on the maturity date.

**Steps to file a death claim**

To file a death claim, you have to submit a written intimation to the insurance company at the earliest to process the claim.

Details required for the claim intimation form are:

* The claimant's statement
* Policy number
* Date, cause and place of death
* Original policy document
* Original death certificate
* Certificate and records from the doctor/hospital (for death due to illness)

Please note that factors like cause of death, amount of financial risk, policy duration, etc. could lead to some insurance companies requesting for additional documents.

**If premium is not paid**

**Grace Period**

If you are unable to pay the premium for your policy on time and cross your premium payment due date, the life insurance company gives you an extension of a number of days. This is the ‘Grace Period’. It is usually a period of 15 days in the case of monthly premium payment mode, and 30 days in the case of annual premium payment mode.

**Lapse**

A lapse is when a policy of a policyholder is terminated along with all its associated benefits due to non-payment of the premium amount on the due date or even after the grace period.

**Modules:**

ADMIN: It takes care of all the web based activities and only provide access to the users who are registered already and for rest, they need to register first.

AGENT: This module provides the users with the information regarding the policies and schemes and brings new clients and customers to the organization.

CUSTOMER: This module is based on the users. This is the main source for working of this system and how the customer act as a source of revenue for the company and how user can get all the details and insurance can be fetched in this module.