**WHY JOINT LIFE INSURANCE IS NOT A GOOD IDEA**

Meta Description:

This is why insurance plans need to be taken out on individuals and not relationships as a whole.

Keywords:

Life insurance for couples, joint insurance policies, single life policies.

Insurance policies explained:

A life insurance policy is a payout assured by an insurer that is paid due to the untimely demise of the policyholder during the term of the cover plan. This lump sum is funded in whole to the beneficiary, as mentioned in the policy papers.

Contextually, there are two significant types of insurance policies:

* single life policies,
* joint insurance policies.

3 Reason to buy separate life and critical illness insurance policies:

When it comes to a relationship, there are stark, contrasting differences between single life and joint-life insurance policies. Here is why separate life and critical illness policies are a better idea -

1. If the couple chooses two separate single life cover plans, both partners of the relationship receive distinct benefits from their policies, most probably under similar terms and conditions. But more importantly, they will be entirely separate. When either of the partners dies, the lump sum amount goes to the other partner in the relationship, helping them out financially and easing their mental burden a little.
2. When a joint insurance policy is opted for, the couple effectively receives only one lump sum payout in the event of demise or critical illness. This is an implication that should one of the partners be afflicted by disease or demise, the other partner and the family of the couple only receive a single lump sum payment, providing lesser security relatively.
3. Two single life policies are a little more expensive than an individual joint system, a second cash-out is available for emergencies in the event of the demise or critical illness of the other partner involved in the relationship.