

Title:

How to find Cheap Insurance Plans

Word Count:

515

Summary:

Insurance is a form of contract whereby periodic payments (also known as insurance premiums) are made to an insurance company, in order to provide an individual or business compensation in the event of property loss or damage.

Keywords:

types of insurance

Article Body:

Insurance is a form of contract whereby periodic payments (also known as insurance premiums) are made to an insurance company, in order to provide an individual or business compensation in the event of property loss or damage.

The main purpose of insurance is to protect yourself or your family against the financial impact of a tragedy. In general, it is contract in which one party agrees to pay for another party's financial loss resulting from a specified event. Insurance mainly consist of three things - insurer, insured and policy. An entity seeking to transfer risk (an individual, corporation, or association of any type) becomes the 'insured' party once risk is assumed by an 'insurer', the insuring party, by means of a contract, defined as an insurance 'policy'.

There are two main ways to buy insurance. The first one is directly through an agent and the second one is to do it yourself. The main advantage of buying insurance from other is that an honest and competent insurer will decide according to the situation and make suggestions. The advantage of going on your own is that less money is needed for it. While buying any type of insurance, a person will save money by paying annually or semi-annually. Sometimes buying several types of insurance from the same company will save money.

There are different types of insurance available in the market. Life insurance is a form of insurance that pays monetary proceeds upon the death of the insured covered in the policy. There are main two types of life insurance that are term insurance and permanent insurance.

The medical insurance policy is a non-life insurance policy, which covers the

expenses incurred by an individual in case of an injury or hospitalization. Individuals have to pay a minimal premium for buying medical insurance. Its main types are indemnity plan, preferred provider organization and health maintenance organization.

Homeowner insurance policy covers property and contents. There are two kinds of Homeowners Insurance policies and these policies can be divided into two categories named-Peril Insurance and all-risk insurance.

Auto insurance is the insurance against loss due to theft or traffic accidents. It can be purchased for cars, trucks and other vehicles. Its primary use is to provide protection against losses incurred as a result of car. Its main types are general liability, no-fault insurance, uninsured auto coverage and medical payments.

Car insurance is the insurance against loss due to theft or traffic accidents. Its main types are fully comprehensive auto insurance, third party insurance, fire and theft insurance, third party insurance, specialized car insurance.

Term life insurance provides protection for a specific period of time. It pays a benefit only if you die during the term. Term life insurance comes in two basic varieties term life policies and cash value policies.

There are numerous insurance providers that designs and markets insurance services for individuals, families, groups and businesses worldwide. Now, there are also online insurance facilities that help a person to select insurance just by clicking. After fulfilling the basic requirements of the insurance company, person is eligible for it.