



# THE LIFE INSURANCE MAZE

## Are You Buying Your Largest Asset From A Total Stranger?

Let's face it. Considering life insurance is about as much fun as watching paint dry and grass grow. Add to that the overwhelming number of inexperienced or unprofessional agents and it's no wonder some consumers are agent adverse.

The value of the death benefit most people buy is the largest asset they own. Think about it! Usually your insurance policy death benefit is several hundreds of thousand of dollars greater than your mortgage or the value of your home. If not, call an agent now! If that is the case, why buy it from a stranger...the Internet?

If you are new to town or don't have someone you know or trust, ask for referrals. Find out if the agent is locked into one company or can shop around for you. Ask them who they usually place business with and why. Don't be afraid to interview two or three agents. There are financial facts and opinions. Each agent brings different knowledge and opinions to the table. Try to find one that seems to be the most knowledgeable and listens to your needs. Some agents are one-product agents. For example, they may push just term insurance or just whole life insurance. Your financial needs at death and your family's circumstances, while similar to many, are unique. There is no one solution that fits every person's needs.

Once the sale is made over the Internet, there is no reason for you to be contacted again ever. With that in mind, here are 20 reasons why you don't want to buy your largest asset over the Internet.

- The Internet does not live in your community.
- The Internet is not accountable for lack of service when you need it.
- The Internet doesn't know when your health gets much worse and need to change your insurance strategy.
- The Internet doesn't know when you quit smoking or scuba diving and need to apply for a rate reduction in future premiums.
- The Internet can't know the day you die and attend the funeral and assure your survivors that money is on the way.
- The Internet doesn't know when you had a baby and need to modify your insurance.
- The Internet doesn't know when you sold your house and increased your mortgage and need to update your insurance.
- The Internet doesn't know when you got divorced and need to change your beneficiary.
- The Internet doesn't know when you lost your job and need help with the loss of benefits including company provided life insurance.
- The Internet doesn't know, as you're get-

ting older you might need to consider other insurance like long-term care.

- The Internet doesn't know that your children finished college and you don't need as much insurance.
- The Internet doesn't call you to obtain a new policy and extend the length of time you have coverage.
- The Internet doesn't call you when your carrier has a significant change in their financial credibility.
- The Internet doesn't do fact-finding and suggest wills and living trust when needed.
- The Internet doesn't refer you to trustworthy and knowledgeable mortgage brokers, CPA's, attorneys, etc that might be needed for your financial security.
- For business owners, the Internet doesn't know your company tripled in value and you need to update your buy-sell agreement and insurance funding.
- For your business, the Internet doesn't know you have an estate tax problem because the value of your business has grown dramatically.
- For your business, the Internet doesn't know that a long time employee has become KEY to your operation and you need to insure against the loss of future revenue if that employee dies.
- For your business, the Internet doesn't know that you can finally afford to insure yourself against a disabling injury or sickness.
- The Internet doesn't know you want to pass your business onto a family member and need insurance for continuation planning.

In summary, while there are around 2000 insurance companies and rates are available for many over the Internet, it is important not to treat life insurance like a commodity. A good agent doesn't cost you any money and provides a lifetime of advice and service that you will never receive from the Internet. A good agent sees you every few years for review. In addition, if your agent is in your community, you will see them often at youth sporting events, fund-raising events, chamber functions, etc. It makes conversation about important changes easier to occur.

I suggest you review your insurance every five years if there isn't any life changing events like: Births, job changes or loss, new home purchase, divorce, etc. If you do have a life change, contact your agent immediately. **HB**

*For a complimentary review or second opinion of your insurance policy, feel free to contact Mike Grumet at Mike Grumet Insurance Services, Inc. He is an independent agent and has served the Huntington Beach community since 1992. His offices are located at: 16541 Gothard St., Suite 202, Huntington Beach, CA 92647. You can make an appointment by calling 714 698-6453. He is a licensed agent, Ca Lic # OB00162. Mike is a registered representative of Carillon Investments, Inc. 1876 Waycross Rd., Cincinnati Ohio 45240. (800) 999-1840*