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## 2 Steps to Take Before Dying

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How do you prepare for your death? A lot of people likely depend on you – spouse, children, perhaps employees. There are two vital steps you must take to prepare: get insurance and make out a will.

Surprisingly, many people don't do these two simple things, to their survivors' sorrow. Perhaps it's a fear that, by preparing for their own deaths, the Grim Reaper takes notice and pays an early visit.

Life is always unfolding from birth, through childhood, into early and late adulthood, and then to our final day. We never know how long we have to enjoy this wonderful ride, yet we do know that it will come to an end. With that in mind let's go through a simple checklist of things that you should do before your death.

**Life insurance.** Buy life insurance that at least provides for your funeral. And cover survivors and dependents' needs, too. Some will look to address their final resting by pre-paying for their funeral arrangements, which is a part of the planning process.

A recent LIMRA/LIFE study found that people overestimate the cost of life insurance by as much as threefold. The top two reasons people don't buy life insurance are: competing financial priorities or because they think they cannot afford it. The economic downturn clearly caused everyone to tighten the belt, yet the absence of life insurance can add a devastating financial dimension to the emotional toll on your spouse and other survivors.

Yes, there are a myriad of types of life insurance that are sold that are confusing. But online tools exist to help you determine a ballpark figure of how much you need. [SelectQuote](#) <sup>[1]</sup> is an example of one such service for term coverage.

Whole life, also known as permanent life, gives your loved ones a death benefit if you pass away, and also has a savings component that increases over time, a feature known as cash value. Additionally, in recent years universal life allows today's insurance buyers to obtain permanent life insurance coverage at premium costs that are even less than traditional whole life policies. Term life insurance, is generally cheaper and therefore of course more popular; it lasts for perhaps 25 years and has no savings element (cash

value).

Determine how much coverage you need and how long you will need it in place. Then let what meets your budget determine which type of insurance to buy. Just get covered.

Today, according to a [survey](#) <sup>[2]</sup> by the U.S. Bureau of Labor Statistics, a third of wives own no life insurance at all – despite the fact that 7 in 10 households are dual-income households, and nearly 30% of wives earn more than their husbands.

**Will.** Have a will that outlines how you want your affairs to be handled. Now, many will argue that they do not have a large estate that warrants a will and the attorney fees to have the will completed. Everyone has affairs both financial and otherwise that they are best at addressing, not their survivors. Wills do not have to be expensive or complex, and technically you can write them, instead of an attorney. (There are some online resources here, too.) Wills just need to convey how you want your affairs to be handled.

These actions should come first after the death of a spouse. You should keep these documents where you can easily find them – either at home, in a safe deposit box or in an online vault.

In my next article, I will finish my discussion with some additional estate planning ideas, focusing on preparing for the loss of your spouse.

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