

● YOUR QUERIES



Ashish Vohra

Insurance policy nomination can be changed by will or endorsement

● **If I have to change the nominee in the policy document, what do I have to do?**

— Manoj Sharma

Nomination can be changed at any time before policy matures, by an endorsement or a will. Policyholder is required to fill up a change nomination form and submit it to the insurance firm. Once the KYC verification is done the change in nomination is registered and confirmation is sent to the policyholder.

● **I am not too happy with the performance of my seven-year-old market-linked insurance policy. Should I sell the units and invest the money in mutual funds?**

— T S Vedu

Both market-linked insurance policy and mutual fund investments are subject to market risk and hence there is no guarantee that mutual funds would perform any better. However, besides providing returns on investment, market-linked insurance policy does cover the risk of death and is exempt from long term capital gains tax unlike mutual funds.



● **Since my son is 16 years old, should I buy a term plan for him as the premium is very low?**

— S Chandra

Insurance plans are designed to meet each life stage need of an individual. Depending upon the exact need, one should choose the investment option. For example, if investment for education of the child is important, one must invest in child plans which offer guaranteed pay-outs at defined milestones. However, term plans are pure protection plans, i.e., it covers the risk of death and a recommended buy for individuals irrespective of the age.

● **Till what age can I get an investment and insurance plan?**

— Amit Bakshi

Different companies have different caps on entry age basis the product category, but typically it is 65-70 years.

● **I am 45 years old and want to take a term plan. Is it mandatory to do medical test for buying such a plan?**

— RK Swarup

No, it isn't mandatory for the customer to undergo a medical test in order to buy a term cover. However, the applicability varies from company to company basis the age of the customer and the sum insured opted. It is advisable that disclosures about any existing medical conditions are clearly stated to the insurance company. Also, going for medical tests is advantageous for the customer as he would get the benefit of much lower premium.

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