Insurance: A Guide for College Graduates.



When classes are finished and exams are over, all that stands between you and official adulthood is one thing: graduation. When you walk across the stage and collect your diploma, you're warmly welcomed to the "real world."

As a young, independent adult, you've started working. You've started searching for somewhere to live. And you've started making important decisions — some of which should be about insurance.

Now, we know what you're thinking. Deciding what kind of coverage you need may seem overwhelming, but it doesn't have to be.

To take a quick course in Insurance 101, just consider the following:

- **Renters insurance:** If you lived in an apartment on campus, you may already have renters insurance (in which case, the address will just need to be updated). If you didn't, you may need it. While not all landlords require renters insurance, it's an inexpensive way to protect your possessions. For example, what would happen if someone broke into your new apartment and stole something? Or your apartment flooded and ruined your furniture? With renters insurance, you'll receive a check to replace everything that was damaged, but without it, you'd have to pay out of pocket.
- **Car insurance:** Most college students stay on their parents' auto insurance policies while they're in school, which usually makes the most sense. But, when you officially have your own place, you need your own car insurance policy, too. Living on your own means your parents' house is no longer your main residence, and that's what your car insurance policy needs to be tied to.
- **Life insurance:** Did anyone cosign on your student loans? If you passed away before they were paid off, that person could be responsible for the remaining balance. While federal loans would be

cancelled, chances are, private loans would not. In fact, they could even have a clause that makes the loan due in full immediately after your death. Having life insurance means that if something happened to you, your beneficiary (possibly a parent, sibling or spouse) would receive a set amount of money to financially face the future without you. In this case, it could help your cosigner pay off your loans — if they ever needed to.

- **Commercial insurance:** In an increasingly entrepreneurial world, some students are starting their own businesses right after graduation. If that's true for you, you'll need to consider the types of insurance that'll keep your business protected.

Need a study buddy to help you understand the ins and outs of insurance? Find an independent agent near you, then start a conversation.