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Payment Protection Insurance (PPI) by [Connected Claims](#)

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We have all pretty much heard of Payment Protection Insurance (PPI), and a lot of the bad publicity it has received recently in the UK for bad practices. PPI itself did receive a big hit when the greedy large corporation banks started to sell the product without being informed, or with purposely neglecting to tell the borrower all the details and requirements of the cover. Not only this, but these lenders neglected to inform the borrower other things such as how much the cover would cost over the term of the policy or exclusions.

The fact remains however, that quite a few people are still opting to buy this insurance. Thus we pose the question - is PPI worth it?

Let us start by stating, that we will be basing this article on PPI sold correctly, not mis sold payment protection insurance.

The sales pitch - PPI is for the consumer, it will cover your repayments if you are injured at work, or become ill, it will help you if you have become unemployed due to redundancy. The cost is just a minimal amount which is added to your loan each month for the life of your loan.

This does not sound like a bad deal, in simple terms, it sounds like it will offer a person the peace of mind needed when situations of everyday life arise. If your claim is valid they pay your monthly loan repayments, it typically is for 12 months up to 24 months. This could take a huge burden off of one's mind when in a crisis such as this.

A negative part of PPI is that the cost can add a substantial amount to your loan payment. If you are going to get this insurance, it is best to check around and do some shopping ahead of time. Larger banks and loan companies will charge quite a bit more than other private companies. However, the truth is, and that there are many loop-holes where the person whom has purchased the Payment Protection insurance, once they file their claim it gets denied.

Our conclusion is this, with these financial times, payment protection insurance could be worthwhile. Although, only if the borrower does their homework and finds out the best premiums. It is also imperative that the borrower finds out all the specifics and if you meet all requirements, what the policy exclusions are and what the benefits will be. Be sure to know how much you will be paying and what the total repayment will be upon completion. You can visit the FSA website to find out more information on the requirements of PPI.

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