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1.Amortization is an accounting term that refers to the process of allocating the cost of an intangible assets over a period of time. It also refers to the repayment of loan over time. A down payment help to reduce amount of loan for consumer which lead to decrease in payment and loan period. The larger down payment, the lower payment of loan. A loan duration is telling how long of the loan. The higher amount of payment, the loan duration will be shorten

2.Health insurance is importance for make a financial planning because in life the unexpected accident can happen all the time so this will help to reduce the probability that if and when some unexpected situation occurs like got some accident or health problem that requires expensive treatments. If you do the health insurance you can pay less cost of treatment which you can save that amount of money for investing. Disability insurance is especially for the people who disabled this will cover all the debt for consumer. So it better to include the insurance when you plan you financial.

3.Life insurance is a protection against financial loss that would result from the premature death of an insured. This for people who want to avoid uncertainty, the risk of death is unavoidable so when most of people purchase, they mostly consider the amount of assets and sources of income available to their dependents when they pass away.

4.Joe and Jane should diversified their asset by planning to invest in the market or saving which they should invest in both high risk and low risk like stock market and saving account respectively. Therefore it better for them to divided their assets rather than invest only in high-tech stocks because if the recession occur it is possible that they will loss all the money. On the other hand if they spread the risk they may loss some part of it and can also gain benefit from the other parts.