

IT'S ALL ABOUT YOU

LIFE INSURANCE FOR PROFESSIONALS

ON TOP OF THE WORLD

Only you know the extent of the personal sacrifices and financial cost of getting where you are today. With your studies behind you at last and a secure career path ahead, you've got every right to feel confident about your financial future.

But what if a serious illness or injury stopped you in your tracks?



THE MOST VALUABLE THING YOU'LL EVER OWN

Most professionals will acquire significant financial assets over their working life. A family home, superannuation savings, a share portfolio, a prestige car, perhaps an investment property or two.

And yet the biggest financial asset you'll ever own is the one you see in the mirror every morning: you, and your ability to earn an income.



Your million dollar future

For many professionals, the future value of their lifetime earning potential could be several million dollars or more. Everything you plan to build – your assets, your debts, your lifestyle, your family's security – hangs on the expectation of a substantial regular income.

But what would happen if that income abruptly disappeared for many months – or even permanently?

What if you could never work in your profession again – or even work at all?

IT HAPPENS

The lifestyle you've worked so hard for relies on your ability to stay fit and healthy – something none of us can take for granted.

All of us know of someone who's suffered a debilitating injury, or been seriously ill, or worse. We know the chances are small, but we know it happens – even to healthy, active people in their 20s and 30s. Deep down we know it could happen to us.



The statistics bear this out:

- Nearly **60,000** Australians were hospitalised in 2016-17 after sporting or cycling accidents, 10 per cent of them with life-threatening injuries.¹
- Mental ill-health is an escalating problem for people of all ages – in 2019, life insurers paid **\$1.24 billion** to over 9,500 Australians for mental health claims, with depression and anxiety disorders being the most common.²
- Road accidents, heart disease and breast cancer are among the top five causes of death in Australians **aged 25-44**.³

THINK YOU **DON'T NEED INSURANCE?**

Imagine you suffered a major injury or were diagnosed with a serious illness and had to take time off work – perhaps many months – to recover.

What would losing your income mean for you financially?

- Could you afford the sometimes huge cost of medical treatment?
- Could you keep paying your home loan or other debts?
- How long would your savings last?
- Would you be forced to go to your parents for help?
- Would your partner have to support you financially – assuming they even could?
- If you're a partner or principal in a professional practice, could you keep paying your business expenses?

This is where insurance comes in. So that if something happens to you, you get financial help to keep everything in your life running smoothly. All you have to worry about is getting better.



YOU NEED A PLAN THAT **COVERS IT ALL**

- You can replace your income – either temporarily or permanently if you can't return to work.
- You can cover your mortgage payments and other debts.
- If you run your own business, insurance can pay your fixed business expenses and hire a locum to service your clients while you're out of action.
- If you have a partner or family, you can make sure they're relieved of any financial hardship if the worst were to happen to you.



HOW THE **TYPES** OF LIFE INSURANCE WORK

1. IF YOU SUFFER A SERIOUS ILLNESS OR INJURY

Income Protection

This pays an ongoing monthly amount to help replace your income, so you can focus on recovering without stressing about meeting your regular living expenses. It's also known as Salary Continuance Insurance.

Trauma Cover

Also known as Crisis or Critical Illness Cover, this pays a one-off lump sum if you suffer a serious medical condition such as cancer or heart attack. It's paid as soon as the condition is diagnosed, and you can spend the money on whatever you like – to help with medical expenses, pay down debt, or take the holiday of a lifetime once you've recovered.



Business Expenses

This pays partners, directors or other business owners an ongoing monthly amount to cover fixed business expenses such as rent, equipment hire, staff wages and other overheads. You can also use it to hire a locum to keep things running while you're recuperating.

2. IF YOU DIE OR SUFFER AN ILLNESS OR INJURY THAT LEAVES YOU TOTALLY AND PERMANENTLY DISABLED:

Total and Permanent Disability (TPD)

TPD cover provides a lump sum payment if you become totally and permanently disabled and can't return to work. These benefits are often used to eliminate debt and fund long-term medical expenses and the costs of ongoing care. The majority of TPD payouts are for mental health conditions, musculoskeletal issues and accidents.⁴



Life Cover

Confusingly also referred to as Death Cover, this pays a lump sum to your estate if you die or become terminally ill. It can therefore ensure that your partner or other dependents can clear all debts – such as a home loan – and have financial security for life.

THE REAL VALUE OF INSURANCE

Recovering from a serious illness or injury can be challenging enough without throwing financial stress into the mix.

Of course, life insurance costs money, although it's often less expensive than people think. But in taking out insurance you're really buying these priceless benefits:

- The peace of mind of knowing you have a back-up plan if something goes wrong
- You'll still have lifestyle choices – under any circumstances
- You still get to decide what happens to you in the future
- Knowing that your partner and children won't suffer financial hardship if something happens to you
- The satisfaction of knowing you're not leaving anything to chance.



By taking out a comprehensive life insurance plan you're effectively investing in an asset that can grow and adapt to protect all the critical components of your life and career as they evolve.



WHAT NEXT?

None of us would dream of not insuring our house or car. And yet so many people don't apply the same logic to protecting themselves.

Having worked so hard for so long to get where you are now, doesn't it make sense to protect your biggest asset?

Putting a plan in place

For most busy professionals, researching and organising life insurance cover can seem like a time-consuming headache. But this is where a financial adviser comes in.

As an experienced, licensed financial adviser I have an intimate knowledge of the product features and options that can save you time, money and hassle. For example, some insurers let you automatically increase your levels of cover as your salary increases and your life changes, without you needing to undertake additional medical checks.



In addition, I can:

- Save you time by organising all the paperwork
- Cut through the jargon and explain everything clearly
- Potentially save you money on premiums
- Research the many life insurance products and providers to choose your best cover from the myriad options available
- Coordinate the application process for you
- Advise of any insurance features specific to your profession – for example, some insurers offer cover tailored to medical practitioners or white collar professionals
- Liaise with the insurer and act on your behalf if you ever have to make a claim.

LIKE TO KNOW MORE?

If you'd like to take the first steps towards putting a financial protection plan in place, please drop me a line or give me a call for an initial, no-obligation chat about how I can help.

Email

Phone

Licensee

1 Sports injuries make their mark on Aussies: media release, Australian Institute of Health and Welfare, 26 February 2020

2 Productivity Commission recommends increased life insurance funding for mental health, Financial Services Council media release, 17 November 2020

3 Australia's health 2020, Australian Institute of Health and Welfare, 23 July 2020

4 Mental health claims top life insurers' TPD payouts: media release, Financial Services Council, 4 October 2019