

## INSURING YOUR FUTURE IN TROUBLED TIMES

It's probably fair to say that the turbulence of the stock market in recent weeks has left most people feeling at least a little unnerved, if not concerned about their financial future.

Unfortunately, it's a simple fact of life that things often happen that are out of our control. Financial instability, death, injury and serious illness all have the potential to seriously, and sometimes suddenly affect our ability to repay debts and look after our families.

However, just like appropriate asset allocation can ensure your investments deliver strong returns in the long term, insurance can work to financially protect you against other unforeseen events such as accidents or illness. Yet, sadly, insurance is one of the most neglected aspects of the average person's financial planning. If something were to unexpectedly happen to you or your partner, how would your family be affected financially? While many Australian's don't think twice about insuring their car, home and contents, their most valuable asset is often overlooked. That's right. You.

Consider this: A 40-year-old earning \$40,000 per year (increasing 5 per cent per year) will earn \$1,909,000 in total by the time they reach 65. This makes your ability to earn an income and provide for yourself and your family a valuable asset worth protecting.

There are a number of types of insurance worth considering in order to protect yourself and your family.

### **Income Protection**

Protecting your income means protecting your lifestyle. Income Protection, also known as salary continuance, usually pays a monthly benefit of up to 75 per cent of your regular income if you're too sick or injured to work.

This type of insurance is designed to help you continue paying the mortgage, children's school fees, phone and utility bills, run your car, buy food and clothes, basically all of your day-to-day living expenses.

### **Total and Permanent Disablement (TPD)**

TPD cover provides a lump sum payment if you're totally and permanently disabled. This cover can help you pay for medical expenses, repay major debts and help provide for your future.

### **Trauma cover**

Trauma cover provides a lump sum payment if you're diagnosed with a specified 'trauma' condition. The types of conditions that trauma cover will cover you for include heart attack, multiple sclerosis, motor neurone disease, major organ transplant, severe burns, cancers, dementia, stroke or paralysis.

When taking out Trauma cover its worth talking to a financial planner about the difference between the definitions each insurer offers.

Trauma cover is designed to help cover your increased medical costs and living expenses, providing you some financial security during the important recovery process.

## **Death cover**

Death cover offers you the security that if the unthinkable were to happen, at least your family won't have to worry about money.

Death cover works by making a lump sum payment to your family if you die or are diagnosed with a terminal illness.

It's important for people of all ages, especially if you have others relying on you financially or you have large debts such as a mortgage.

There are many different insurance options available, so it may help to speak with a qualified financial planner to ensure you get the right insurance solution for your specific needs.

**If you have any questions about personal insurance please don't hesitate to contact the friendly team at CA Financial Services Group on (02) 9955 7288 or email [info@cafinancialservices.com.au](mailto:info@cafinancialservices.com.au)**

Any advice given is general only and has not taken into account your objectives, financial situation or needs. Because of this, before acting on any advice, you should consult a financial planner to consider how appropriate the advice is to your objectives, financial situation and needs.