



QUANTUM

Wealth Creation

# Case Study

## Insurance Planning

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Life insurance is designed to provide immediate and ongoing support to those financially dependent on you if you were to pass away or suffer a serious injury or medical condition.

Put simply, life insurance provides the financial means to preserve your way of life, or that of your family, in the event of an accident, serious illness or even death.

We don't like to think about 'worst case scenarios' but taking some time to consider the risks and having a contingency plan is like carrying an umbrella – it can't stop the rain but can provide much needed financial protection during life's storms.

## **What are the types of insurance are there?**

### **Life Insurance**

Pays a lump sum on your death or the diagnosis of a terminal illness. So when the worst happens, your foresight will pay off the mortgage and other debts, provide for your children's education, obtain child care and secure your family's lifestyle. This will allow your family to focus on supporting each other, not worrying about paying the bills. As the years pass they will continue to be thankful you thought ahead.

### **Total and Permanent Disability Insurance**

Pays a lump sum if you become disabled and are unable to ever work again. You can use this lump sum to pay off debts, cover medical costs and invest so that you have an annual income to help maintain your lifestyle.

### **Trauma Insurance (Critical Illness Insurance)**

Pays a lump sum on the diagnosis or occurrence of one of a list of specific illnesses such as heart attack, cancer or stroke. That payment gives you choice and flexibility at a time when you need it most. You will be able to reduce your working hours, spend time with your family, get treatment or rehabilitation and pay for a carer and any number of unexpected things.



## Income Protection Insurance

Provides a replacement income of up to 75% of your current income if you are unable to work due to illness or injury. Also known as 'Income Replacement Insurance', 'Disability Income Insurance' or 'Salary Continuance Insurance', it can cover you for short or long periods and offer various waiting periods to suit your needs. Depending on the policy, payments may continue right up to the age of 65 if the disability is ongoing or permanent.

Let's look at some case studies

### Bill's Situation:



Bill is aged 25 with no dependants or spouse and is an Accounts Clerk and is earning a Salary of \$80,000 per year. Bill is a non-smoker and has no major health issues.

He would like to insure that he is covered for about \$250,000 as he feels that would cover a small loan and would be enough for him as he doesn't have any other debt.

Bill has requested to look a \$250,000 for Life and Total and Permanent Disability and also Income Protection to ensure that his salary is covered to age 65 and that would be \$5,000 per month with a 30 day waiting period before he can put a claim in on the Income Protection.

In Bill's case his Insurance premiums would be around \$1,240 p.a. in this first year.



## Jane's Situation:

Jane is aged 35 with a young family. She is an Office Manager and earning a Salary of \$85,500 per year. Jane is a non-smoker and has no major health issues.

She would like to insure that she is covered for about \$700,000 as she feels that would cover their mortgage and would be enough for her spouse to look after the kids for a few years as he works from home and also to take care of the children's schooling.



Jane has requested to book a \$700,000 for Life and Total and Permanent Disability and also Income Protection to ensure that her salary is covered to age 65 and that would be \$5,343 per month with a 30 day waiting period before she can put a claim in on the Income Protection.

In Jane's case her Insurance premiums would be around \$2,547 p.a. in this first year.

## Bob's Situation:



Bob is aged 50 his children are no longer at home and is an Account Manager and earning a Salary of \$100,000 per year. Bob's is a non-smoker and has no major health issues.

Bob would like to insure that he is covered for about \$500,000 as he feels that would cover their small mortgage and would be enough for his spouse to pay the mortgage and a small car loan.

Bob has requested to look at a \$500,000 for Life and Total and Permanent Disability and also Income Protection to ensure that his salary is covered to the age of 65 and that would be \$6,250 per month with a 30 day waiting period before he can put a claim in on the Income Protection. In Bob's case his Insurance premiums would be around \$5,555 p.a. in this first year.



## How can Quantum help?

At Quantum we believe that obtaining the best insurance cover is very important for you and for your peace of mind. We treat each client with care and with you and your family in mind and tailor a solution for your specific needs.

We review your current insurance situation and needs, we then compare different insurance products and features to ensure that you are adequately covered, we then present our findings to you in a Statement of Advice (SOA) and walk you through the policy.

Once you are happy with the policy we would then implement your insurance cover and manage the process for you.

At Quantum we also regularly review our client's insurance policies to ensure that their cover remains current for their personal and financial circumstances and needs.

**Contact Quantum NOW on 02 8823 5222 to make an appointment to see how we can assist you.**