

Don't I have insurance cover through my super?

Research has shown that on average those with cover through their super policy have less than half the level of cover they need.



Investment Zone Pty Ltd (ABN 18 104 622 611) provides financial services as a Corporate Authorised Representative no. 296974 of Financial Force Pty Ltd ABN 42 091 425 464, AFSL no. 238337

- 🌐 www.investmentzone.com.au
- ✉ info@investmentzone.com.au
- ☎ 1300 124 683
- 📍 184 Bay Terrace, Wynnum, QLD, 4178



investmentzone
AN INVESTMENT IN YOUR FUTURE

“Aren’t I already covered through my super?”

Naturally, you don’t want to pay too much now for something that you may not need until years in the future. This is especially the case when many people have super accounts which include insurance cover. The issue is that super funds may not provide sufficient cover for you. Remember the minimum level of cover provided via your super is not set by you – it is set by the super fund with all fund members in mind – a one-size-fits-all. You need to make sure that your insurance covers the expenses that you need it to! If you are unsure of the level of cover provided through your super fund, give us a call on 1300 124 683.

According to Lifewise.org.au, research has shown that on average those with cover through their super policy have less than half the level of cover they need.

So, how much insurance do I need?

How much cover you need will vary according to your own needs, the life stage you are at and the type of insurance you are considering.

Firstly, write down all your expenses for a year. Include your mortgage, car payments, insurance premiums, personal loan repayments, school fees and household expenditure including food, utility bills, rates, and anything else you can think of that you pay on a regular basis!

Everyone’s expenses are different - depending on your life stage, occupation, marital status, number and ages of dependants and the family’s financial commitments. There are plenty of online calculators you can play around with to give you a better idea. To help, we have a Budget planner available for you to download too.

What types of life insurance are there and how much do you need?

The various forms of insurance exist to protect you in different situations. We go through them below:

- 1) **Life Insurance** - is intended to provide for those you leave behind when you die. Your family is going to need enough money to survive without you and the income you bring into the home. When deciding your level of cover, you should think about:
 - Rent payments/ Paying off a mortgage
 - School fees
 - Clearance of all debt

- 2) **Total and Permanent Disablement (TPD) Insurance** - You may be completely healthy and capable of working today, but no one knows what tomorrow may bring. TPD insurance provides for you and your family should you sustain a major injury or illness that permanently prevents you from working long term. Don’t underestimate the amount you will need, as you should consider:
 - Loss of your entire income
 - Payment of your mortgage/rent/other debts
 - Ongoing provision for your family
 - Home modifications

TPD insurance can be purchased by itself or as an add-on to term life insurance. It will pay out if due to illness or injury you can’t do *any* occupation you are suited to by education, training and experience ever again. You can pay extra to get an “own occupation” definition, meaning the policy will pay out if you can’t do your own specific occupation ever again.

- 3) **Income Protection Insurance (or salary continuance insurance)** - The difference with income protection insurance is that it’s paid in a form of regular payments and not as a lump sum. It’s intended to allow you to comply with your financial responsibilities should you become too ill to work. Have you considered...
 - How long your employer’s sick pay (or savings if you’re self-employed) would last
 - What expenses you would need to continue to pay even if you couldn’t work
 - Whether you need cover for business expenses if you’re self-employed

- 4) **Trauma Insurance** - Trauma insurance is intended to help both you and your family if you develop a serious illness such as cancer or heart problems, so it's also often referred to as living insurance. You need to think about how much coverage you will need to cover the financial implications of such an event:
- Keeping up with regular debt payments
 - Payment for home modifications to accommodate your new illness or injury
 - Payment for medical care

If you don't have this insurance, you stand the chance of falling behind financially if you struggle to work after becoming ill, because if you were able to keep working you would. You can't make a claim on TPD insurance if you are technically still capable of working. Trauma insurance can be purchased separately or as an addition to term life insurance.

We can easily work out if you have enough cover for you and your family. It's what we do every day.

Book in a free Financial Health Check at www.investmentzone.com.au/bookonline or call us on 1300 124 683

The information in this communication has been prepared on a general advice basis only. The advice has been prepared without taking account of your specific objectives, financial situation or needs. Accordingly, you should, before acting on the advice, consider the appropriateness of the advice having regard to your objectives, financial situation, and needs. In cases where the advice relates to the acquisition, or possible acquisition, of a particular financial product, you should obtain a Product Disclosure Statement (or other relevant information statements) and consider such document before you make any decision about whether or not to acquire the product. For these reasons, it is imperative that you seek advice from your financial adviser before making any investment decisions. Investment Zone Pty Ltd (ABN 18 104 622 611) provides financial services as a Corporate Authorised Representative no. 296974 of Financial Force Pty Ltd ABN 42 091 425 464, AFSL no. 238337