

# Income Protection For every life stage

## Leading Lifestyles

Mature singles and couples with no dependants

Income Protection will allow you to keep accumulating wealth and not dip into your savings should you get sick or injured

Living independently, this segment relies on their income to give them the control and security they want. Aged 30 and above, they are wealth accumulators, working towards savings for their retirement. This segment has a lot of disposable cash and they choose to spend it on personal image, leisure and travel. They are users of premium credit cards which they pay off each month. Their health and appearance are important to them.

### **Case study:**

Zoe (32) and Brad (31) met in their early twenties while at University.

Over the next eight years Brad and Zoe's careers progressed with a combined income of \$230,000 per annum.

They made other investments in the share market as well as undertaking extensive renovations to their home. Brad's Income Protection policy provided him with \$6,250 per month benefit. Zoe's Income Protection policy provided her with \$8,125 per month benefit.

One day whilst running late for a meeting, Zoe noticed that she became breathless quickly and felt faint.

After a series of tests conducted by the cardiologist Zoe was diagnosed with Cardiomyopathy. As a result of her illness, Zoe decided in conjunction with her doctor and employer to take six months off work and return to work by reducing her working hours each day.

Fortunately, Zoe's Income Protection policy replaced her lost income whilst off work and supplemented her income from the reduced working hours. She was able to put away the excess money in case the condition worsened and she would need further treatment.

### **What are the chances?**

- Almost 24% of new breast cancer cases diagnosed in 2001 were in women aged 20-49.

*Source ; National Breast Cancer Centre*

- More than 50,000 Australians suffer heart attacks each year.

*Source—Cardiovascular Health in Australia, Department of Health 1994.*

Only 41% of Australian workers say they are aware there are tax advantages for a person who buys Income Protection Insurance. *Source : Financial Study 2008, Newspoll Market Research*

### **Income Protection recommendation:**

With health and income being their main concerns, Income Protection is a natural fit. Especially because they may be the only income earner to put money away for :

- Mortgage
- Bills
- New car
- Investments and negative gearing
- Travel
- Lifestyle and entertainment
- Savings for retirement

Income Protection will provide another income source in case they are unfortunate enough to be affected by sickness or injury. For an individual who earns \$130,000, we recommend a protection plan with benefit payments close to \$8,200 per month, with benefit payments to age 65.