

A case for term insurance



You can't beat the odds forever

David and Jennifer's story

At 33 years of age, David, who was married with a two-year old son and one more on the way, decided to take out life insurance. He knew this was important, given his wife Jennifer had given up work to raise their young family, making him the only breadwinner.

Five years after the policy was taken out, David was tragically killed in a boating accident.

Jennifer had a lot to deal with, but at least she didn't have to worry about money. The life policy was paid out in full and Jennifer, following her wealth adviser's suggestions, used the lump sum to:

- settle all immediate bills;
- completely pay off the mortgage;
- pay for David's funeral costs;
- set up a fund for the children's education; and

- invest in a wealth creation portfolio that could be drawn down on to create an income stream.

By planning ahead, David had assured his family's security after his untimely death.

Sally and Rodger's story

When Sally and Rodger sought financial advice, they'd been happily married for 16 years and had two children aged 14 and 11 years old. Sally was a 42-year-old florist while Rodger was a 44-year-old horticulturist, and together they'd built a family nursery. The business relied heavily on both Sally's and Rodger's input to keep staff costs to a minimum. The couple were also paying off a large mortgage on their four-bedroom acreage property, and were paying a large tuition to send the kids to boarding school.

Part of the advice given to Sally and Rodger was to invest in a term life cover policy so their financial obligations could still be met if one of them died unexpectedly.

Tragically, Sally passed away suddenly 18 months later from a brain tumour. The term policy was paid out in full, and with a large amount of cash at his disposal, Rodger, with the help of his financial adviser, was able to get through this difficult period without the burden of restricted cash flow or mounting debts.

After Sally's funeral Rodger paid off the mortgage and set up a fund to ensure that the kids' educational requirements would still be met, including university.

Rodger was able to keep the nursery and hire two additional part-time staff members to take on the duties previously handled by Sally.

Claims do happen here are some recent examples.

Age	Gender	Occupation	Reason for claim	\$ Benefit paid
52	Male	Managing director	Motor vehicle accident	1,900,000
43	Female	Dental assistant	Leukaemia	225,000
46	Male	Truck driver	Lung cancer	300,000
36	Female	Housewife	Carbon monoxide poisoning	170,000
36	Male	Butcher	Acute coronary thrombosis	140,000
32	Male	Mechanic	Head injury	150,000
38	Male	Sheet metal worker	Cancer	150,000
39	Female	Paralegal	Breast cancer	90,000
42	Female	Consultant	Internal injuries	1,500,000
43	Female	Shop proprietor	Brain injuries	200,000
48	Male	Barrister	Drug overdose	225,000
49	Male	Business proprietor	Motor vehicle accident	800,000
50	Male	Building inspector	Heart attack	150,000
52	Female	Housewife	Cancer	125,000
52	Male	Company director	Incineration	250,000
64	Male	Retired	Cancer	210,000
64	Female	Restaurateur	Stomach cancer	125,000
20	Male	IT technician	Multiple injuries	75,000
22	Male	Security guard	Head injury	60,000
28	Female	Childcare worker	Drowning	100,000
34	Female	Accountant	Breast cancer	220,000
35	Male	Builder	Pancreatic cancer	100,000
38	Male	Union official	Subarachnoid haemorrhage	320,000
38	Male	Sales representative	Brain cancer	50,000

Figures provided by Tower and Asteron.

At Genesys, we want you to get the most out of life so you can take advantage of any opportunity and be prepared for any challenge – that’s what wealth advice is all about.

Note: Advice contained in this flyer is general in nature, and does not consider your particular situation or needs. Please do not act on this advice until its appropriateness has been determined by a qualified adviser.

For more information or to arrange an initial no-cost, no-obligation consultation, please contact:

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