

Robson Consulting Group Pty. Limited



Have you insured your greatest asset?

For most people, their income is their most valuable asset.

Did you know?

One in six men and one in four women between the ages of 35-65 can expect a loss of work for six months or more due to a disability*.

Without income protection, an accident or illness can destroy the financial security you have worked so hard to build.

Wealth Protection is an **essential part of every financial plan**. It is used to protect your wealth, your lifestyle and provide for your loved ones in the event that you can't. For around 1-2% of your salary, income protection insurance can ensure that up to 75% of your gross income is protected in the event of an accident or illness. It is a small, **tax-deductible** price to pay for **peace of mind** because none of us can control life!

Robson Consulting Group Pty. Limited can help you arrange comprehensive income protection insurance that will help **protect you and your loved ones against financial strain**.

Don't wait—take the risk out of your future. Call us today!

*Institute of Actuaries. Table IAD 89-93. White-collar males and females.

Liability limited by a scheme approved under Professional Standard Legislation

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How much does Income Protection cost?

Premiums generally cost 1-2% of your gross income, but this will depend on your age, occupation, gender and the type of work you do. Importantly, these premiums are generally **TAX deductible**. The cost will also depend on what 'waiting period' and 'benefit period' you choose (see definitions box at the end of this brochure).

I think I have Income Protection cover in my super fund....

Sometimes this type of cover is available within your super fund - however all policies will be slightly different. Having cover within your fund can be cost effective as super funds, due to their large number of members, will often be able to gain bulk discounts on premiums. Another benefit is that you won't be out of pocket on a daily basis, as the premiums will be automatically deducted from your own super fund balance.

However, keep in mind that Income Protection within super usually have a maximum benefit period of 2 years so if you are unable to return to work after this time, you will no longer receive benefits. To ensure that your cover is adequate, it is possible to compliment insurance within super with a separate policy outside of super, which has longer waiting and benefit periods.

This way, if you are unable to work indefinitely, your benefits from within your super will last for a certain period, while you arrange for your separate insurance benefits to kick in after the waiting period and extend for much longer.

Case Study:

Complimenting policies to ensure adequate Income Protection cover

Jake is 35 years old, married and has two children. He earns \$95,000pa as an accountant.

He has a serious car accident, which leaves him unable to work indefinitely. His Income Protection cover from his super fund starts providing benefits after a one-month waiting period. It provides him 75% of his previous salary for up to two years. He is relieved he has this cover as he can still manage to contribute to the family's bills and mortgage.

Unfortunately, after two years, Jake is still unable to return to work.

Luckily, Jake had previously taken out additional Income Protection cover outside super. This cover has a 2-year waiting period before he can start receiving benefits - but the benefit period will last until he is 65 years old. So when his insurance within super expires, he can then start accessing benefits from his additional cover and continue to be financially secure until 'retirement' age.

Definitions

Premium: The fee you pay to the insurer to provide protection and cover.

Waiting Period: The period you wait before receiving benefits or payments.

Benefits: Payments you receive from the insurer in the case of an accident.

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