

The

Lakin Clark Financial Planning Ltd

Guide to Income Protection



A recent survey of 2000 adults: "What do you think is the likelihood that you personally will be unable to work due to illness or injury for a single period of three months or more?"

Survey results:

Estimate	% of respondents said this
1 in 3 chance	6
The <u>right</u> answer → 1 in 5 chance	9 ✓
Less than 1 in 10 chance	9
Less than 1 in 20 chance	14
The majority said → Less than 1 in 50 chance	48 ✗
Don't know	14

There is a lot of misinformation about health issues, and the ramifications for our **income**. In another recent survey, 25% of employees said that they believed that they would receive a full year's salary from their employer if they became ill. **But most companies pay up to six months only.** The same survey showed that two out of three individuals do not know how much State benefits would pay, and two out of three people have **no income protection cover whatsoever.**

So what is Income Protection cover?

- ✓ It's a type of insurance policy that pays you a guaranteed monthly income for as long as you are unable to work due to sickness, disability or injury
- ✓ It effectively replaces your earnings potential during a time when you are too unwell to work
- ✓ It is designed to come into effect when your own earnings from employment or self-employment cease
- ✓ It cannot be cancelled by the insurer, once accepted, *except* in the case of non-disclosure when applying
- ✓ It does not replace any entitlement to State benefits
- ✓ The maximum benefit payable is 50-60% of your pre-disability earnings, depending upon the insurer

If you had a machine that, each and every week, printed sufficient money to live on, you'd insure it, wouldn't you? **You are that machine!**

Why not make sure you have absolutely the best solution to this vital area of planning, and call us on 01843 221449 for impartial and independent financial advice?

Lakin Clark Financial Planning Ltd

1 Union Crescent | Margate | Kent | CT9 1NR
Tel. 01843 221449 | Fax. 01843 224656 | Email. cjj@lakin-clark.co.uk