

Sleep easy remedy #1

Disability Income Insurance


Would you sleep easier knowing you could still be paid a regular income if you were unable to work?

How to contact Macquarie Life


Macquarie Life





Financial Advisers

 1800 005 057


Existing Clients


 Please talk to your financial adviser for any questions about your insurance cover with Macquarie Life.

 GPO Box 5216, Brisbane QLD 4001

 macquarielife.com.au

Claims

 Freecall 1800 208 130

 insuranceclaims@macquarie.com

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FORWARD thinking

It doesn't make any sense

The majority of Australians have no trouble insuring their home and contents from fire, theft and weather damage. It makes a lot of sense to take out insurance on your home. It's your biggest asset, right?

Wrong...

The average Australian could earn around two and a half million dollars¹ in their lifetime, much more than the value of the average home. And yet the majority of income earners don't insure their largest asset – their income earning capacity.

Even more surprisingly, many self-employed individuals have no Disability Income Insurance – even though it is tax deductible!

Why don't people take better care of their largest asset?

In its July 2005 survey IFSA found some common myths about Disability Income insurance:

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| Myth #1: <i>"I cannot afford it"</i> | 63% |
| Myth #2: <i>"It won't happen to me"</i> | 51% |
| Myth #3: <i>"It's a waste of money"</i> | 46% |

Some interesting facts

- A middle-income family could spend around \$530,000 raising two children from birth to age 21.²
- The average Australian mortgage is now worth \$345,000.³
- In 2005/6 more than 50,000 people were hospitalised due by transport accidents that forced them to spend more than five days in hospital.⁴
- Disability Income Insurance can cost less than \$3 a week, before tax.⁵

It's not just the bills

When it comes to protecting your income, it's easy to forget that you're protecting more than your ability to meet mortgage repayments and put food on the table. Your income isn't just about the bills – it's about your future – and how much you enjoy it.

Without a regular income how can you:

- Put money aside for your retirement?
- Send your children to the school of your choice?
- Travel?
- Take a chance on other careers or lifestyles?

What can you rely on?

It's no surprise that Australians are underinsured. Nobody wants to think about being injured or falling ill.

Government benefits, Workers Compensation and sick leave may help alleviate some of the burden of illness or injury, but they aren't designed to replace an income – and certainly not for long periods.

You could draw down your investments or sell off your home or assets; but is that really the best solution?

How can Disability Income Insurance help you take control of your future?

Disability Income can pay you up to 75% of your gross monthly salary, so you and your family will be taken care of financially and keep the focus where it needs to be – on recovery. At a time when finances are the last thing you should have to think about, Disability Income Insurance helps you get back on track.

Disability Income offers some other highly valuable features:

- Your premiums are generally tax deductible – making Disability Income Insurance dramatically cheaper.
- You can choose the waiting period that suits your needs. If you have money in the bank and manageable expenses you can reduce your premiums by choosing a long waiting period before benefit payments commence. However if you have large debts and couldn't easily cope with loss of income you can choose a shorter waiting period.
- You can choose a benefit period that suits your needs. You can cover your income right up till retirement age. Or only as long as you need to get past the years where you may accumulate the biggest debt.
- You can choose from a whole range of other benefit options, including the ability to increase your cover in line with inflation.

Since each of us face different risks it makes sense to ask your financial adviser to help you find the Disability Income policy that suits your specific needs. The right amount of Disability Income Insurance will give you peace of mind, and help you pass the sleep easy challenge!

¹ Based on full-time adult average weekly ordinary times earnings multiplied by 40 years of continuous employment [Earnings Source: Average Weekly Earnings, Australia, February 2009, ABS, Category number 6302]

² AMP.NATSEM Income and Wealth Report Issue 21 – December 2007

³ First Home Buyer Peak Over – But investors tip toe back, Australian Financial Group, Media Release, June 9, 2009

⁴ AIHW Injury Research and Statistics Series No. 42, 2005

⁵ Based on a Macquarie Life Disability Income Insurance policy of \$1250 monthly benefit, 2 year wait, to age 65 benefit, indemnity, occupation class 1, age 25