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Libertas
WEALTH MANAGEMENT

GUIDE TO

LIFE INSURANCE PROTECTION

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SUDDENLY WE'RE HAVING TO THINK ABOUT THINGS WE HAVEN'T THOUGHT ABOUT BEFORE – INCLUDING THE UNTHINKABLE

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GUIDE TO

LIFE INSURANCE PROTECTION

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The terrifying daily death tolls resulting from the coronavirus (COVID-19) pandemic outbreak may be causing many of us to think about our own mortality, particularly if we're responsible for a family or business loans. In our *Guide to Life Insurance Protection*, we consider how suddenly we're having to think about things we haven't thought about before – including the unthinkable.

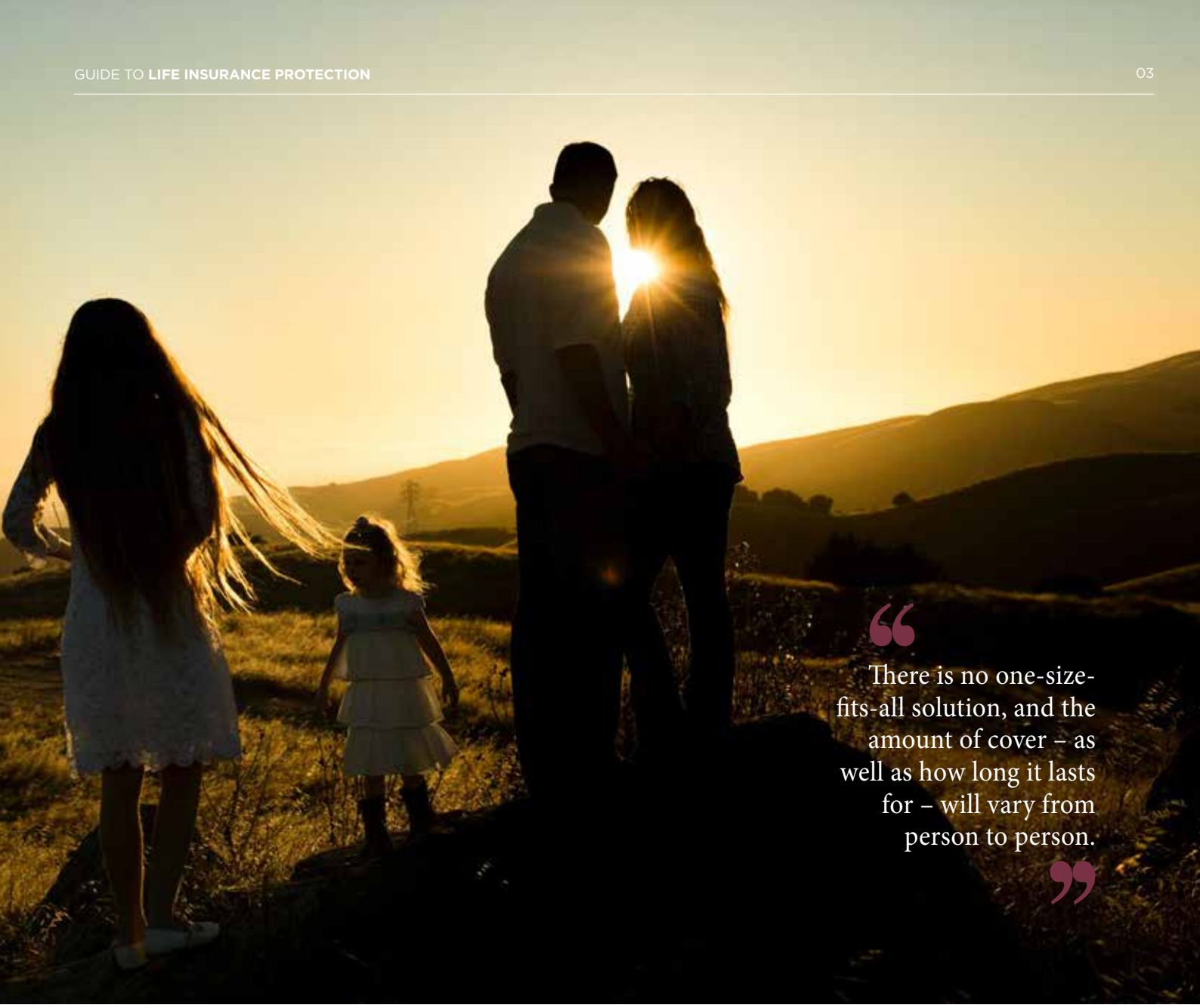
Understandably, we would rather not think of the time when we're no longer around, but this crisis has highlighted the importance to protect the things that really matter – like our loved ones, home, lifestyle and business – in case the unexpected happens.

The outbreak of the coronavirus may mean you have concerns about your life insurance (which is sometimes called 'life cover' or 'death cover') and whether you're covered. If you have life insurance to provide for those left behind or to cover business loans after your death, it's important to keep paying the premiums, even if you're tempted to put it on hold to cut costs. You could lose your cover and may struggle to find the same level of cover if you start another policy later on.

Projecting ourselves into the future to see what's around the next bend

For many of us, projecting ourselves into the future to see what's around the next bend is not an easy thing to do. However, without thinking, we insure our cars, homes and even our mobile phones – so it goes without saying that you should also be insured for your full replacement value to ensure that your loved ones and business are financially catered for in the event of your unexpected death. Making sure that you have the correct type and level of life insurance in place will help you to financially protect them.

Life insurance provides a safety net. Ultimately, it offers reassurance that your family and business would be protected financially should the worst happen. We never know what life has in store for us, as we've seen in recent weeks with the outbreak of COVID-19, so it's important to get the right life insurance policy. A good place to start is asking yourself three questions: What do I need to protect? How much cover do I need? How long will I need the cover for?



Supporting your family and business financially when you're no longer there for them – what questions you need to ask:

- Who are my financial dependents – my husband or wife, registered civil partner, children, brother, sister, or parents?
- What kind of financial support have I provided for my family?
- What kind of financial support will my family need in the future if I die prematurely?
- What kind of costs will need to be covered, such as household bills, living expenses, mortgage payments, educational costs, debts or loans, or funeral costs?
- What amount of outstanding business loans do I have now?

The correct level of life insurance will make sure they're taken care of financially

It may be the case that not everyone needs life insurance. However, if your spouse and children, partner, or other relatives or business depend on you to cover the mortgage, other living and lifestyle expenses, or business loans, then it will be something you should consider. Putting in place the correct level of life insurance will make sure they're taken care of financially.

That's why obtaining the right professional financial advice and knowing which products to choose – including the most suitable sum assured, premium, terms and payment provisions – is essential.

At different stages in your life, your need for protection will inevitably change

There is no one-size-fits-all solution, and the amount of cover – as well as how long it lasts for – will vary from person to person. Even if you consider that currently you have sufficient life insurance, you may probably need more later on if your circumstances change. If you don't update your policy as key events happen throughout your life, you may risk being seriously under-insured.

As you reach different stages in your life, the need for protection will inevitably change. How much life insurance you need really depends on your circumstances – for example, whether you've had a mortgage, you're single or have children, or you have business loans that you are liable to pay. ■

DON'T WAIT UNTIL THE CORONAVIRUS (COVID-19) CRISIS IS OVER TO GET INSURED

Everyone's circumstances are different, and not everyone needs life insurance. But in these uncertain times, we appreciate you may want to speak to someone about your life insurance and other family and business protection needs. To find out more, please contact us.

READY TO START A CONVERSATION?

COVID-19 (coronavirus) has had a devastating impact on people's lives. Whether it is your family, other loved ones or your business interests, we will make sure that the people and things that matter to you are taken care of.

If you would like to review your situation or discuss the options available, please contact us for further information – we look forward to hearing from you.

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