

A woman with curly hair is sitting on a light-colored sofa, reading a book. She is wearing a light blue long-sleeved top and has her left hand resting on the back of the sofa. A grey knitted blanket is draped over the sofa. The background shows a window with vertical blinds, letting in bright light.

bright grey®

**protecting**  
yourself and  
your property

a division of **Royal London**



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# getting your foot on the **property** ladder

**Buying a new home is exciting. It can also be stressful, time-consuming and very costly. And it's one of the biggest commitments you make in your lifetime.**

Property is expensive and cheap mortgage deals are increasingly hard to come by. So people are now struggling to get a foot on the property ladder more than ever. Buying a home can often involve borrowing from parents, sacrificing holidays or wiping out savings. There is rarely a financial cushion to fall back on. So **it makes sense** to protect your home and the standard of living you've worked so hard to achieve.

That's why having enough of the right protection insurance is so important for your financial and emotional peace of mind.

## £21,314

This is the average amount parents are giving their children to help them get on the property ladder<sup>1</sup>

#### Source

<sup>1</sup> Alliance & Leicester, 30 November 2007.

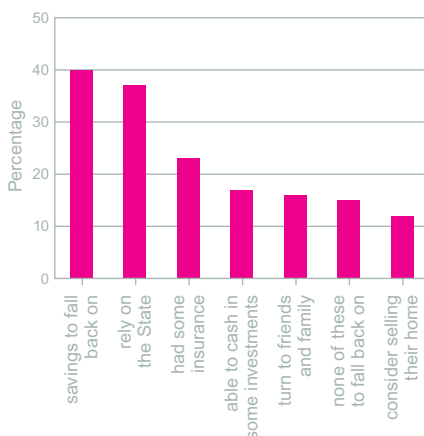
# protecting yourself and your property

**Buying a new home brings many financial commitments with it. Not only do you have to consider the mortgage repayments, you also have to pay council tax, regular bills and the upkeep and general maintenance on your new property. Quite a daunting thought?**

You may already have protected your property and your possessions by taking out building and contents insurance. But have you protected yourself? What would happen if you were to die prematurely or suffer a critical illness?

We asked nearly 2,000 people<sup>1</sup> who or what they would rely on if they were unable to work because of illness. Only 23% said they had some insurance. A staggering 37% said they would rely on the State and 12% said they would have to consider selling their home.

**Who or what would you rely on if you were unable to work because of illness?<sup>1</sup>**



## STATE BENEFITS

Could you rely on these State benefits alone if you became seriously ill and were unable to work?

State benefits	Money paid (weekly)	For how long
Statutory sick pay	£75.40 <sup>2</sup>	First 28 weeks
Incapacity benefit (short-term)	£75.40 <sup>3</sup>	28 to 52 weeks
Incapacity benefit (long-term)	£84.50 <sup>3</sup>	For 53 weeks onwards

For information on other State benefits visit [www.dwp.gov.uk/lifeevent/workage](http://www.dwp.gov.uk/lifeevent/workage)

### Source

<sup>1</sup> tickbox.net July 2006.

<sup>2</sup> [www.dwp.gov.uk/lifeevent/workage](http://www.dwp.gov.uk/lifeevent/workage) April 2008.

<sup>3</sup> [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk) April 2008.

# I already have **insurance** to protect me

**Most people buy life insurance to pay off their mortgage if they die prematurely. But is this really enough? If you were to become seriously ill tomorrow, what impact do you think that would have on your finances?**

For most of us surviving the illness and making a full recovery would be our top priority, but it can be **difficult to focus** on getting better if you're worrying about how to pay your mortgage or the next big bill that comes through the door. That's why having insurance in place in case you become seriously ill is important too.

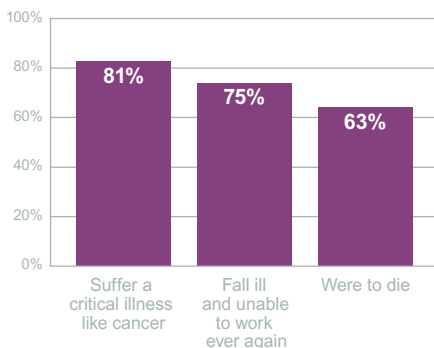
Statistics tell us that more people now survive serious illness for longer than before and that's great news, but the statistics don't tell us the whole story. The reality is that treatment can be extensive, sometimes over a number of years, during which time many people are unable to work.

In addition, many people never fully recover and as a result, they face a very different life and financial outlook from the one they had before their illness. For some it means taking a lower paid job or never working again.

If this were to happen to you, the house that seemed so safe might become unaffordable. Although we think and hope it will never happen to us, sometimes it does.

Only **28%** of people surveyed think they have enough insurance in place to cope if they or their partner suffered a critical illness and were off work for a prolonged period.<sup>1</sup>

**The number of 25-34 year olds who do not have enough insurance in place to cope financially in the following situations.<sup>1</sup>**



**Source**

<sup>1</sup> tickbox.net July 2006.

Many people tick the box for mortgage payment protection insurance (MPPI) on their mortgage application, believing that they will be fully covered if they fall ill or lose their job. But the truth is, this type of insurance is a basic protection policy with many limitations.

If you make a claim on this type of policy, your mortgage payments are typically only paid for 12 to 24 months at the most, and there is usually a 60-day waiting period before any payments are made. In the case of serious illness, this cover is unlikely to last long enough. And in addition, pre-existing medical conditions are not covered, so for many people MPPI simply isn't enough.

# I'm still **too young** to think about insurance

**You're never too young to protect yourself. Without adequate protection you could end up falling off the property ladder altogether, losing the independence that you've worked so hard to achieve.**

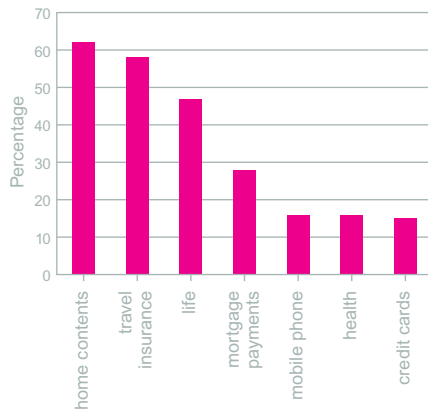
And while protection insurance can't stop the unthinkable from happening, it can make dealing with the consequences a little easier.

Even if you don't have dependents, you'll have financial commitments beyond the mortgage itself. And no matter how ill you are, these would still need to be paid. So it makes sense to protect yourself and your home in case things go wrong.

When we asked people in the 25-34 age group<sup>1</sup> what they insure, we were surprised to find that they place the same importance on their mobile phone as their health (getting a critical illness like cancer).

So how would you set your priorities?

## What the 25-34 age group insure<sup>1</sup>



**45%** of people in the UK do not have enough insurance in place if they suffer a critical illness or are unable to work again as a result of illness.<sup>1</sup> This rises to **50%** if we look at those in the 25-34 age group.<sup>1</sup> Yet leaving it until you're older just means it costs you more!

Insurers have to assess your health now, and in the future, while taking account of the risks your lifestyle and family history can add. Someone who is **young and healthy** with no family history of illness can expect to pay less for their protection insurance than someone who is older with some existing health problems.

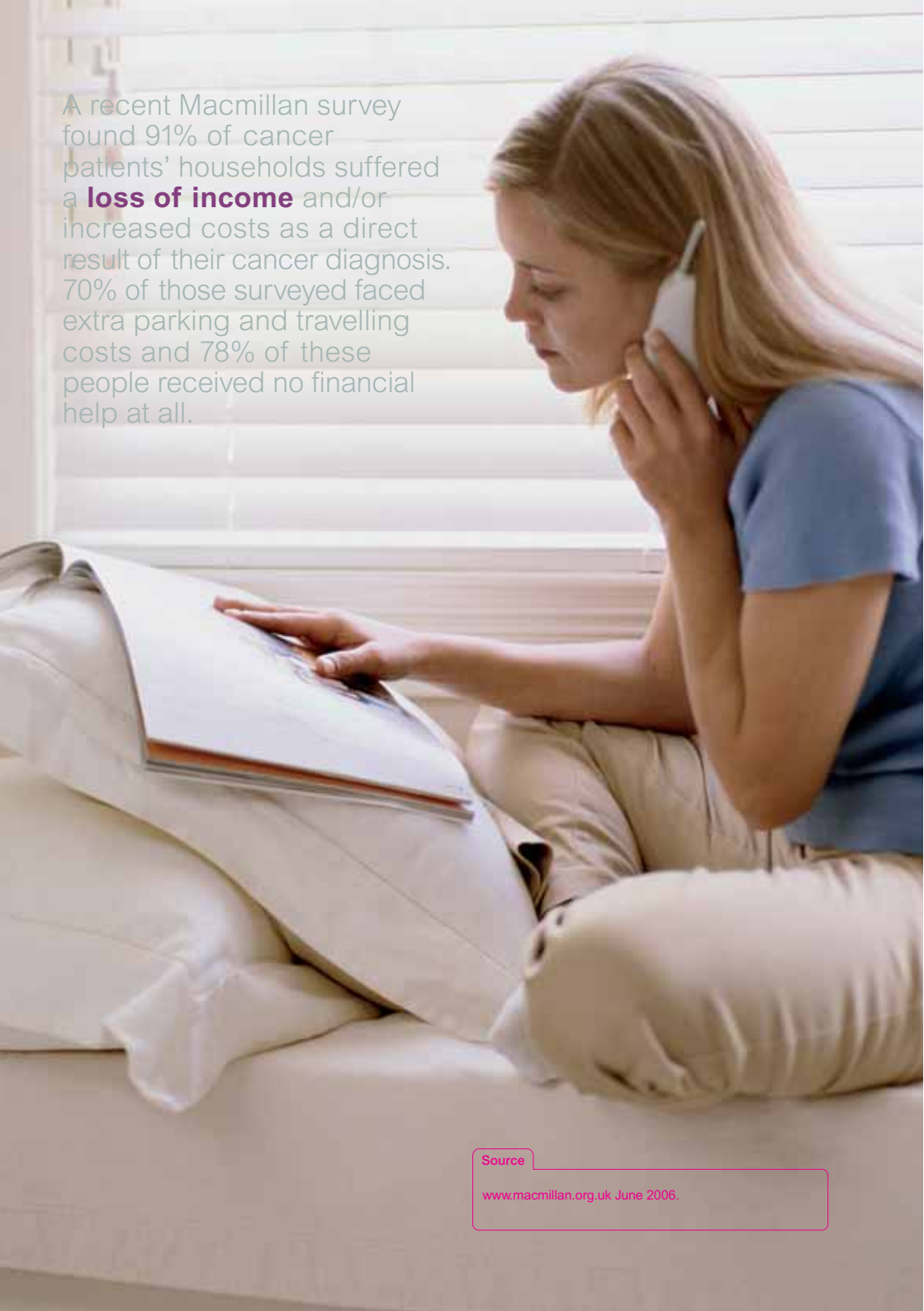
That's why it makes sense to take out protection now and to plan ahead.

If you take out a plan when you're 25, and you take it over a longer term, say to coincide with a 30 or 40-year mortgage, you could still be covered when you reach 55 or 65. You can even take out a plan with guaranteed payments, so you know exactly how much you will be paying for the next 30 years.

Can you afford to wait?

**Source**

<sup>1</sup> tickbox.net July 2006.

A woman with long blonde hair is sitting on a light-colored sofa. She is wearing a blue t-shirt and light-colored trousers. She is holding a white mobile phone to her ear with her left hand and looking down at an open book or magazine resting on her lap with her right hand. The background consists of white horizontal blinds, suggesting she is near a window. The overall lighting is soft and natural.

A recent Macmillan survey found 91% of cancer patients' households suffered a **loss of income** and/or increased costs as a direct result of their cancer diagnosis. 70% of those surveyed faced extra parking and travelling costs and 78% of these people received no financial help at all.

Source

[www.macmillan.org.uk](http://www.macmillan.org.uk) June 2006.

# but I can't **afford** protection – can I?

**Bright Grey offers a simple menu-based protection plan. This type of plan allows your adviser to tailor cover to meet your specific needs and often more importantly, your budget.**

With the Bright Grey Personal Protection Menu you can take out Critical Illness Cover on its own or you can combine it with Life Cover and/or income protection depending on what you need and what you can afford.

You can choose to have the plan paid out as an income or a lump sum. This will mean that if, for example, you were diagnosed with a critical illness you could pay:

- for immediate medical treatment
- ongoing bills and living expenses
- the additional costs you would face if you were ill, for example, prescription charges, alternative therapies, travel and parking fees
- other outstanding financial commitments or clear loans.

If you find you can't afford all the protection you need today, don't worry. Modern menu protection plans give you the flexibility to take out a small amount of cover now that you can build on in the future.

Protection insurance might never seem like a priority, especially when there are so many other, more exciting things we could be spending our money on. But just a little bit of protection is better than having none at all. And it might be the best thing you ever do.

# it's about **you**, not just your finances

**Protection insurance is traditionally there to help financially when the things we hope will never happen to us, do happen.**

Most providers will limit the help they give you to the cheque they send you when you make a claim. But if you've just been told you have a possibly life-changing illness, or you've lost someone you love, money alone is unlikely to give you all the help you need in those first few days and weeks.

Protection insurance from Bright Grey isn't just about the financial payout. For us, **treating you fairly**, supporting you when you make a claim and always doing our absolute best to help is just as important.

And because we're genuinely interested in your well-being we've included our unique Helping Hand service in every Bright Grey plan at no extra cost. This service offers you and your family a range of support that you can call on when you most need it.

You can find out more about Bright Grey and the support you can expect from our Helping Hand service on our website. Visit us at **[www.brightgrey.com](http://www.brightgrey.com)**



### Helping Hand support services:

- Emotional and practical support from a qualified nurse if you make a claim.
- Emotional and practical support from a qualified nurse if your spouse, partner or child dies; becomes critically or terminally ill; or is unable to work due to long-term sickness or injury.
- Medical, legal, career and personal helplines that you and your family can use throughout the term of your plan.
- Discounts and deals to encourage a healthy lifestyle are available to you and your family as soon as your plan starts.

# as an adviser, I can **help** you make the right choice

**With so many plans to choose from how do you make the right choice? Critical illness cover, income protection and mortgage payment protection insurance are just some of the options available.**

I can explain the difference between them. Tell you which is cheaper. And what's best value.

Many people are attracted to mortgage payment protection because the application process is simple – you only have to tick the box on your mortgage application.

But it's only easy because underwriting takes place when you make a claim rather than when you apply. This can cause problems as many people won't know until they claim whether they will be eligible for a payout. And they often don't know that any pre-existing medical conditions weren't covered under the terms of the plan.

Critical illness cover provides financial protection for you and your family should you become critically ill with one of a list of defined illnesses.

And income protection can provide you with a monthly income if you become ill with an illness that may not be 'critical' but is severe enough to stop you from going to work.

Bright Grey's Personal Protection Menu offers both of these covers and more. I **can help you** make the choice that's right for you.



Contact your adviser for more information

## help

As an adviser, I can make sure you get the protection to suit you and your budget.

# clear and simple thinking from Bright Grey

Bright Grey is a division of the Royal London Group which consists of The Royal London Mutual Insurance Society Ltd and its subsidiaries. The Royal London Mutual Insurance Society Ltd provides life and pension products, is a member of the Association of British Insurers, is authorised and regulated by the Financial Services Authority No.117672 and is registered in England and Wales No.99064. The registered office is 55 Gracechurch Street, London, EC3V 0RL. Bright Grey is a member of IFA Promotion Ltd.