

bright grey®

protecting
yourself and
your property

a division of **Royal London**



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moving into your **new home** is exciting

Buying a new property and moving into your new home is an exciting time. But it can also be stressful and time-consuming, as there are lots of unexciting things that you need to deal with at the same time.

As you move up the property ladder your mortgage is probably taking a bigger slice of your income - particularly in today's economic climate, where cheap mortgage deals are much harder to come by.

So, **what if something happens** to you? Will you and your family be able to cope financially and keep paying the mortgage? Most people wouldn't be able to without the help of insurance.

Protection insurance helps you make sure that you and your family can keep your home and maintain your standard of living, even if things go wrong. And protecting what you have seems even more vital in the current economic climate. After all, you don't want to risk losing everything you've worked so hard to achieve.

We know that financial protection isn't the most exciting thing in the world to be thinking about, but it would give you valuable peace of mind.

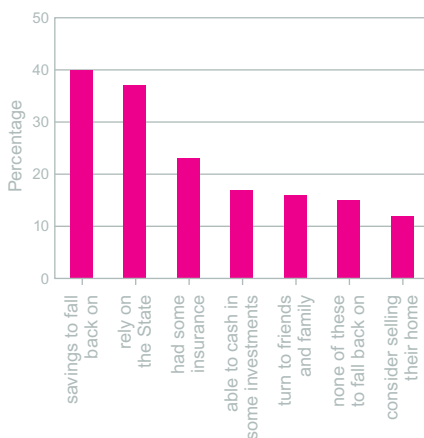
protecting yourself and your property

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 people¹ 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?¹



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 ²	First 28 weeks
Incapacity benefit (short-term)	£75.40 ³	28 to 52 weeks
Incapacity benefit (long-term)	£84.50 ³	From week 53 onwards

For information on other State benefits visit www.dwp.gov.uk/lifeevent/workage

Sources

¹ Tickbox.net July 2006.

² www.dwp.gov.uk/lifeevent/workage, April 2008.

³ www.jobcentreplus.gov.uk, April 2008.

I already have **insurance** to protect me

Many 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.

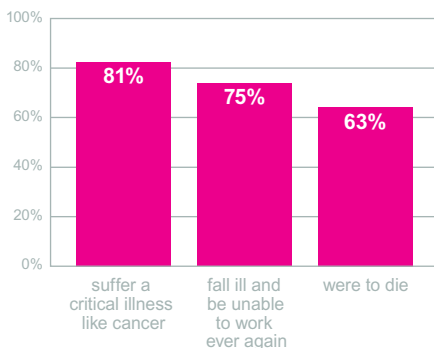
Statistics tell us that more people now survive serious illness for longer than before and that's great news, but the statistics don't tell us the whole story. The reality is that treatment can be extensive, sometimes over a number of years, during which time many people are unable to work.

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.¹

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



Source

¹ 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, which means if something happens in this time your claim won't be paid. In the case of serious illness, this cover is unlikely to last long enough. And in addition, pre-existing medical conditions are not usually covered, so for many people MPPI simply isn't enough.

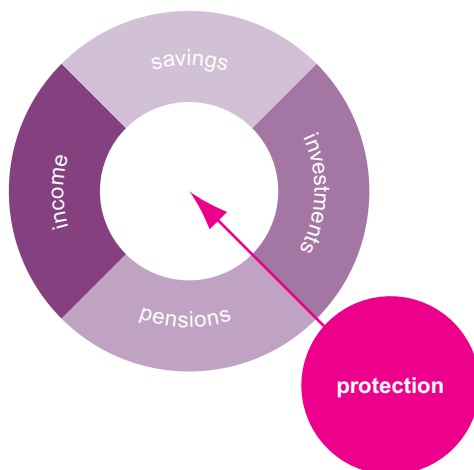
insurance isn't a **priority** for me

When buying a new home it's understandable that the priority is getting the mortgage in place. This could explain why so few people have enough of the right type of protection insurance.

Protection insurance can't stop the unthinkable from happening but it can make dealing with the consequences a little easier. Even if you don't have dependants, it still makes sense to protect yourself in case things go wrong. You'll have financial commitments beyond the mortgage itself. And no matter how ill you are, these would still need to be paid.

Without adequate protection you could **end up risking everything** you've worked so hard to achieve. If you were unable to work due to illness or injury, there would be no income to pay your mortgage and no income to pay further pension contributions. And although you may think you have sufficient savings and investments to rely on, they are likely to run out quicker than you would expect.

Is there a hole in your financial planning?

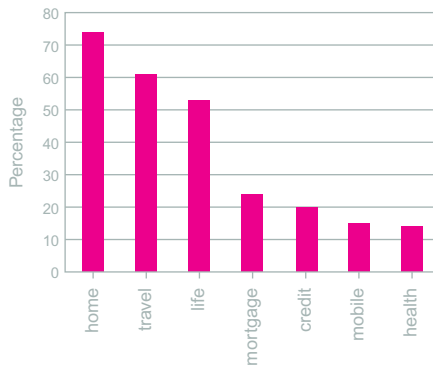


47% of people in the UK do not have life cover in place. But a more worrying statistic is that **86%** of those surveyed do not have enough insurance to protect themselves if they were to suffer a critical illness or be unable to work again as a result of illness.¹

When we asked people what they insure, we were surprised to find that 47% of those surveyed do not have life cover. And even more surprised to discover that they place more importance on insuring their mobile phone than their health (like getting a critical illness e.g. cancer).

You might not think that buying protection insurance is a priority right now, but none of us knows what's just around the corner – so it makes sense to plan ahead.

What people insure.¹



Source

¹ Tickbox.net July 2006.



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.

Source

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 Life Cover on its own, Critical Illness Cover on its own or you can combine either of those with different amounts, terms and options **to suit your mortgage** and lifestyle. You can also add income protection depending on what you need and what you can afford.

You can choose to have the cover paid out as an income or a lump sum, or even a combination of both. With this cover in place if 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**



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? Life Cover on its own, Life Cover with Payment Cover for Sickness and Life or Critical Illness Cover – are just some of the options available.

I can explain the difference between them. I can recommend the right type of life cover for your mortgage – and more importantly, I can recommend the right type of cover to protect you and your family.

So whether you need Life Cover over a decreasing term with mortgage guarantee or affordable Critical Illness Cover, I will design the solution that meets your needs and your budget.

The Bright Grey Personal Protection Menu offers a comprehensive range of covers. The 'menu' allows you to mix and match up to 10 covers within the same plan – for different amounts and over different terms. And regardless of the number of covers you choose, you only fill in one application form, pay one plan fee and set up one direct debit. **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

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