

Is Your Lifestyle Covered?



Newsletter

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Insurance policies which cover your income are an important part of your insurance needs. In this tough economic climate and with unemployment on the rise protecting your monthly income should not be overlooked.

Insurance policies such as Income protection insurance (IP), mortgage payment protection (MPPI) and accident/sickness/unemployment cover (ASU) are essentially policies that aim to provide a monthly income to an individual who is unable to work due to sickness, an accident or redundancy. Think about how you would cover your mortgage and other monthly bills in the event of being unable to work. Many people assume their employers or state benefits would cover their income should they fall ill. Employers are only legally required to cover sick payments as part of the statutory requirements for 28 weeks and many employers will only offer the full salary cover for limited time. Consider what would happen if you were unable to work for a longer than a few weeks.

There are many different types of policies available. An Income Protection policy pays you a regular income, for a designated term, should you suffer from illness or accidental injury and you are unable to work and lose income, in addition you can include protection in case of redundancy which will pay out for a shorter term. An ASU/MPPI policy pays out for a shorter term, maximum one or two years, in the event of accident/sickness or unemployment.

MPPI policies can provide cover equal to your mortgage payments plus an additional percentage for associated household bills/costs, whereas ASU can cover a percentage of your income. Payment Protection policies, such as ASU & MPPI have received negative press over the past 16 months and millions have been claimed back in miss-selling claims. However the market has moved on with innovations in the products now available.

There are many considerations to be taken into account when looking at any insurance policy, thankfully here at The Mortgage Store, we are able to provide a full advice service and guide you through all the various options associated with these products, such as selecting the most suitable products to meet your needs, and choosing the correct level of cover. We can work with you to provide a solution to meet your needs as closely as possible and still remain in budget. You may already have policies in place that you think adequately cover you so why not review these with us to ensure they still meet your needs?



Remember, Insurance can be relatively low cost and we can work closely with you to provide a solution.

Payment protection insurance is optional. There are other providers of Payment Protection Insurance and other products designed to protect you against the loss of income. For impartial information about insurance, please visit the website at www.moneyadvice.service.org.uk/.

For further details or to arrange an interview please contact:

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