When planning for your future, it’s important to consider how you or your dependents would cope financially if you were unable to work because you were seriously injured or sick. Finding yourself in these circumstances is emotionally demanding, and the last things you want to think about are the mortgage repayments and your ongoing expenses.

We all take our health for granted and rarely think that anything bad could happen to us. But did you know for instance, it was estimated in 2012 that one in three males and one in four females would be diagnosed with cancer by age 75.1

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Planning ahead is something many of us overlook and there are many reasons why. Some of us think insurance is too expensive, yet it’s important to think how long you could maintain your current lifestyle if you needed to take an extended period away from work. While we can’t control everything in our lives, there are some things we can attempt to prepare for.

Because our needs are different, we have a range of personal insurance products to protect you and your family’s financial situation and everything you have worked hard for.

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Working out the right cover for you

A close look at the types of personal insurance can help determine what types of cover are right for you. Here’s some general information:

<table>
<thead>
<tr>
<th>Type of cover</th>
<th>What is it?</th>
<th>Why would I need it?</th>
<th>Who should consider it?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income protection</td>
<td>It pays a monthly benefit (generally up to 75% of your regular income for an agreed period) while you are too sick or injured to go to work.</td>
<td>For peace of mind that you will be able to help sustain your lifestyle and pay your bills if you’re unable to work. It could be as simple as breaking your arm and not being able to work for two months.</td>
<td>Anyone working full or part-time.</td>
</tr>
<tr>
<td>Trauma</td>
<td>Trauma protection pays an agreed lump sum if you suffer a serious illness or injury that is covered in your plan (eg a heart attack).</td>
<td>Faced with such a condition or illness, your primary focus would be on your recovery. Having trauma protection can help relieve your financial worries to allow you to concentrate on getting well again.</td>
<td>Whether you are working or not, you should consider trauma protection. The lump sum benefit paid can be used to meet unforeseen expenses allowing you to concentrate on getting well again.</td>
</tr>
<tr>
<td>Total and Permanent Disablement (TPD)</td>
<td>A lump sum is paid if you are unable to work again due to a total and permanent disability.</td>
<td>A huge emotional strain is placed on a family to provide support to someone who may never be able to work again. TPD can help cover expenses such as recovery and rehabilitation, carers’ fees, or allowing a family member to reduce their work hours to care for you.</td>
<td>Anyone working full or part-time or engaged in home duties. In 2009, just under one in five Australians had a reported disability, and 87% of them had a specific limitation or restriction (an impairment restricting their ability to perform communication, mobility or self-care activities, or a restriction associated with schooling or employment) If you were to be left with a permanently disabling condition, how would you remain financially secure?</td>
</tr>
<tr>
<td>Death</td>
<td>A lump sum is paid if the insured person becomes terminally ill or dies.</td>
<td>In the event of your death, who would provide for your family? You may need to consider an amount sufficient to pay off your debts and provide your family with an income to continue living.</td>
<td>Generally, anyone with a mortgage or other debt, which would need to be met by your immediate or extended family. Death cover can help to protect your family against financial hardship.</td>
</tr>
</tbody>
</table>

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(i) Australian Bureau of Statistics (2009), Disability, Ageing and Carers, Australia: Summary of Findings, 2009 (4430.0).
Ready to take the next step?

Insuring yourself isn’t necessarily as expensive as you think, depending on the type of insurance and the amount of cover you choose, and your personal situation. For example, Life and TPD cover for a 35-year-old male (non-smoker) would cost about $40 per month.1

You can also consider cover through your superannuation account. Acquiring insurance this way means that your premiums are deducted from your super account balance, rather than you paying it from your salary. This reduces the so-called ‘hip pocket effect’ and means that you’ll be able to free up your cash for other things. Check your annual statement from your super fund to see what types of insurance you have and the level of cover, and speak to your financial planner or use our calculators to see if what you have is right for you.

Tip:
Go to amp.com.au/howmuch to use our simple Life insurance calculator to see what level of cover may be suitable for you and get an idea of how much your monthly premium may be.

Talk to your financial planner

You may have a number of questions about the types of insurance cover, the amount you need for your circumstances and how much it will cost. Your financial planner can help you answer these questions and talk to you about the best insurance plan for your needs.

Take the next step today by:
- Talking to your financial planner
- Visiting amp.com.au/insurance to view a range of educational materials, including videos, flyers and calculators, which can help explain the types of insurance and show what may be an ideal level of cover for you.
- Calling us on 137 292, Monday to Friday 8.30am to 7.00pm (AEST).

1 Stated premium amount is based on first year stepped premium AMP Elevate insurance for a male aged 36 next birthday, non-smoker, NSW resident, with $500,000 Life cover and $250,000 TPD (any occupation).

What you need to know

Any advice in this brochure is general in nature and is provided by AMP Life Limited ABN 84 079 300 379 (AMP Life). The advice does not take into account your personal objectives, financial situation or needs and does not contain all the terms and conditions relating to the cover and benefits described. Therefore, before acting on the advice, you should consider the appropriateness of the advice, having regard to those matters. Before making a decision about the product you should consider the relevant product disclosure statement available from AMP at amp.com.au or by calling 137 292. AMP Life is part of the AMP group and can be contacted on 137 292 or polinfo@amp.com.au. If you decide to purchase or vary a financial product, AMP Life and/or other companies within the AMP group will receive fees and other benefits, which will be a dollar amount or a percentage of either the premium you pay or the value of your investments. You can ask us for more details.