



# Life Insurance & Income Protection

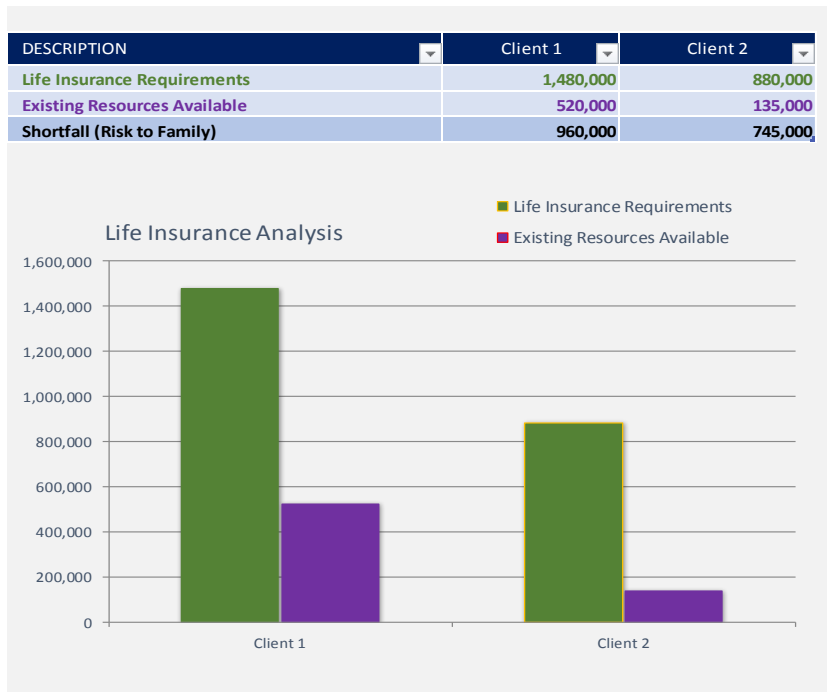


## Insurance Gap Analysis (Life)

Below is an example of our Life Insurance Gap Analysis tool in determining the appropriate amount of cover. We ensure not only the outstanding debts and funeral cost are covered, but also the replacement of income should your partner pass away. This is a critical capital lump sum that will enable your surviving spouse to sufficient access to income/funds to support the ongoing lifestyle and education cost for your family. In this particular example, it is clear that this family is underinsured and we use this insurance gap analysis for Life, TPD, Trauma and Income Protection Insurance.

### Insurance Gap Analysis Life Insurance

January 2014



DESCRIPTION	Client 1	Client 2
<b>CAPITAL AMOUNT</b>		
Clear Mortgage	400,000	400,000
Estimated Funeral Cost	10,000	10,000
Clear Other Debts	20,000	20,000
<b>Total Capital Amount</b>	<b>430,000</b>	<b>430,000</b>
<b>FUNDING LIFESTYLE AND EDUCATION</b>		
How much to cover lifestyle expenses per year	65,000	25,000
How much to cover education for children	5,000	5,000
How many years to fund income	15	15
<b>Total Funding Lifestyle and Education</b>	<b>1,050,000</b>	<b>450,000</b>
<b>TOTAL COVER REQUIREMENTS</b>	<b>1,480,000</b>	<b>880,000</b>
<b>Existing Resources</b>		
Existing Life Insurance	450,000	100,000
Superannuation	70,000	35,000
Other Liquid Funds	-	-
<b>Total Existing Resources</b>	<b>520,000</b>	<b>135,000</b>

# Insurance Gap Analysis (TPD)

Below is an example of our TPD Insurance Gap Analysis tool in determining the appropriate amount of cover. Following from the example above, this particular clients requirements for TPD is less than Life Insurance, however there is still a shortfall of cover requirements.

## Insurance Gap Analysis

# Total Permanent Disability (TPD) Insurance

January 2014

DESCRIPTION	Client 1	Client 2
<b>TPD Requirements</b>	<b>710,000</b>	<b>560,000</b>
<b>Existing Resources Available</b>	<b>270,000</b>	<b>135,000</b>
<b>Shortfall (Risk to Family)</b>	<b>440,000</b>	<b>425,000</b>

DESCRIPTION	Client 1	Client 2
<b>CAPITAL AMOUNT</b>		
Clear Mortgage	400,000	400,000
Clear Other Debts	10,000	10,000
<b>Total Capital Amount</b>	<b>410,000</b>	<b>410,000</b>
<b>FUNDING LIFESTYLE AND EDUCATION</b>		
How much to cover lifestyle expenses per year	65,000	25,000
How much to cover education for children	5,000	5,000
Less Annual Income Protection Cover	50,000	20,000
Multiplier Number (years for cover)	15	15
<b>Total Funding Lifestyle and Education</b>	<b>300,000</b>	<b>150,000</b>
<b>TOTAL COVER REQUIREMENTS</b>	<b>710,000</b>	<b>560,000</b>

Existing Resources	Client 1	Client 2
Existing TPD Insurance	200,000	100,000
Superannuation	70,000	35,000
Other Liquid Funds	-	-
<b>Total Existing Resources</b>	<b>270,000</b>	<b>135,000</b>

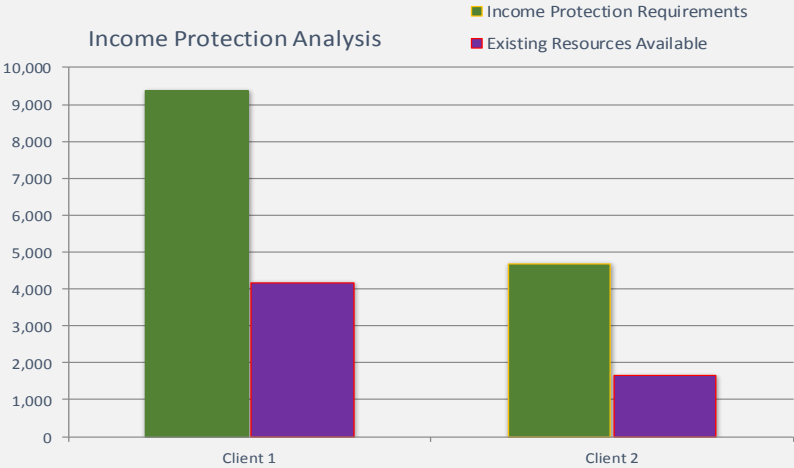
# Insurance Gap Analysis (Income Protection)

Below is an example of our Income Protection Insurance Gap Analysis tool in determining the appropriate amount of cover. Following from our example, these particular clients do have some income protection cover in place, however, both clients have the ability to protect 75% of their income to assist their ongoing lifestyle and financial costs. Our analysis indicates there is a shortfall and a potential risk to their family should they suffer a serious sickness, illness or injury and prohibits them from working.

## Insurance Gap Analysis Income Protection

January 2014

DESCRIPTION	Client 1	Client 2
Income Protection Requirements	9,375	4,688
Existing Resources Available	4,166	1,666
<b>Shortfall (Risk to Family)</b>	<b>5,209</b>	<b>3,022</b>



DESCRIPTION	Client 1	Client 2
<b>INCOME</b>		
Current Salary	150,000	75,000
% Protection of Income Protection - max 75%	75%	75%
Annual Income Protection	112,500	56,250
<b>Monthly Income Protection Requirement</b>	<b>9,375</b>	<b>4,688</b>
<b>TOTAL COVER REQUIREMENTS</b>	<b>9,375</b>	<b>4,688</b>

Existing Resources	Client 1	Client 2
Existing Insurance Cover Monthly	4,166	1,666
<b>Total Existing Resources</b>	<b>4,166</b>	<b>1,666</b>



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