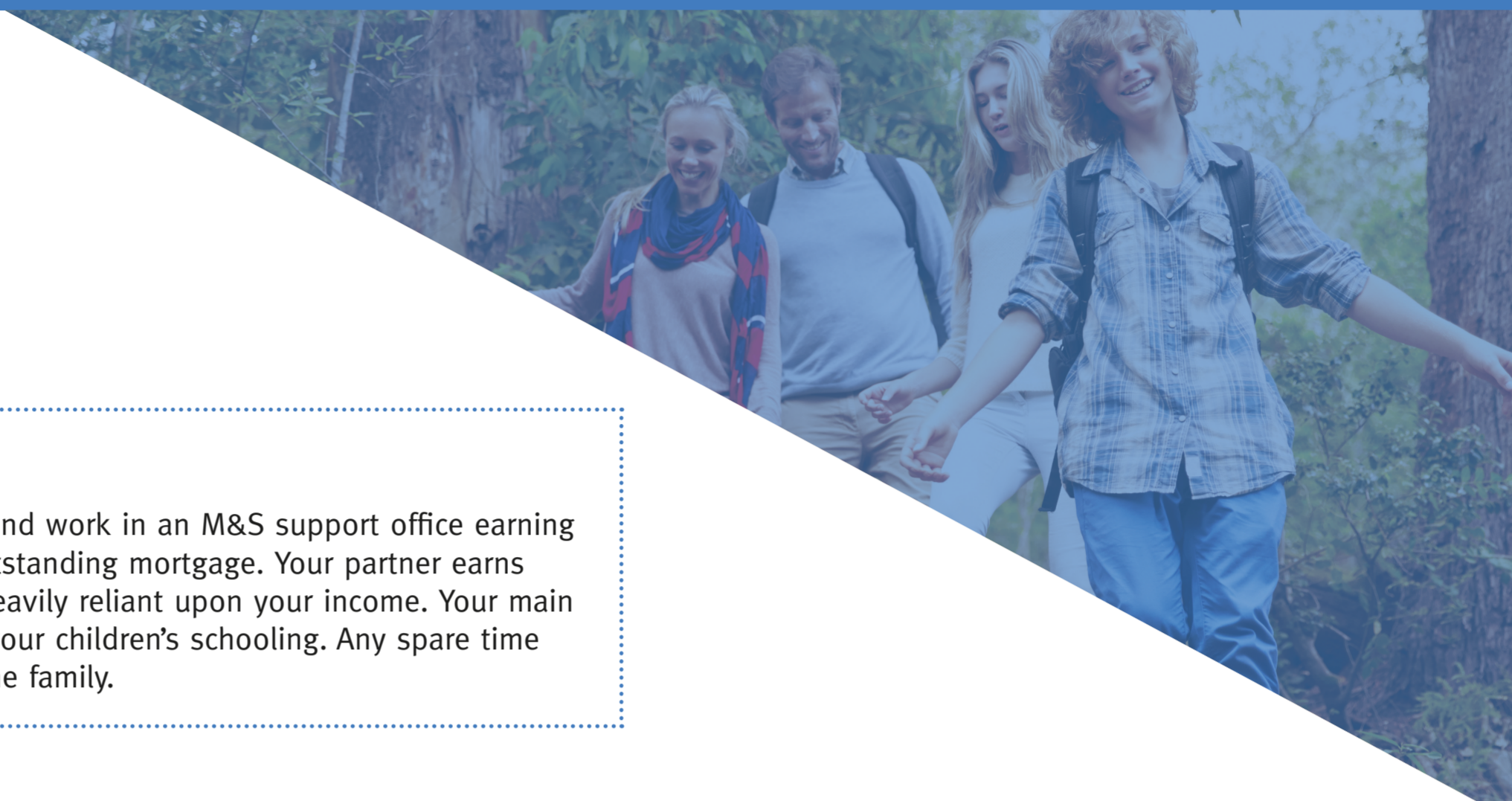




case study 2: family life.



Your situation

You are 40, married with two teenage children and work in an M&S support office earning £35,000 a year. You own your home with an outstanding mortgage. Your partner earns £5,000 working part time and your family are heavily reliant upon your income. Your main expenses are household bills, the family car & your children's schooling. Any spare time or money you do have is spent traveling with the family.

 Your potential risks	 Your potential solutions
You die unexpectedly Would your family be able to pay the mortgage and other regular bills?	Life insurance This can either provide an income or lump sum if you die - <i>Learn more in Chapter 1</i>
Both you and your partner die unexpectedly Who would care for your children?	Wills & inheritance Wills can set out who will take care and responsibility for your children - <i>Learn more in Chapter 1</i>
You fall ill and are unable to work How would the family cope without your salary? Have you got an emergency fund?	Protection against loss of income There are various insurances that can replace some of your income if you are ill or unable to work - <i>Learn more in Chapter 2</i>
The family home burns down Can you still pay your mortgage if you have to pay for temporary accommodation? Could you afford to rebuild the house or furnish your home again?	Home insurance This can cover the cost of rebuilding a home or replace contents if they are damaged - <i>Learn more in Chapter 3</i>
You are injured whilst on holiday Could you pay for medical treatment? What would happen if you were unable to travel back when expected?	Travel insurance This can protect you from unexpected costs of accident and illness whilst abroad - <i>Learn more in Chapter 3</i>
Your car is written off in an accident Can you afford to replace your car? Could the children get to school? What is the excess on your car insurance?	Car insurance This can protect you in the event of a car accident - <i>Learn more in Chapter 3</i>



Benefits of insurance

Whilst you always hope that you don't find yourself in a situation where something bad has happened, insurance can protect against the financial impact should things go wrong. Insurance also provides peace of mind, giving you the comfort of knowing that should the worst happen, you are better positioned to deal with it.



Always remember

When deciding how much insurance to take out, remember to allow for money you have already saved for emergencies. You may use your emergency fund to assist you when things go wrong so think about how much excess you can afford as well as the impact of not having any insurance at all.

The information in this document is not intended to be used for financial planning and does not constitute personal advice.