

# case study 3: later life.



## Your situation

You are part of a married couple who both work for M&S earning a total of £45,000 between you. You are coming close to State Pension age and have grown up children who have left home. You have a low mortgage balance remaining and have spent the last few years saving as much into your pension as possible and would like to celebrate retiring with an 'around the world' holiday.

 <b>Your potential risks</b>	 <b>Your potential solutions</b>
<p><b>You and your partner die without a will</b>                      How would your possessions be divided up?                      Have you and your partner thought about your estate?                      Do you have any outstanding debt that would need to be paid?</p>	<p><b>Wills &amp; inheritance</b> Wills can set out how you want your possessions to be divided when you die and life insurance can either provide an income or lump sum if you die - <i>Learn more in Chapter 1</i></p>
<p><b>Your home is damaged in a flood</b>                      Have you got money to pay for repairs or to replace possessions?</p>	<p><b>Home insurance</b> This can cover the cost of rebuilding a home or replace contents if they are damaged – <i>Learn more in Chapter 3</i></p>
<p><b>You fall seriously ill whilst on holiday?</b>                      Do you have any existing medical conditions?                      Would you need to pay for medical treatment?                      What would happen if you were unable to travel back when expected?</p>	<p><b>Travel insurance</b> This can protect you from unexpected costs of accident and illness whilst abroad – <i>Learn more in Chapter 3</i></p>
<p><b>You become unwell and are unable to manage your own finances</b>                      Who would make your decisions for you?                      Have you got a power of attorney in place?                      How would you pay for your funeral?</p>	<p><b>Later life planning</b> A power of attorney can help you deal with financial or health related issues when you're no longer able to make those decisions on your own. You may also want to plan and pay for your funeral - <i>Learn more in Chapter 4</i></p>

## 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.