

case study 1: starting out in life.

Starting out in life



Your situation

You are 23 years old, single and an M&S store colleague. You earn £20,000 a year. You currently live in a house share and spend your weekends meeting up with friends. Your main outgoings are socialising, travel costs and buying the latest tech. You save your spare cash to pay for your annual snowboarding holiday.



Your potential risks



Your potential solutions

You are unable to work due to injury

How would you pay your rent and bills?
Would you have to sacrifice your socialising?

Protection against loss of income There are various insurances that can replace some of your income if you are ill or unable to work
– *Learn more in Chapter 2*

You are in a car accident which is your fault

Would you be able to repair or replace your car?
What are the potential costs?

Car insurance This can protect you in the event of a car accident
– *Learn more in Chapter 3*

You are injured 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 – *Learn more in Chapter 3*

You lose your expensive mobile phone

How much would it cost to replace?
Would your home insurance cover this?
Did you take insurance with the phone or separately?

Home contents personal possessions insurance

This may protect your tech when outside the home
– *Learn more in Chapter 3*

Tech insurance This can protect your high value personal possessions wherever you may be - *Learn more in Chapter 3*

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.

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