

# How to maintain your lifestyle in uncertain times.

A Guide to Income Protection



helpucover.co.uk

Fills the gaps other insurance leaves behind

We all like to think we've got it covered if the unexpected happens. Then we get a nasty surprise when we find out – usually too late - we hadn't thought about **the gaps** in our safety net.

Recent newsworthy events have proven without doubt that the old adage *'it can't happen to me'* has never been so wrong.

What would happen if you lost your job, become seriously ill or had an accident that prevented you from earning a living? How would you pay everyday household bills - energy, petrol, food and more? With difficulty is the most probable answer!

**Income Protection (IP)** could help ease the burden of covering your day to day living.

This simple guide sets out to explain why IP might be the answer for you.

### IN THIS GUIDE:

- 3 Why you may need Income Protection Insurance

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- 4 Your questions answered

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- 6 How much does IP cost?

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- 8 Protect your income with [helpucover.co.uk](http://helpucover.co.uk)

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- 9 Additional benefits of Income Protection from [helpucover.co.uk](http://helpucover.co.uk)

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- 10 Other products available from [helpucover.co.uk](http://helpucover.co.uk)

# Why you may need Income Protection

Some people believe they don't need Income Protection. Maybe they're right.

But how would you pay your essential household bills if you lost your job, fell seriously ill or had an accident? What redundancy pay would you receive?

And if you're self-employed it's worse because you'll receive NO statutory sick pay benefits from an employer. How would you pay the bills if you were unable to work?

Many people think the Government will help out if they are in financial difficulty. Not necessarily so!

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Here are the facts:

**NO** **Assistance** at all if your 'means tested' savings exceed £16,000

**NO** **Assistance** at all if your partner works for more than 24 hours a week

**AND** Typical state disability benefit for a single person is often less than £65 per week. Source: [www.direct.gov.uk](http://www.direct.gov.uk). September 2008

**AND** The average savings will only support regular monthly expenditure for 52 days. Source: [Money-watch.co.uk](http://Money-watch.co.uk). July 2008.

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## The 'it can't happen to me' fallacy

Most people think that the unexpected always happens to someone else. Did you know the unexpected is happening to ordinary people each and every day?

Between September and December 2008, 146,000 people in the UK became unemployed – that's around **1,600** each day.

Source: Office of National Statistics. February 2009

Someone has a heart attack every 6 minutes in the UK. That's around **87,000** people a year.

Source: British Heart Foundation. February 2009

The average period of an unemployment claim is **167** days - that's around 5 months.

Source: ABI February 2009

## Q. What is Income Protection?

Quite simply, Income Protection (IP) pays you a monthly benefit (a sum of money) to cover the cost of your usual monthly outgoings.

The benefit is normally paid for up to twelve months if you are unable to work because you are ill, have an accident or if you are made redundant.

## Q. What types of IP are there?

There are a number of different IP products you can choose from. Variations usually relate to the time you would wait before policy benefits are paid to you - known as the 'wait' period.

Your choice of 'wait' period will also have a bearing on the monthly premium you pay. The longer the 'wait' period, the less expensive the premium. The shorter the 'wait' period, the more expensive the premium.

All policies will have a 'wait' period during which you must be continuously ill or unemployed before any benefit is paid. For most policies, this is 30 days.

### The most popular IP products are:

Type of product	When benefits will be paid
Back to day 1	Benefits received from day 31 of your illness or redundancy, but backdated to day 1 of your claim
30 day wait period	From day 31 of your illness or redundancy
60 day wait period	From day 61 of your illness or redundancy
90 day wait period	From day 91 of your illness or redundancy
180 day wait period	From day 181 of your illness or redundancy

For unemployment cover there is usually an initial exclusion period at the start of the policy before you can claim, during which you must be continuously employed.

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### Q. What other factors should you consider?

It is important to consider exactly what type of cover you need when deciding which IP product is most suitable for your needs. Here are some things you should consider:

**What** contractual sickness benefit would you receive from your employer and how long would the benefit be paid for?

**If** you have savings, how long would they last if you lost your main source of income?

**How** easy would it be for you to find alternative employment at an acceptable salary?

**Are** your skills in demand? How long could you afford to keep searching for the right job?

**How** is the economy affecting your employment prospects?

**If** you have a pre-existing medical condition, it may not be covered by an IP policy.

### Q. When are IP benefits payable?

After the relevant wait period, the benefits will become payable and you will start to receive monthly payments - if your claim is accepted.

### Q. Does IP affect my claims on any other benefits?

No. You will continue to receive benefits such as Statutory Sick Pay.

### Q. Does IP answer all of my household protection requirements?

No. It's important to view IP as an invaluable **part** in your personal protection portfolio.

## How much does IP cost?

### It may not be as much as you think!

The 'credit crunch' and wider global financial uncertainty has received wide coverage in the press. As a consequence, you may well be thinking about cutting back on certain items to reduce your total household monthly spend.

Saving some money makes sense, particularly if it puts you in a more positive frame of mind.

At the same time, even greater peace of mind would come with the realisation that you can maintain your lifestyle, as your income will be protected.

Between 60 and 70% of all household monthly expenditure is for general living costs. The costs of providing cover for this can vary depending on where you buy your cover from:

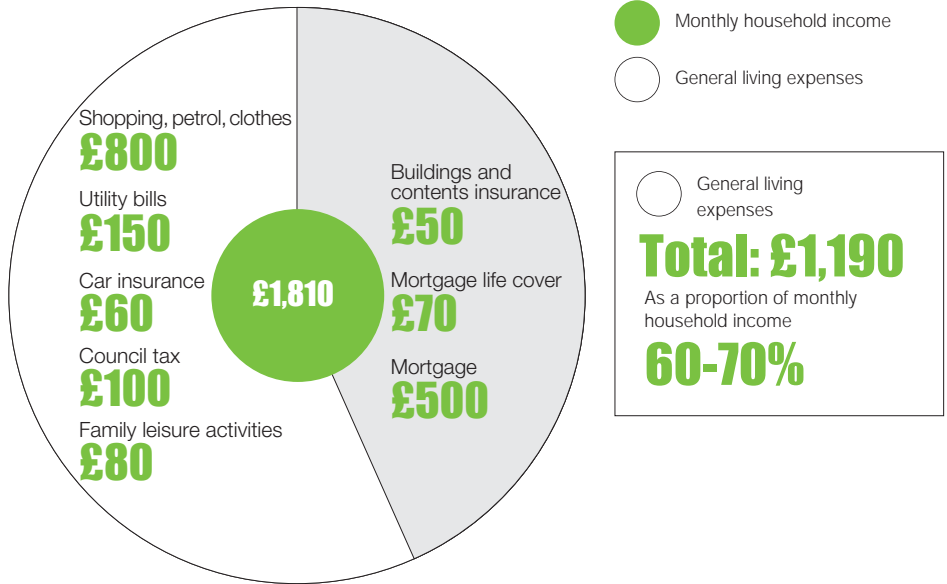
Lender/Provider	Monthly Premium	Amount you could save over 5 years by switching to helpucover.co.uk
<b>helpucover.co.uk</b>	<b>£22.61*</b>	
ASUdirect	£23.45	SAVE £50.40
Payprotect	£23.66	SAVE £63.00
Paymentcare	£34.65	SAVE £722.40

\* Based on a quote for a 25 year old, for a monthly benefit of £700. Cover is for Accident, Sickness and Unemployment (ASU), benefits are back dated to day one. Source: Defaqto February 2009.

# How much does IP cost?

## Case Study

Take a look at our example of typical family living expenses over one month. See how much income is spent on essential household bills and insurances.



If you're thinking you can't afford Income Protection, take a look at how the monthly cost of Income Protection from helpucover.co.uk compares with some everyday household expenses.

IP with helpucover.co.uk from **£22.61\*** a month compares to:



\* Based on a quote for a 25 year old, for a monthly benefit of £700. Cover is for Accident, Sickness and Unemployment (ASU), benefits are back dated to day one. Source: Defaqto February 2009.

The information in this guide explains why you may consider Income Protection. This product is available from **helpucover.co.uk** and can help protect you and those you love should the unexpected happen.

## Benefits of Income Protection from helpucover.co.uk

- Cover available for **up to £1,500 a month** for a year.
- Cover from **only 76p per month\*** (Per £100 of benefit a month).
- Benefits paid for **up to 12 months**.
- **Paid direct to you** in addition to any other benefits (e.g. Statutory Sick Pay).
- **Personalised quotes** whatever your circumstances - up to age 65.
- **Cover options**, no matter if you're employed or self-employed. Choose either Accident & Sickness protection or opt for Accident, Sickness & Unemployment.
- **Excellent customer service**. Our claims teams aim to make the process quick and easy for you.
- **Award-winning 'Back to Work' Support Service**.

\* for Accident and Sickness cover, 180 day wait period, for someone aged 18 to 24.



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### 'Back To Work' support service

If you need to make a claim, you'll have **immediate access to a programme of added benefits**. Our specially created '**Back To Work**' Support Service is designed to relieve the stress and worry of finding yourself out of work, build your confidence, and provide practical support and assistance when you most need it.

**Employment Workshops** - run by recruitment professionals, offering valuable insights into the job market, how to present yourself, and proven interview technique.

**CV Review Service** - professional advice on how to stand out in the job market and highlight your skills and experience.

**Award winning Claim Support** - dedicated online support to make a claim, track its progress, check payments – plus useful links to recruitment consultants and NHS Direct for medical advice.

**Text Messaging Service** - lets you know when payments have been made into your bank account.

**Follow up support** - monthly phone calls to see how you are doing.

**Medical Assistance** - dedicated phone service to support your recovery.

**Employment Rights** - a guide to redundancy and State benefits.

**Health Guide** - full of useful advice to help you get well soon.

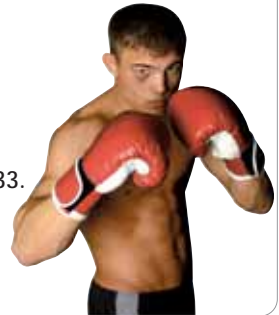
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### How to arrange Income Protection from [helpucover.co.uk](http://helpucover.co.uk)

## Income Protection with added punch

For more information, or to purchase Income Protection visit: [www.helpucover.co.uk](http://www.helpucover.co.uk) and get a Quick Quote.

Alternatively, request a Quick Quote by calling: **0808 156 0233**.  
Calls may be monitored and recorded for your protection.



## Mortgage Payment Insurance with added aaaaaahhhhhh

How would you pay your mortgage if you lost your job, fell seriously ill, or had an accident? Our great value Mortgage Payment Protection Insurance can help you face the future with confidence.

For more information, or to purchase Mortgage Payment Protection Insurance, visit: [www.helpucover.co.uk](http://www.helpucover.co.uk) and get a Quick Quote.

Alternatively, request a Quick Quote by calling: **08000 350 292\***



## Pet Insurance with added bite

Looking after a sick or injured animal can cost hundreds of £££s in vet bills. And even thousands if they develop a long term illness.

Which is why you need to make sure you've got sufficient protective cover. Our pet insurance covers your animal against illness!

For more information, or to purchase Pet Insurance, visit: [www.helpucover.co.uk](http://www.helpucover.co.uk) and get a Quick Quote.

Alternatively, request a Quick Quote by calling: **0845 2000 738\***



\*Calls may be monitored and recorded for your protection.

## Health Choices with added lolly

You know the importance of prevention and early diagnosis in keeping healthy. But what if there isn't an NHS Dentist in your area or you can't get an appointment with a consultant or physiotherapist for weeks?

Wouldn't you like the option of NHS or Private, traditional or complementary treatments - without all the costs?

For more information, or to purchase a Health Choices Plan, visit: [www.helpucover.co.uk](http://www.helpucover.co.uk) and get a Quick Quote.

Alternatively, request a Quick Quote by calling: **0500 657 657**

Calls may be monitored and recorded for your protection.



## Car Value Protector with added drive

Buying a car is a big investment. Although you insure your car, did you know that if your car is written off or stolen, your insurance payout will be based on the value of your car at the time of the accident or theft, NOT the value when you bought it?

This cover pays the gap between your car insurance payout and what it was actually worth when you took out Car Value Protector.

For more information, or to purchase Car Value Protector, visit: [www.helpucover.co.uk](http://www.helpucover.co.uk) and get a Quick Quote.



**helpucover.co.uk**

**Fills the gaps other insurance leaves behind**

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