



LIFE COVER: THE LIFESTYLE BENEFIT THAT'S THERE FOR YOU

Life insurance is more than *just another monthly expense*.

Here, we explore why it's important to consider life cover as part of your overall financial plan. We also look at what's available to you when it comes to financially protecting yourself and your family.



FINANCIAL PROTECTION FOR THE UNPREDICTABLE

Have you thought about how some of your expenses would be paid if something had to happen to you? If you're financially responsible for a family, would they have access to money to afford the things you usually pay for?

The purpose of life insurance is to give you and your loved ones financial protection against the unpredictable – the things that can happen to us all when we don't expect them, like disability, severe illness, loss of income or death.

In other words, life insurance lets any adult who is financially responsible for others still provide for them if something goes wrong.



FOUR REASONS LIFE INSURANCE IS SO VALUABLE

- 01** | It gives financial support when you can't: Life insurance replaces your income because it pays money out if you are affected by a disability or severe illness. Whether you are single, raising a family or supporting a parent, life insurance helps you and your loved ones to keep the same standard of living. If you pass away, a comprehensive plan will also cover funeral expenses, so your loved ones can carry out your wishes without having to pay any of the costs themselves.
- 02** | It helps to cover debts and other expenses: Life insurance helps to replace income you may lose if you can't work because of a severe illness or disability. You can use it to pay for day-to-day costs, such as groceries, rent, schooling and municipal accounts. You can also use it for bigger expenses, like specialist medical treatment you may need or paying for a child's education. If you pass away, life insurance will help make sure your loved ones are not responsible for any financial debt you may have (such as credit cards, bond repayments and personal or vehicle loans).
- 03** | It allows you to leave an inheritance: Life cover is a way to give your loved ones financial security, even if you don't have any other assets to leave to them when you pass away. They can use the money towards big life events, such as paying for their education, getting married, buying their first home or starting a business.
- 04** | It gives you peace of mind: No one expects a lifechanging event like illness or disability, yet it's a risk we are all exposed to. Accidents happen. Illnesses happen. You'll feel more secure when you have a plan for the 'what-ifs' in life that are not in your control.



WHAT SHOULD YOUR LIFE INSURANCE COVER?

The type and value of life insurance you should have depend on a few things, such as:

- 01 | Your family situation:** Your family dynamics, such as how many dependants you have and what you are financially responsible for, will affect your insurance needs.
- 02 | Your health:** Are you generally in good health? Can you maintain your state of health? Do you have a health condition that you can manage or improve? What if you fell ill or suffered a temporary or permanent disability that affected your ability to earn an income? These questions will help you decide on what insurance cover you should have.
- 03 | Your work or career situation:** Do you own a business? Do you have a business partner? Life insurance can be an effective way to protect the business if a lifechanging event happens to you or a business partner.
- 04 | Your life goals and ambitions:** Planning is about having enough cover for your future plans and the needs you have today. Think about what you want to achieve in both your personal and professional life. Do you want to get married or start a family? How big would you like your family to be? What do you plan to achieve in your career? Do you have any specific income-earning goals? When do you plan to retire? How much would you need before you can retire?

Once you have started to paint the picture of what your needs look like, research all the options available to you. How much cover do you need for liquidity (access to cash)? How much cover can you get to meet your needs, at a budget that's comfortable for you to manage?

This is where having a knowledgeable financial adviser at your side is so valuable. Financial advisers use risk assessments and other tools to help you work out how much life insurance you need. They are also best placed to advise you on what you need to think about and to help you build a plan that will meet your needs and goals.



TWO OTHER WAYS LIFE INSURANCE LOOKS AFTER YOU AND YOUR LOVED ONES

- 01 | Your plan can help you to add to your retirement savings.**
- 02 | Your life cover can offer you certain tax-saving benefits.**

This document is meant only as information and should not be taken as financial advice. For tailored financial advice, please contact your financial adviser.

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