



GET THINKING ABOUT PROTECTION

LIVE | SAVE | INVEST | PROTECT | RETIRE



CONTINUUM
YOUR FINANCIAL FUTURE MADE REAL

About Continuum

We believe in the personal approach. We prefer to create a solution tailored to your real goals and objectives.

We believe in creating a three-way Partnership between Continuum, the Adviser, and the client, in an environment where each party can only succeed and grow if the other parties also succeed and grow.

When you become a client you embark on a journey with us, a journey where you are the focal point of everything we do.

We know that our clients are all individuals, and all have their own particular circumstances, priorities, goals and needs. So our service begins with getting to know you and understanding your objectives.

We are independent

The recommendations we make and the products we select are based solely on your needs and objectives.

Personal approach

We can create a tailored financial solution that aims to help you reach your personal goals and save money while you do so.

Award-winning financial services

At Continuum we are proud to have been recognised by our clients and industry experts through a wide range of awards.



Proud to be recognised for our business approach to Environmental, Social Responsibility and Governance matters.

Welcome

If you have a partner or children depending on you to provide an income you probably need life insurance, since it will help provide for your family in the event of your death. But do you have the right type of life cover?

At Continuum we are looking at the various types of cover to help you decide what is right for you.

Important information

The information contained in this guide is based on the opinion of Continuum and does not constitute financial advice or a recommendation to suitable protection or investment strategy, you should seek independent financial advice before embarking on any course of action.

The Financial Conduct Authority does not regulate taxation and trust advice.

Your home may be repossessed if you do not keep up repayments on your mortgage.

Taxation rates are subject to individual circumstances and may be subject to future change.

Protection for life

When you buy life insurance, you're paying for peace of mind. Life cover means you're protecting your family financially should you die unexpectedly.

There are many types of life cover available, with different durations and benefits, and the right one for you will depend on your individual circumstances, such as how much money you want the policy to pay and how much you can afford to pay in premiums.

Whole-of-life cover

This type of policy guarantees your dependants a payment regardless of when you die - there is no time limit as with term insurance. It will be more expensive than term cover - but it can be particularly useful for dealing with Inheritance Tax. By arranging for the proceeds to be paid in trust, it can be used to pay death duties, leaving the rest of an estate untouched.

Level term insurance

This is the simplest type of cover. You specify how long you want the policy to run - perhaps up until your retirement, and it will pay out a fixed lump sum if you die during that term. You will know exactly how much money your dependents will be left with, and how much you will pay out each month to provide it.

Term insurance can be a bargain, especially if you arrange it when you are young.

Increasing term insurance

Level Term insurance is simple to understand, but we have all seen the effects of inflation over the years, and a death benefit that

seemed generous when you took the cover out may be less than adequate after a few years. Increasing term insurance - also known as index-linked term life insurance - factors in the rising cost of living. The sum insured will either increase by a fixed amount each year, or in line with the inflation figures.

Decreasing term insurance

Decreasing term insurance takes the opposite approach. It is designed to cover debts that reduce over time, such as a mortgage. So, when you buy a home you might take out a life insurance policy to cover £150,000 worth of mortgage, but as the mortgage debt is reduced over the term so the sum assured decreases until the mortgage is paid off (assuming all repayments have been made on time).

Income protection insurance

If you get sick or injured and need to take extended time off work, income protection pays you part of your monthly income. It can pay out for a range of conditions including cancer and mental health issues.

The payout is tax-free and can help you protect your finances while you recover. The money can cover anything, like bills, mortgage repayments, rent and childcare costs.

Renewable term insurance

Term insurance offers cover for a fixed period. Renewable term insurance gives you the option of extending at the end of the term. Your premiums may increase in line with your age, but there are no further medical tests, and any health problems you've suffered since the initial policy was taken out will not be taken into account or reflected in the new cost of the policy.

It is an option which could make it easy to extend your cover.

Joint life insurance

A joint life policy - giving married or cohabiting partners cover could cost less than two single policies. However, these policies are usually on a 'first death' basis, so it will pay out when one person dies, at which point the policy ends.

Family income benefit

Family income benefit policies are a special type of decreasing term policy that instead of a lump sum, pays out a regular income until the policy's expiration date. So, if you take home £2,500 a month, you can arrange for that amount to be paid to your family if you die.

If you died one year into a 20-year policy, your family would receive payments for 19 years. If you died just a year before the policy ends, your family would receive payments for only the one remaining year.

Critical illness insurance

Critical illness cover provides a tax-free, one-off lump sum payment which you may use to help pay for medical treatment, mortgage, rent or capital expenditure such as adapting your home or car. Find out how it works, when you need it and what you need to think about when buying it.

Critical illness insurance is designed to pay a lump sum if you are diagnosed with a specific medical condition or injury which meets the definitions covered in the policy.

Life insurance

- Around **two in three** UK adults **don't have life insurance**
- The average UK family is **19 days away from the breadline**

Research and figures conducted by
Legal & General 2022

Protection for health

There are two types of medical cover to look at when considering your protection options.

Private Medical Insurance

Private medical insurance is designed to cover the cost of private treatment and in many cases provide faster treatment in a private hospital

Most of us are entitled to free healthcare from the NHS. We may see private medical insurance, or more familiarly health insurance as something of a luxury.

Private medical care provides an alternative. Like all insurance, the cover you get from private medical insurance depends on the policy you choose.

The most basic private medical insurance usually only covers in-patient treatments and day-care surgery in an approved list of hospitals. More comprehensive policies cover outpatient care, including visits to consultants.

All will come with a list of exclusions. Any pre-existing medical condition will not be covered, normal pregnancy and childbirth will be excluded, and so will organ transplants.

Critical Illness Insurance

Critical illness cover provides a tax-free lump sum payment if you are diagnosed with one of the illnesses covered by the policy, usually including cancer, stroke, heart attack and Alzheimer's. Most policies also cover permanent disabilities as a result of injury or illness, and some let you include your immediate family.

Critical illness cover is not the same as health insurance. Health insurance provides payments for medical procedures. You can use the payment from a critical illness claim to pay for medical treatment, but there are no restrictions and you can use it to replace an income if you become too sick to work.

Its real value, though, is ensuring that you need not face financial worries if you become ill. You may need to pay for housekeeping or childcare while you are getting treatment. You may need to hire a nurse, or to install specialised equipment in your home. Or you can use your money to do the things you've dreamed of, like that trip around the world you always promised yourself.

Health Insurance

- **Mental health** is a major worry, especially for under 25s, where **1 in 3 are concerned**
- **Only 1 in 7** UK adults has **Critical Illness Cover**

Research and figures conducted by Legal & General 2022

Protection for Income

It's easy to understand the role of life insurance. It pays out a cash lump sum if you die. If you don't have any dependents you could make a case that you don't need it just yet - although at Continuum, we might not quite agree.

However, income protection is rather different - because it will protect you, rather than any loved ones.

Accident and illness can strike at any time - even in our 20s. Logically, they will be more common than premature death. We expect to recover, but if they led to us being off work for any length of time, they could have a serious financial impact.

Income protection insurance could provide a replacement of a proportion of your monthly income from the insurer until you were fit enough to go back to work.

Short-Term Income Protection policies, or Accident, Sickness and Unemployment cover, will pay out for one or two years. Most Short-Term Income Protection policies can also include cover if you are made redundant.

Long-Term Income Protection obviously provides longer term cover. It can bring you a regular income if you are unable to work due to illness or disability until you are well enough to return to work, or until your retirement age.

As well as the financial benefits of cover, most income protection policies provide speedy access to treatments such as counselling or physiotherapy to help people recover and ideally get back to work.

8 in 10 are concerned about at least one issue affecting ability to work

Research and figures conducted by
Legal & General 2022

Do you need cover?

Income protection might seem like a good to have rather than an essential, but there are sound reasons to consider it as soon as you start your career.

With money coming in, you will start to have financial commitments. A home of your own, even if it is rented. A loan for a car, perhaps.

Having cover means that a proportion of your income will be covered thereby reducing the financial impact of being unable to work through illness, subject to the terms and conditions of the relevant policy.

It is also important to consider income protection when you start buying your home. If you can't keep up the mortgage repayments, your home, and your investment in it could all be lost.

Life assurance as well as income protection are important to consider, for example, if you have a partner who would be adversely impacted financially in the event of your illness or death or vice versa.

Income Protection

- **2 million** adults in the UK **have no money left** each month, **a rise of 330,000** in the last 2 years
- **Only 8%** of UK adults own an **income protection product**

Research and figures conducted by
Legal & General 2022

A protection plan designed for you

These are just some of the reasons for having a bespoke personal protection plan.

Getting the cover you need, for your personal circumstances can be a great deal easier if you have an expert to call on. At Continuum, we have the expertise you need.

To find out how we can assist you please contact us today.

Bespoke financial planning

We have vast experience of building tailored financial planning so you can be confident that your personal protection plan is designed just for you and your needs.

Call us on **0345 643 0770** or book a free consultation without any obligations at **mycontinuum.co.uk**





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