



Francis Cole
Professional Financial Services

**One Life
Live It
Protect It**

Barristers Life Cover

Your Take-A-Minute Guide



More Than Insurance It's About Love

Many of our clients are barristers and Life Cover is always a really important area of Financial Protection that barristers ask us for advice on. No one particularly likes to think about death but it's important to give yourself and your loved ones that financial support if the unexpected happens.

There are different types of Life Cover that can be set in place to give you that reassurance and peace of mind. If you already have these types of Life Cover we would welcome the chance to find you more cost effective memberships as many people are paying more than what they should. Also, you may well need to review your existing Life Cover as your life circumstances may have changed since taking out your last policy, such as having a bigger mortgage or starting a family.

Alternatively, you may not have anything at present and would like some initial quotations and information. Please note that we have produced 'Take A Minute Guides' for each of these different types of Life Cover, so please request as many as you need to if you want a little bit more information about what they do, how they work and the different options available.

Term Assurance Life Cover

A Term Assurance Life Cover membership will either pay out a one-off tax free lump sum or a monthly income to your family should you die, or are diagnosed with a terminal illness before the end date of your policy.

The types of cover which pay a one-off lump sum and are typically used to pay off a mortgage and/or to leave as a financial gift or support for the remaining partner/family, are called Level Term Life Cover and Decreasing Term Life Cover.

With Level Term Cover the amount the insurer will pay stays the same throughout the policy term, irrespective of when you die. That said, you can choose to index-link the policy so that the cover amount increases each year in line with any increase in the Retail Prices Index (RPI) up to a maximum of 10%. As a result, your premiums will increase each year. This type of cover is commonly known as 'Increasing Cover'.

With Decreasing Term Cover the amount of cover decreases over the term of the policy using a fixed interest rate which you choose when you apply. Typically, it will reduce approximately in line with the balance of your Repayment Mortgage, which is decreasing over time as you pay off your mortgage.

Family Income Benefit Life Cover

On the event of death this cover provides your family with financial security for the future as the policy will pay them a monthly income on an ongoing basis. The reason for its popularity is because it guarantees an ongoing income for the family each month rather than a one-off lump sum that, once spent, is gone. The idea behind it is obvious - if you die, your income goes with you and, therefore, is something that the remaining partner/family lose with immediate effect. Family Income Benefit Life Cover solves the problem of that lost income stream.

Whole of Life Cover

This has become very popular with barristers as it is very different to standard Life Cover because it will give you the 100% guarantee of a pay out to your family no matter what age you die as long as you continue to pay your monthly premiums. Literally, this is Life Cover for the whole of your life, guaranteed to pay out upon death. It is the guaranteed pay out that makes this cover hugely appealing and there are no catches, no increasing premiums as time goes on (unless you choose to index link your policy), no investment elements to the policy and, therefore, no risks attached.

It can be used to pay off an inheritance tax bill and/or as a guaranteed way of leaving your children or grandchildren a tax-free lump sum as a financial gift. Even if there's no inheritance tax to pay on an estate, the lump sum could help your family in other ways, such as funeral costs and other immediate expenses.

How much do these membership cost?

The premiums are based on a number of factors such as your age, occupation, smoker status, the amount/level of cover that you want and the term of the policy. There are also occasions when your medical history, BMI reading or hobbies/ lifestyle can affect the premium. For specific quotations, and accompanying information, contact us at either timfrancis@franciscole.co.uk or 07785 921234.

