

## ***When the cover wasn't enough***

Sometimes we have all the right intentions but don't quite get the right solution.

### **The story**

Michael is a dental technician. He rents rooms in a city office tower and builds bridges, crowns and dentures for a number of local dental practices. He employs Louise as an administrator to manage the front desk, collections, deliveries and office management. Michael is married with two small children.

His business is thriving but after an assessment with an adviser he learned how vulnerable his family would be if he could not work. He arranged to take out income protection insurance. This cover would pay 75% of his normal income whilst he was unable to work. It would ensure he could feed his family, pay the mortgage and other bills and maintain a close-to-normal lifestyle as he recovered.

Months later, Michael had a water skiing accident and received a neck injury that left him hospitalised. He undertook intensive rehabilitation over four months and used up his cash reserves. After the 90-day waiting period, the policy started to make payments and everything seemed under control.

When the rent account for his practice rooms arrived and Louise asked about her pay, he realised he would have to use his personal resources to keep the business open until he could return to work. The income protection cover he had wasn't enough for his business too.

### **The solution**

Michael could have covered this risk by also purchasing a **business expenses protection policy**. This would have paid the ongoing expenses incurred by the business – such as rent, electricity, phone and Louise's salary for up to twelve months.

It pays to consult with a specialist who can analyse all your insurance needs not just the obvious ones.

ASA Financial Advisers are dedicated to providing you with information so that you can make the decision that is right for you. We invite you contact us on 03 9890 4055 or email [info@asaconsultum.com](mailto:info@asaconsultum.com) to make an appointment today.

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