

# Income Protection Case Study

## Sample Illustration

Michael is 35 and works in marketing.

He currently earns €48,000 a year and has been with his current company for 5 years.

He relies on his income to cover his rent each month, meet his car loan repayments and provide him with the lifestyle he wants to lead. His income gives him his independence, without it his life would be very different. He wants to make sure his lifestyle won't suffer if he gets ill in the future.

Michael knows his current employer will provide him with full pay if he is out sick for up to 6 months. However, after 6 months his entitlements would stop. The State Illness Benefit would become payable but this wouldn't be enough to meet his current living expenses, not to mention any additional medical expenses.

The likelihood is that if he was out sick for longer than 6 months he would have to move back home and rely on the support of his parents.



## The Solution

Michael takes out Income Protection cover that will pay him a replacement monthly income after six months (when his salary will stop) if he can't work due to illness.

His premium is €11.45\* a week but will actually only cost him €6.76 after tax relief.†)

Michael is confident that his income protection payments combined with the State Illness Benefit will mean he can maintain his current lifestyle and won't have to rely on others if he gets ill in the future.

## Life Choice Income - New Ireland's Income Protection Plan

Life Choice Income helps ensure you have the income you need if you are unable to work due to ill health.

It can:

- ✓ Provide income for everyday living.
- ✓ Ensure you continue to meet your monthly rent or mortgage repayments and household bills.
- ✓ Help you maintain your current standard of living.

The current State Illness Benefit will pay you approximately €200 per week\*\*.

Could you live on that amount?

**For further details talk to your Financial Adviser and find out how "Life Choice Income" can protect your income into the future.**

\* Based on a male aged 36 on his next birthday earning €48,000 a year (income Protection plan of €26,224), non smoker, retiring age 65, with a 26 week deferred period, no indexation and accepted at ordinary rates.

\*\* [www.welfare.ie](http://www.welfare.ie)

† Assumes your marginal rate of income tax is 41%.

Terms and conditions apply. Benefits are subject to underwriting and acceptance by New Ireland Assurance Company plc. It is important to note that certain restrictions, conditions and exclusions apply. Where relevant, life assurance tax applies. Premiums are subject to a Government levy (currently 1%). New Ireland Assurance Company plc is regulated by the Central Bank of Ireland and is a member of Bank of Ireland Group.