

# Cover can be affordable and convenient

Having loan protection is more important than ever given household debt levels.

Many Australians are underinsured and the gap remains significant for Australia's working age population, according to research undertaken by independent consultants Rice Warner.

Consequently, a significant proportion of Australians would face financial hardship if they were to have an accident or suffer from an illness.

Many would struggle to meet mortgage repayments and other costs.

"Our experience has consistently shown Australians don't take out adequate levels of insurance to protect themselves and their family," said Huy Truong, chief executive officer of ALI Group, a leading provider of loan and mortgage protection to Australian home and property buyers.

"The major reasons for this have been that personal insurance products can be overly complicated, which then require the involvement of an advisor, which can result in a time intensive process and higher premiums."

Recognising these barriers, ALI insurance designed its products to be both easy to understand and affordable.

Loan and mortgage protection insurance, for example, was created to protect borrowers so they, or their families, can continue to meet loan repayments if they became seriously ill or pass away.

ALI Group works closely with mortgage brokers to provide loan and mortgage protection to their customers and has protected



more than 163,000 Australians with almost \$44 billion in cover since 2003.

"While there is a general underinsurance problem in Australia, the problem is particularly pronounced when young Australians and families take out a significant mortgage to acquire a home or property," says Truong.

"Hence our mission to protect Australian home and property buyers from financial hardship.

"With over half of all residential home loans now arranged by mortgage brokers, they are in a unique position to help address the underinsurance problem.

"Brokers arrange what is likely to be the biggest financial obligation their client will

ever take, so protecting their client's ability to service that home loan is a natural service to offer.

"It is simple, affordable protection arranged on the spot by your broker with no medical tests.

"If not for our mortgage brokers having loan protection as part of their loan process, the majority of the 163,000 mortgage holders that we have protected over the past 15 years would have been vulnerable to financial hardship from unemployment, serious illness or injury."

ALI Group's Loan Protection Plan policy provides cover for a range of critical life events across three areas – a living benefit,

death and terminal illness benefit, and involuntary unemployment benefit – plus an optional accidental injury benefit.

**'While there is a general underinsurance problem in Australia, the problem is particularly pronounced when young Australians and families take out a significant mortgage.'**

- Huy Truong (left)

The living benefit covers 11 serious medical conditions including cancer, heart attack and stroke.

The death and terminal illness benefit provides a lump sum payment for financial obligations such as mortgage repayments. The involuntary unemployment benefit offers financial assistance while you are looking for work.

ALI Group's Loan Protection Plan gives policyholders the option of using claim payments as they wish, says Truong, whether it be to pay out a home loan, pay for medical care or school fees.

"The best part of being CEO of ALI is that I have the pleasure of heading a company that pays millions of dollars every year to our policyholders who are going through a difficult time," he says.

"The worse part of it is knowing that there are many times more people who are going through a difficult time but with financial hardship an additional burden."

## Loan Protection: Convenient and affordable

- Whether you're buying or refinancing, covering yourself is easy with our loan and mortgage protection.
- Covers involuntary unemployment, serious illness and injury, and death.
- Cover from less than \$1.50 a day<sup>A</sup>.
- No medicals.
- All occupations and hobbies covered<sup>I</sup>.

**// The payment (\$70,000) means that I can concentrate on my health. Some days the chemo knocks me about, so it's good I don't have to stress about work."**

**- PAMELA, 48, BREAST CANCER\***

**Speak to your local mortgage broker today.**

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**ali** PROTECTING HOME & PROPERTY BUYERS

<sup>A</sup> To get an idea of pricing, \$300,000 cover for a 30-year old non-smoking female is just \$1.36 per day. <sup>I</sup> Some exclusions may apply to the Optional Accidental Injury Benefit. Please refer to the PDS available at [www.aligroup.com.au](http://www.aligroup.com.au) | \* Real life ALI Group policyholder testimonial Australian Life Insurance Distribution Pty Ltd (ABN 31 103 157 811) (AFSL 226 403)