



*It will never happen to me!
Maybe you are right, but can
you afford to be wrong?*

Risk Insurance – the facts

Your most valuable asset is your health. You and your family's financial security and quality of life will be dramatically affected if you suffer a serious illness or injury.

You may:

- Be unable to care for your children;
- Disrupt your partner's work, as they support and care for you;
- Incur additional expenses, such as rehabilitation and hospital care; or
- Jeopardise your retirement plans by cutting off your income prematurely.

Serious accidents, trauma and disease are unexpected. Risk insurance is the only way to protect yourself and your family should the unforeseen happen. It provides a means of protecting your family's lifestyle, their future and the assets you have worked hard for.

Sources

1. Heart, Stroke and Vascular Diseases, Australian Facts 2001 - Heart Foundation of Australia and Australian Institute of Health and Welfare
2. Heart, Stroke and Vascular Diseases, Australian Facts 2001 - Heart Foundation of Australia and Australian Institute of Health and Welfare
3. Heart and Stroke Facts 1996 - National Heart Foundation of Australia
4. Cancer in Australian 1997 - Australian Institute of Health and Welfare and Australasian Association of Cancer Registries

We cannot predict when we are going to die. The best we can do is be prepared.

It is important for people to prepare for the future – especially people with families or added financial responsibilities. One way to prepare for tomorrow is by purchasing life insurance today.

Life insurance is a convenient and cost-effective way to protect your family and assets against financial hardship in the event of your premature death.

Facts

Graph 1 show the leading causes of death in Australia are cancer and cardiovascular disease.

Cardiovascular Disease

For a 40-year-old, the risk of having coronary heart disease is ¹:

- Male: 1:2
- Female: 1:3

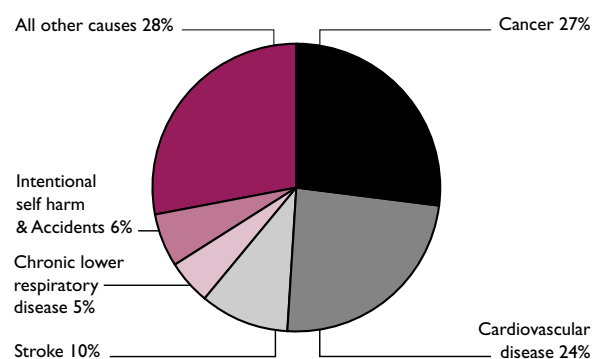
Every day around 76 Australians die from coronary heart disease ².

Heart and stroke-related disease claim a life every 10 minutes ³.

Cancer

One in six people will be directly affected by cancer between the ages of 20 and 64 ⁴.

Graph 1: Leading causes of death in Australia



Source: ABS 2000

Choice

Can you afford to survive?

Today, advancements in medical treatments and care have increased your chances of surviving major traumas. However, survival comes at a cost.

Surviving a major trauma, illness or injury can be very costly when you consider rehabilitation expenses, medical bills and the normal running of day-to-day life. So what if you can no longer work to your full potential? How much is your good health and capacity to work worth to you? Your ability to earn income is not guaranteed.

What can you earn in a lifetime?

Many people never stop to consider the income they can expect to earn over their lifetime. Graph 2 predicts various levels of earned income based on your annual salary and years to retirement. As an example, Barry is a 35-year-old earning \$70,000. With 40 years to retirement Barry has the potential to earn nearly \$9 million. What would Barry do if something happened to him and he was no longer able to earn his income?

Risk Insurance will enable you to maintain your quality of life and to provide financial security for your family in times of personal crisis.

Facts

Stroke

Each year approximately 40,000 Australians suffer a stroke. 75% of these people will survive beyond the first month of their stroke, as illustrated by Graph 3. The average lifetime healthcare cost of stroke is approximately \$25,000 per sufferer⁵.

Spinal Cord Injury

Every year 400-430 Australians sustain a spinal cord injury. The average person with a spinal cord injury will live almost as long as a person without a spinal cord injury⁶. It costs between \$50,000 and \$80,000 per person per annum for the care and management of people with spinal cord injury⁷.

Each year in NSW, about 10,000 people will sustain a Traumatic Brain Injury. 70% of these injuries will be caused by motor vehicle accidents. Of all the injuries, about

1,000 people will have a permanent disability, and, about 300 will have severe disability⁸.

About ASGARD

ASGARD is one of Australia's leading investment administrators offering master funds, wraps and separately managed accounts. Through ASGARD you can invest in hundreds of investment products offered by more than 30 of Australia's retail fund managers as well as most shares listed on the Australian Stock Exchange. ASGARD consolidates all the reporting, offering you investment choice and simplicity.

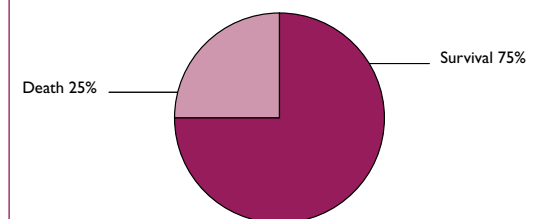
ASGARD has a range of insurance options available through Lumley Life. Ask your financial adviser how ASGARD can set you free.

Graph 2: Expected lifetime earned income



Assumptions:
Retirement age: 65
Annual income indexation factor: 5%
Current incomes: 35,000pa, \$70,000pa, \$100,000pa

**Graph 3: 75% of Australians survive a stroke
Can you afford to survive?**



Sources

- Heart, Stroke and Vascular Diseases, Australian Facts 2001 - Heart Foundation of Australia and Australian Institute of Health and Welfare
- Paraplegic and Quadriplegic Association of NSW
- Australasian Spinal Research Trust
- Brain injury - Fact Sheet #1, What is it and how does it happen? Brain Injury Association of NSW Inc.

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