

Insurance Advice Q&A



Q. Do I need insurance?

- A.** Unless you are lucky enough to have already reached your financial goals and are now living off your assets indefinitely, insurance plays a significant role in everyone's financial plan. Our aim is to identify the financial exposures that exist at an individual, family or business level and put measures in place to protect your financial position.

Q. Do I pay a fee for insurance advice?

- A.** Yes. All of our clients pay an annual fee for insurance advice. But we don't accept the usual commission from insurance providers, which means you are likely to pay less for your insurance. Plus, you are receiving advice without bias and conflicts.

Wealth protection shouldn't be a set and forget strategy as your needs constantly change, which is why the fee is yearly. Our fee includes implementation of advice and ongoing reviews, with alterations when your needs change. Our fee also covers the facilitation of claims, which removes much of the headache from of an already stressful situation.

Q. Is it Hewison Private Wealth (HPW) owned insurance or are you acting like a broker?

- A.** We are not offering our own products, we'll leave that to larger companies. Tailored insurance advice is where we excel.

We use major retail personal risk insurance providers. We do not have our own products. We work with an array of providers and are not bound by any one company, meaning you receive completely objective advice.

Q. What range of insurance do you offer?

- A.** We offer personal risk insurance:

- Life insurance
- Total and Permanent Disablement (TPD) insurance
- Income Protection and Trauma insurance

Q. I'm already a HPW client, is the insurance advice fee separate fee to the financial planning fee?

- A.** Yes. This is an additional service requiring a specialist adviser so the fee is additional.

Q. Who do I pay the insurance premium to – Hewison Private Wealth or direct to the insurance provider?

- A.** The advice fees are payable to Hewison Private Wealth. The actual insurance premiums are payable directly to the insurer. We are able to remove much of the stress from dealing directly with insurance companies.

Q. Why should I seek insurance advice through HPW and pay an adviser when it's easy enough to go online?

- A.** The long term value to you from a monetary perspective can be significant. While we charge a fee for advice, the savings that can be generated from a commission free insurance premium are very likely to outweigh the cost.

As you progress through life your insurance needs change. Because we don't accept commission we have no vested interest in keeping your premiums high. Seeking insurance advice from an independent adviser, like Hewison Private Wealth, will ensure that arrangements are appropriate to personal needs and always in your best interest.

Personal insurance can be a complicated area. Without the right strategic guidance and product knowledge, your desired outcome may not be achieved.

Q. Re commissions – are you paying this back to the insurer? To me? Or somewhere else?

- A.** There are two scenarios when dealing with commission; we either rebate commission back to the individual or we have it removed from the policy altogether. Both options will reduce the net cost of the policy.

Q. How does insurance integrate with my wealth management plan?

- A.** Protecting one's wealth is just as important as the accumulation of wealth. Your long term goals rely on your ability to work and earn an income. Certain trigger events such as death, disability or serious illness can completely derail your plans. Insurance is the obvious choice for protecting wealth – it helps ensure people can maintain and reach their financial goals, and at the very least, avoid financial burden should anything happen.

Q. How can Hewison Private Wealth provide an independent insurance offering while most other insurance advice firms do not?

- A.** We charge for our services on a "fee for service" basis, rather than receiving commission from the insurance providers. There is no bias in product choice, nor incentive to keep premiums high if you no longer require high levels of cover. Our review service will proactively manage your needs with the option to reduce cover as your exposures/risks diminish.

Having insurance is important but as you move through life, the types and amount of insurance may actually decrease and there's no point paying high premiums for something you no longer need.

Please note: the above advice is general in nature only and should not be acted upon by an individual without consultation with their financial planner. If you'd like to speak to a financial planner please contact Hewison Private Wealth – (03) 8548 4800 or info@hewison.com.au

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