

The Financial Edge

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Life Insurance—This Could Be You

Terry Martin was the picture of health. He was extremely muscular and hardly had an ounce of body fat. He had a regular spot on the church basketball team and got lots of exercise chasing after his three children.

Terry spent many years in the steel industry which gave him uncommon strength. He routinely carried large steel bars on his shoulders that weighed twice as much as he did.

Terry seemed as invincible as a 39 year-old man could be with one exception: He couldn't seem to kick his smoking habit.

This smoking habit continually came up with Terry and his wife, Alice. Quitting smoking was an issue that Terry intended to address.

Terry was now running his own steel fabrication business and provided only health insurance for his employees and himself. Alice's only work outside the home was helping Terry from time to time. Neither had life insurance.

With three young children and a high mortgage payment, Terry and Alice needed no convincing to buy life insurance. Terry bought \$300,000 for himself, and Alice purchased a policy with a face amount of \$100,000. Their agent pointed out to Terry that he'd get a better premium rate if he stopped smoking, not to mention the obvious benefit to his health.

The issue struck a chord with Terry. His father had died from lung cancer in his mid-50's. But for the time being, Terry was content knowing he had life insurance coverage, even if it meant having to pay a higher premium.

Four months later, the Martins were at a church gathering at a lake. Alice and the kids had ventured off for some fun, and Terry stayed behind to relax. He told a friend he had some pain in his chest and assumed he had pulled a muscle. The friend got him some water and suggested he sit down. Moments later Terry collapsed. He was already in an ambulance when Alice and the kids found their way back to him. Terry died of a massive heart attack before reaching the hospital.

In an instant, the world had turned upside down for Alice and the kids. In the 15 months that have passed since Terry died, Alice has worked hard to keep things as normal as possible for the kids. The life insurance has been a huge help. Alice used the proceeds to pay off the mortgage on their new home, eliminate most of her debts and put the remainder in a money market fund for other needs. Just as important, the money allowed Alice to stay home for a year so she could focus on helping the kids to adjust to life without their dad and, at the same time, deal with her own grief.

Alice just recently began working two days a week as an administrative assistant in a medical clinic. Though it's not easy raising three kids by herself, she feels confident she can manage on her own. She also believes that Terry watches over them and is proud of the way they are carrying on.

This true story shows very plainly the importance of life insurance. Imagine the struggles Alice would have had if they had not purchased the life insurance on Terry. Unfortunately, the unexpected happens all too often, and life insurance should be a part of your financial plan to protect the unexpected.

(Source: Advisor Today, Dec 2004)

For more information on life insurance or for a free quote and analysis call or fax us or visit us at:



How have you planned for the unexpected?

Critical Illness Insurance

Critical Illness insurance typically covers an individual for life or for a set period against a number of serious illnesses, diseases and medical conditions. It pays out a single, tax-free lump sum on the diagnosis of one of the illnesses specified in the policy. The most common of these are heart attack, stroke, cancer, kidney or liver failure, paralysis and multiple sclerosis.

Fortunately, as medical technology makes strides, so do the chances of an individual surviving such illnesses. Unfortunately, in the

wake of survival can be severe financial hardship. The lump sum benefit of a Critical Illness insurance policy can ease this hardship.

Many people feel that they will be able to save enough money to offset the costs of such an illness. But, realistically most households cannot save the same amount of money that a Critical Illness insurance policy would provide.

Some people believe that Disability Income insurance would provide for the needs during a critical illness. And, yes, it would help with

the loss of income, but there are numerous other expenses involved with a critical illness. Disability Income insurance would complement the need for Critical Illness insurance.

(Source: Advisor Today—Jan 2005)

For more information on Critical Illness insurance or even a free quote contact us today by fax or mail. You may also visit us at:

www.insuringourworld.com

DID YOU KNOW?

- That up to 80% of the germs that cause common illnesses are spread by our hands
- That losing 10 pounds could lower your blood pressure 4-5 points
- That the best way to reduce your cancer risk is to control your weight
- That American men and women are both about an inch taller and 25 pounds heavier than they were in 1960
- That every day your heart pumps 2,100 gallons of blood through 60,000 miles of blood vessels
- That an HDL cholesterol reading below 40 is a definite risk factor for heart disease
- That a successful marriage requires falling in love many times, always with the same person
- That the grass may be greener on the other side of the fence, but it's just as hard to cut
- That on the average day most Americans spend about three hours watching TV and movies
- That a waist size larger than 40 inches for men and 35 inches for women is a sign that there is too much fat stored around the internal organs
- That if it weren't for the fact that most TV sets and refrigerators are so far apart, some of us wouldn't get any exercise at all
- That if you burn off 100 extra calories everyday or eat 100 calories less, you'll lose about one pound every five weeks

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"Your need is our opportunity."



Insurance and Investment Consultants was incorporated in 1970. Prior to that, the principle stockholder, Walter G. Barnes, had been in the financial services business as a sole proprietor since 1962. Therefore, we have been offering financial services to clients throughout Alabama, as well many other parts of the nation, for over forty years.

We are an independent brokerage agency representing many insurance companies and are free to select from any of these companies the appropriate plan or product that best meets the needs of our clients. We offer a full range of life and health insurance, as well as investments that include mutual funds and variable annuities.

Our pledge to you is - *"In all my relations with clients I agree to observe and follow the following rule of professional conduct: "I shall, in the light of all circumstances surrounding my clients, which I shall make every conscientious effort to ascertain and to understand, give them that service which, had I been in the same circumstances, I would have applied to myself."*

- Society of Financial Service Professionals

Newsletter Editor - Randy Barnes, Vice President

Speaking of Disability

Many of the worst things that people can imagine happening, short of a premature death, all relate to a loss of income. Since many people need all or part of their current earnings just to pay their bills and maintain their lifestyle, even a loss of part of their income could be disastrous. These are concepts that people need to take a close look at when considering the need for disability income coverage.

Since disability is a difficult concept for many people to grasp, the first thing that they need to understand is the effects of a change in employment. For instance, what would happen if you had to find a new job, at a lower starting income than you now enjoy? What would it mean to your family? Most people that become disabled don't find a job as quickly as needed. How long could you go on with a job search before your money runs out? These are

some very direct questions that everyone needs to confront.

It is important to understand that most people don't buy what they need, they buy what they want. It is important to consider the small financial sacrifice needed to purchase disability income protection, rather than having to face the more critical sacrifices that have to be made if a disability occurs.

If a disability were to occur, here are some important questions you would need to consider—What lifestyle would you want to provide for your family? How would you want your children to be educated? Where would you want your family to live? What conveniences would you want for your kids? How would you want the rest of your life to unfold? Unfortunately, these things would be staring you in the face. The key to all the answers lies in the fact of whether or not you

have disability income protection.

Some people buy this insurance so that they will be able to maintain their dignity should the worst happen. Some buy it so that they will have the money to pay the mortgage and other family expenses. Others buy it so that they will be able to tell their spouse and kids that they will be provided for. And some buy it so that they can maintain their pride.

People need to understand that there will be problems if and when a disability occurs. Only by taking action to prepare for this through disability income protection can these financial problems be avoided.

(Source:HIU—April 2004)

For more information on Disability Insurance contact us by fax or mail or visit us at—



Have you taken action to help your family through the effects of a disability?