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Est. 1993

The plans you don't see

why protection should underpin your financial plan

> "Growth builds wealth.
> Protection preserves it."

We spend a lot of time talking about how we can help make your money work as hard as possible for you, often through pension and investment plans, which tend to be driven by the retirement time-lines you set.

We keep track of where investments are through robust and flexible financial plans throughout your life-time.

That's the exciting stuff.

However, even the best plans can be derailed by unexpected but often life-changing events.

Protection planning can help ensure illness, death or interruption do not unravel years of progress for you and your dependants.

The value of an investment with St. James's Place will be directly linked to the performance of the funds you select and the value can therefore go down as well as up. You may get back less than you invested

THE FOUR FOUNDATIONS OF PROTECTION

Life Cover

A lump sum if you die during the policy term.

Whole of Life

Often used to provide funds to cover Inheritance Tax.

Income Protection

Replaces part of your income if illness prevents you working.

Critical Illness Cover

A lump sum on diagnosis of specified serious conditions.

Each does something different. Together, they create resilience.

Income protection

Safeguarding the engine of your plan

For working households, income is often the single most valuable asset yet frequently the least protected.

Mortgages continue whether you are well or not.

Savings can bridge short gaps. Longer absences create strain.

Income protection is designed to replace a proportion of earnings if illness or injury prevents you working for an extended period.

"We realised our income was funding everything and nothing was protecting it."

Tom & Sarah, 34, young family, Dorset

Tom earns £75,000. Sarah works part-time while caring for their two young children.

They have three months of expenses saved.

If Tom were unable to work for a year, the mortgage would remain. Household bills would continue. Savings would deplete quickly.

Income protection was arranged to replace part of Tom's earnings after a deferred period aligned to their emergency fund.

The premium was manageable.

Their long-term financial plan now accounts for any potential interruption as well as continued growth.

How income protection works

- Monthly benefit paid directly to you
- Starts after a chosen waiting period
- Continues until return to work or policy end
- Designed for long-term absence
- It differs from critical illness cover, which pays a one-off lump sum.

Critical illness & life cover

When survival changes the plan

Medical outcomes continue to improve. Many serious illnesses are more frequently survivable.

Financial stability during recovery is another matter.

Leanne, 41, Marketing Director, Bristol

Leanne was diagnosed with breast cancer and required nine months away from work.

Her critical illness policy paid out within weeks of diagnosis.

She cleared her mortgage and eased household pressure during treatment.

When she returned to work, it was on reduced hours by choice.

Financial strain didn't compound an already difficult period.

> **"The policy didn't change my diagnosis. It changed the financial pressure around it."**

Arun & Priya, both 45, Professional Couple, Surrey

With two children at independent school and a large mortgage, Arun and Priya had focused heavily on investment growth.

Their existing life cover had not been reviewed in years, since before their family grew.

New cover was arranged to clear the mortgage and create an education fund if one of them were to die prematurely.

Their financial plan is now in a place where it could withstand the unexpected as well as stay on track to fulfil their retirement goals.

What life cover can protect	
Mortgage balance	Family income
School fees	Outstanding liabilities

Estate planning & whole of life

Preserving what you've built

For many families, there comes a time when Inheritance Tax is no longer a distant concern. Rising property values and business growth can mean estates exceed allowances more often than expected.

Inheritance Tax is charged at 40% on estates above available thresholds.

Payment is usually due within months after death.

For asset-rich families, that can mean pressure to sell property or business interests quickly, during an already very difficult time.

James & Claire, 62, Business Owners, Bath

James and Claire started their manufacturing company thirty years ago. What began as a small operation now employs more than forty people.

Their estate, including business premises and their family home, exceeded £2.5 million.

Their projected Inheritance Tax exposure was over £600,000.

Their children are involved in the company but not yet ready to assume control. A significant tax bill could have meant selling shares or borrowing under strain.

A whole of life policy, written in trust, was arranged to create a lump sum designed to meet the projected liability.

The structure of the business did not change.

Their estate plan is now supported by funding, not assumptions.

Why whole of life?

Unlike term insurance, whole of life cover does not expire after a set number of years. It is designed to pay out whenever death occurs, making it suitable for estate planning where tax liabilities arise at that point.

"It wasn't about reducing tax. It was about protecting the business from being dismantled."

The advice provided in the above case studies was given after a full evaluation of the specific needs, circumstances and requirements of the individuals involved. The solutions provided would not be suitable for most clients and the information provided does not constitute advice.

So what does protection planning mean for you?

Protection planning isn't a separate exercise from financial planning, in fact, your financial plan isn't complete without addressing both.

The right protection forms the foundation beneath it and by acknowledging life doesn't always follow a straight line, you can be prepared for any bumps along the way giving you structure during times of uncertainty.

If your circumstances have changed such as a new mortgage, change in your business, a growing family — it may be time for a review.

A short conversation with us can clarify what is already in place and identify where gaps may exist.

Protect what and who is important to you now. Don't leave it until it's too late.

The levels and bases of taxation, and reliefs from taxation, can change at any time. The value of any tax relief is generally dependent on individual circumstances.

Please note that these plans do not have a cash-in value and will stop if payments to them cease.

Trusts are not regulated by the Financial Conduct Authority.

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