



INSTITUTE OF
FINANCIAL
ADVISERS

ALL YOU NEED TO KNOW ABOUT

CHOOSING AN INSURANCE ADVISER



CLU^{CM}

THE SIGN OF
GOOD ADVICE

CERTIFIED LIFE UNDERWRITER^{CM}

CHOOSING THE RIGHT INSURANCE ADVICE

Making the right decisions about your insurance needs has never been more important. Knowing who to turn to for insurance advice is essential.

A CERTIFIED LIFE UNDERWRITER^{CM} professional is recognised for having the highest education and ethical standards in insurance. So when you want trusted, credible insurance advice, look for a CLU^{CM} professional.

To find a CERTIFIED LIFE UNDERWRITER professional visit www.ifa.org.nz



WHAT CAN A CERTIFIED LIFE UNDERWRITER_{CM} PROFESSIONAL DO FOR ME?

Risk management using insurance products can be simple or complex depending on your individual circumstances. Having good advice is imperative if you are to achieve your financial and lifestyle goals.

A CERTIFIED LIFE UNDERWRITER_{CM} professional can identify and explain how personal insurance can play a part in protecting your financial future. They can assess current coverage and help you develop an appropriate strategy to protect your family, business and financial objectives; discuss your options; quantify potential insurance needs; and oversee any recommended changes. The present value of your future financial goals and/or obligations is a good starting point when it comes to quantifying cover needs.

While it is important to set your goals and develop a plan to achieve these over time, it is even more important that these goals can still be achieved should something go wrong along the journey. A CERTIFIED LIFE UNDERWRITER_{CM} professional can give you the peace of mind and security that comes with being prepared for adverse events along the way.

WHEN CAN INSURANCE ADVICE HELP YOU?

No two insurance plans are the same, especially when you consider different life stages.

YOUNG TO MID-LIFE (20 TO 39)

You may be establishing and building a career, launching a business, saving for your first home or perhaps starting a family.

You may be looking at:

- Mortgage Protection
- Income Protection
- Trauma Cover
- Family Income
- Health Insurance
- Key Person and Shareholder Protection Cover

MID-LIFE (40 TO 49)

This is your consolidation stage - achieving a comfortable lifestyle and thinking about managing your long-term future.

You're likely to focus on:

- Mortgage Protection
- Income Protection
- Trauma Cover
- Family Income
- Super Savings Cover
- Protecting a business venture and your interest in it
- Key Person and Shareholder Protection Cover

PRE-RETIREMENT (50 TO 64)

With possibly 30 or more years of retirement ahead of you, your priorities will depend on how well you've prepared.

Your main concerns will be:

- Mortgage Protection
- Income Protection
- Trauma Cover
- Health Insurance
- Super Savings Cover
- Key Person Cover for business exit
- Key Person and Shareholder Protection Cover (if you have a business)

RETIREMENT (65+)

This is the time to indulge in hobbies or travel, enjoy your family and prepare for transferring your wealth.

You may be thinking of:

- Health Insurance
- Final Expenses Cover
- Estate Planning
- Charitable Giving

A close-up, high-angle shot of a spiral-bound notebook. The metal spiral binding is visible along the top edge, and the pages are a light, off-white color. The notebook is slightly angled, creating a sense of depth.

WHAT TO EXPECT FROM AN INSURANCE ADVISER

It's important to ensure that your insurance adviser has taken the time to understand your needs, goals and preferences before they make recommendations.

1.

DEFINING THE RELATIONSHIP

The insurance adviser should explain the process they'll follow, find out what your needs are and make sure they are qualified to meet them. You can ask them about their background, how they work and how they are remunerated.

2.

IDENTIFYING YOUR RISKS

You work with the insurance adviser to identify your short and long term financial risks - this stage serves as a foundation for developing your insurance programme

3.

ASSESSING YOUR FINANCIAL SITUATION

The insurance adviser will take a good look at your position - your assets, liabilities, insurance coverage and investment strategies

A background image featuring a spiral-bound notebook in the top left corner and a computer keyboard in the bottom right corner, both in a light, faded grey tone. The main area of the page is white, serving as a backdrop for the numbered steps.

4.

PREPARING YOUR INSURANCE PROGRAMME

The insurance adviser recommends suitable strategies, products and services, and answers any questions you have

5.

IMPLEMENTING THE RECOMMENDATIONS

Once you're ready to go ahead, your insurance programme will be put into action; where appropriate the insurance adviser may work with specialist professionals, such as a solicitor or an accountant

6.

REVIEWING THE INSURANCE PROGRAMME

Your circumstances, lifestyle and financial goals are likely to change over time, so it's important your insurance programme is regularly reviewed, to make sure you keep on track

WHAT TO LOOK FOR IN AN INSURANCE ADVISER

Look for an insurance adviser who is a member of the Institute of Financial Advisers (IFA), New Zealand's leading professional community of financial advisers.

Members of the IFA must meet stricter criteria and higher standards than required by law.

CERTIFIED LIFE UNDERWRITER_{CM} professionals have gone one step further to achieve the highest qualification in insurance.

A good rapport is essential. Your insurance adviser is going to know more about you than your accountant or doctor, as he or she will have details of your finances, medical history and family situation. If you can't establish a good bond early on your first meeting with a insurance adviser, keep looking.

Insurance advice is a relationship business and not just a one-off meeting. Ask plenty of questions about the insurance adviser's qualifications and experience, and, especially whether they are a CERTIFIED LIFE UNDERWRITER_{CM} professional.

All CLU_{CM} professionals are authorised by the Financial Markets Authority (FMA) to provide personalised financial advice and are listed on the Financial Service Providers Register (FSPR) at www.business.govt.nz/fsp

ALL CERTIFIED LIFE UNDERWRITERS

are Practitioner members of the
Institute of Financial Advisers (IFA)

IFA VISION

The Institute of Financial Advisers is New Zealand's professional body that inspires trust and confidence in financial advice.

IFA OBJECTIVE

To act in the best interests of the public, and that clients and prospective clients of our members obtain competent and suitable financial advice.

OUR CODE OF ETHICS

- Client First
- Integrity
- Objectivity
- Fairness
- Competence
- Confidentiality
- Professionalism
- Diligence

WHAT SHOULD I ASK AT THE FIRST MEETING?

The introductory meeting with a insurance adviser is your opportunity to make sure that you feel comfortable with the adviser's professional credentials and that you get along well.

A sure sign of a good insurance adviser is that they don't rush you, carefully listen to you and clearly explain where they can add value and where they can't.

What qualifications do you have?

When choosing an insurance adviser make sure they have the necessary qualifications.

The simplest way to do this is to narrow your selection to a CERTIFIED LIFE UNDERWRITER^{CM} professional who has achieved the highest designation for insurance advisers.



What is your specialty?

Different insurance advisers have specific expertise in different areas, for example, some are only able to advise on limited areas, so you need to make sure that your insurance adviser is qualified in the areas that are relevant to you.

How do you charge for your services?

Many insurance advisers work on commission and will usually receive a payment from the insurance provider as a percentage of your premium.

As a CLU_{CM} professional and an Authorised Financial Adviser (AFA) they are required to disclose any commission and/or fees.

Depending on the complexity of your insurance requirements there may be separate fees for the writing and implementation of an insurance plan,

Getting Started

To find a CLU_{CM} professional visit
www.ifa.org.nz (find a financial adviser)



www.ifa.org.nz

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