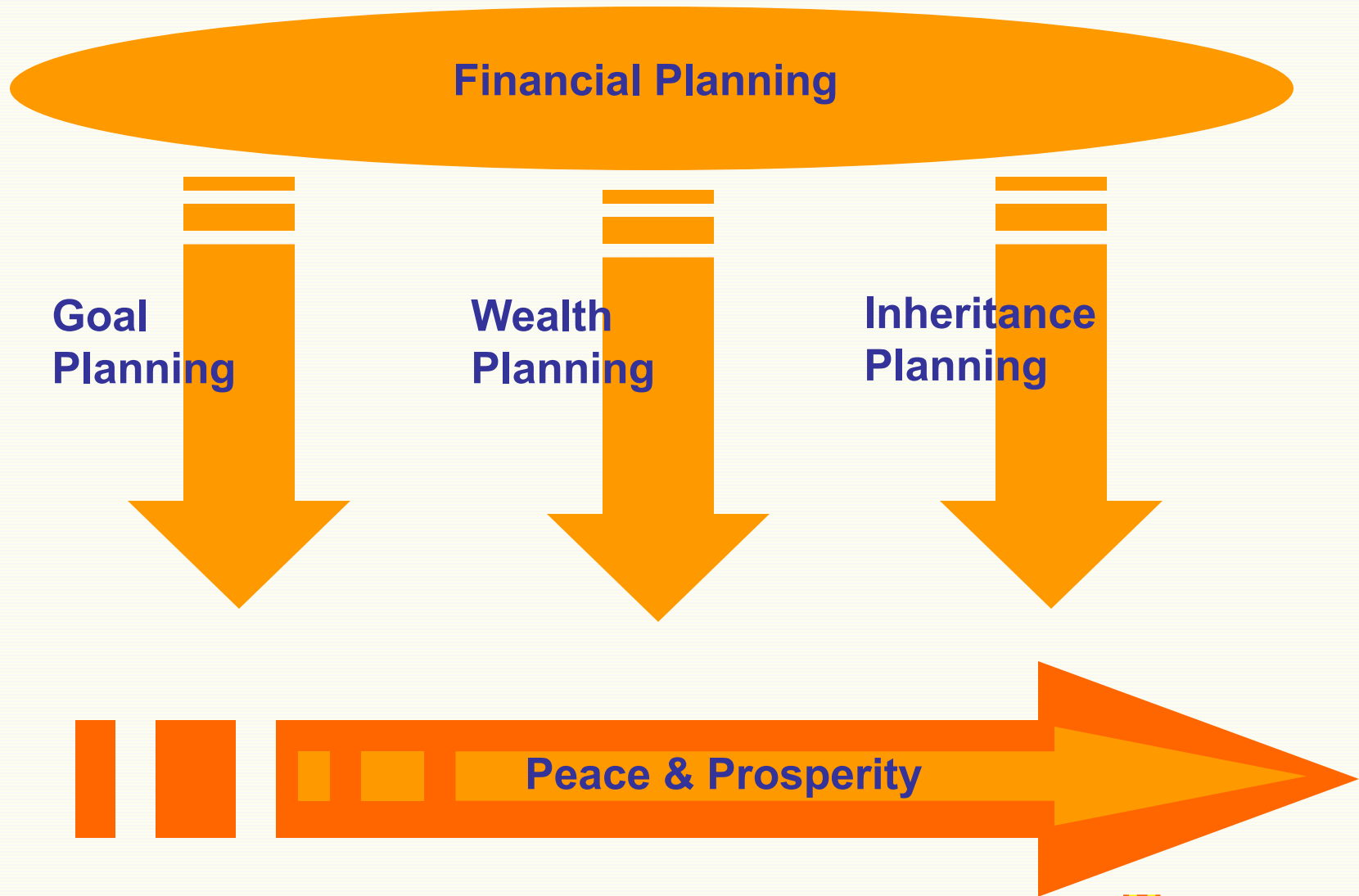
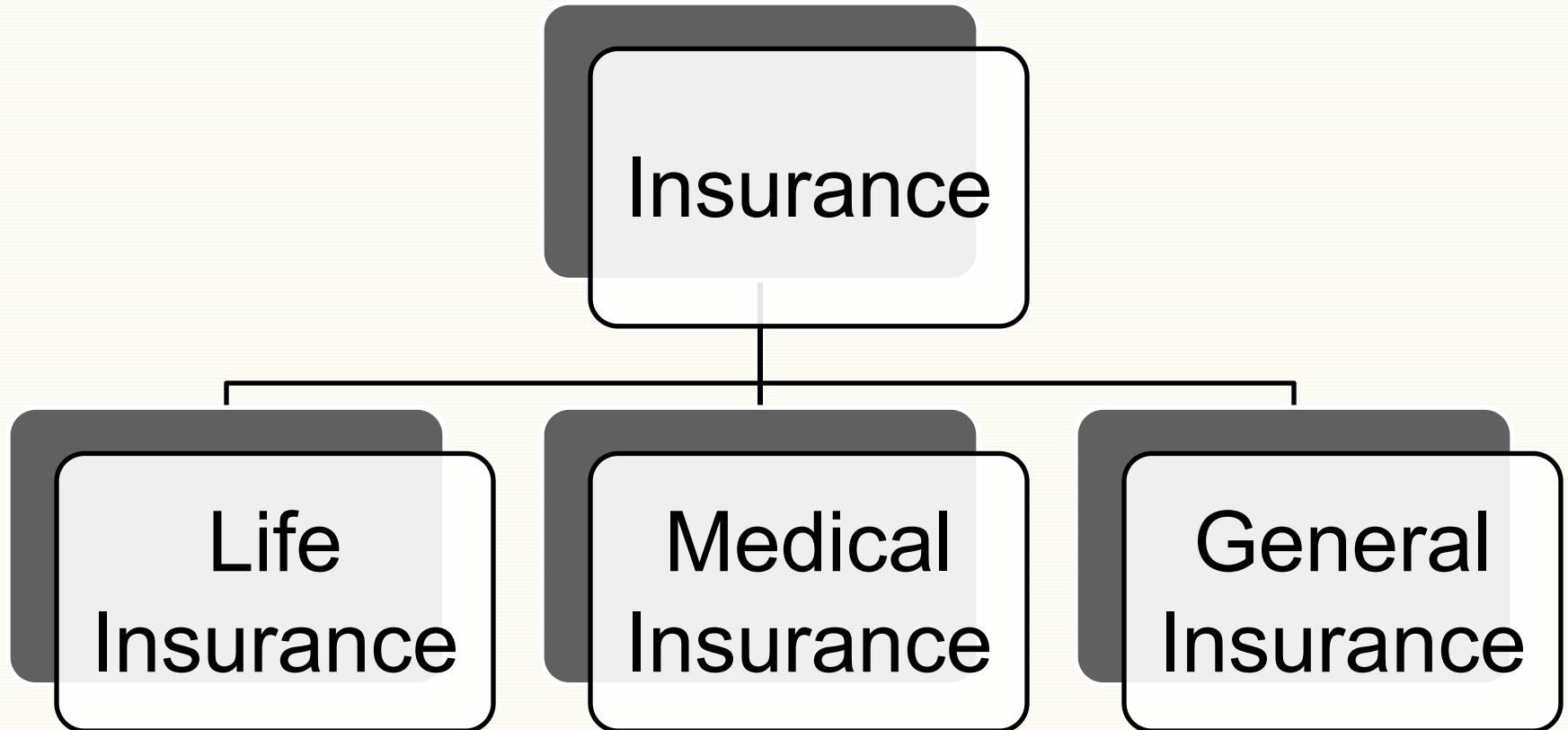

Insurance, Risk Management and Estate Planning



What is Financial Planning?



Types of Insurance



Insurance as an Investment Vehicle ?

Traditional Choices

- Money Back Policy
- Endowment Policy
- Whole Life Policy
- Pension Policy
- Child Policy
- Term Policy

Market Linked

- ULIP
 - Pension Policy
 - Child Policy

Insurance as an investment option is an

BAD IDEA

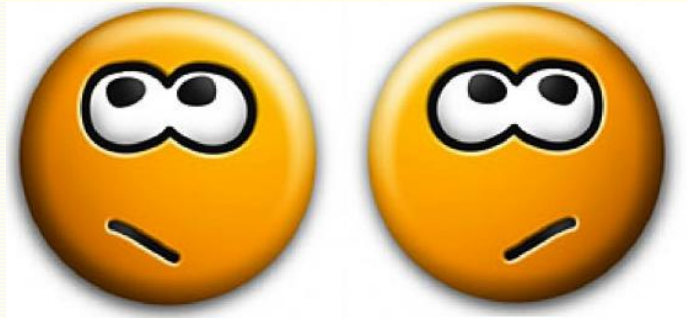
Insurance as an Risk Management Tool

GOOD IDEA

For a 30 year old;

- A term plan of Rs. 1 crore will cost Rs. 7000 p.a.
- A medical floater of Rs. 7 lakhs will cost Rs. 15 – 20k p.a.
- A home contents cover of Rs. 2000 p.a. for a 10 lakh cover

How much insurance do i need ?



Do I really need insurance ?

Answer these questions...

- Do I have outstanding loans against my name?
- Do I have people financially dependent upon me?
- Do I have commitments or financial obligations which are yet pending?

BUT

- I have assets...

Case Study

- ❑ **Mr. Amit, 30, married, earns Rs. 1 lakh has a kid and is servicing a home loan of Rs. 50 lakhs. He wishes to send his son abroad for higher education and anticipates to spend Rs. 50 lakhs in the next 10 years. He also want to keep aside another Rs. 50 lakhs for his son's marriage which he will need in the next 15 years or so. Currently, he has liquid assets worth Rs. 75 lakhs and has a insurance cover of Rs. 25 lakhs.**

- ❑ **He approaches you to advise him on his insurance cover ?**

❑ Rs. 2 crore

Case Study: Solution

Add

- Liabilities – Rs. 50 lakhs**
- Future Goals – Rs. 1 crore**
- Life Insurance for income support in his absence – Rs. 1.5 crore**

Less

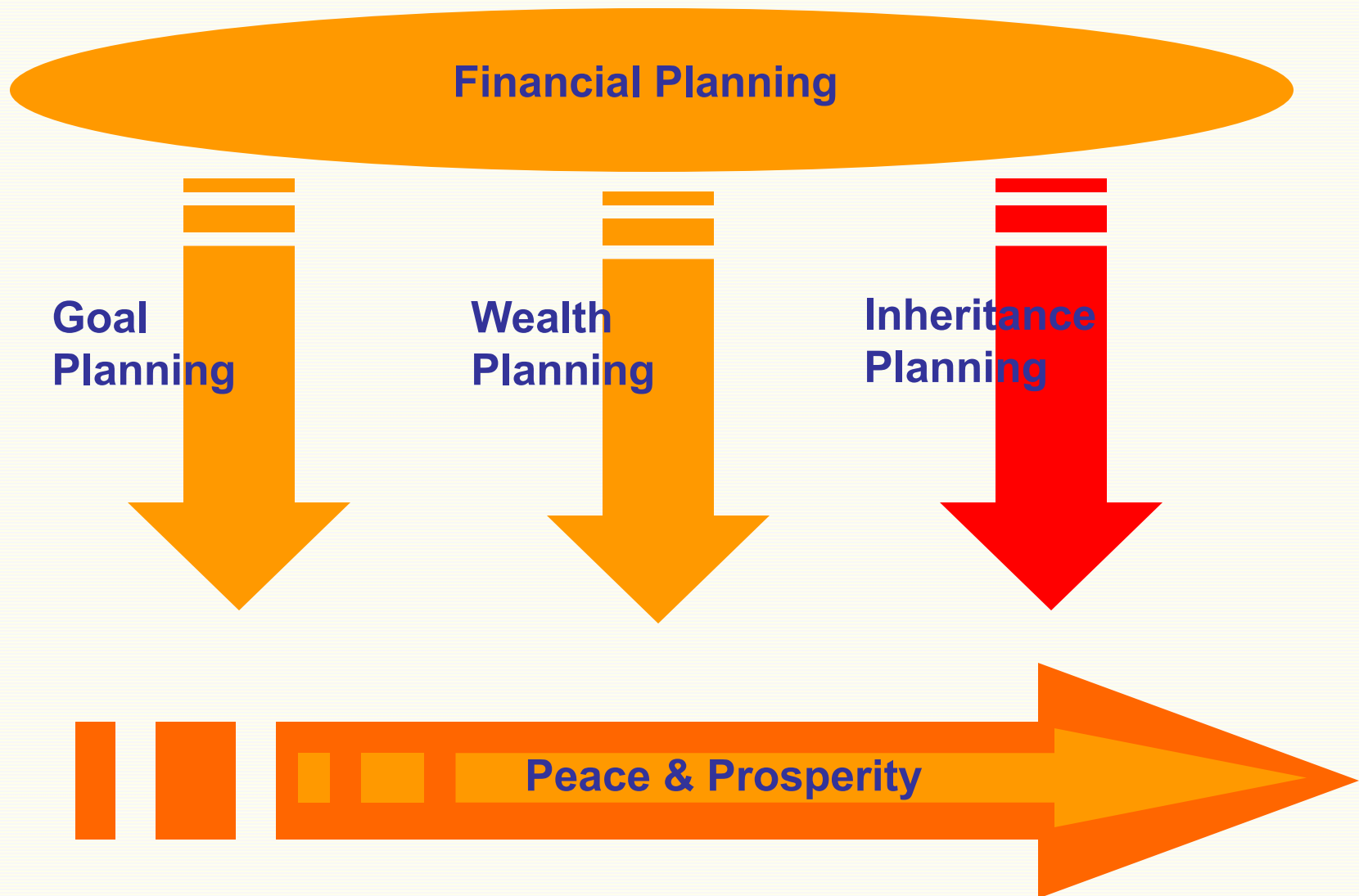
- Liquid assets – Rs. 75 lakhs**
- Existing life insurance – Rs. 25 lakhs**

- Thumb Rules can be misleading at times**
 - Your current age minus 100 should be your equity allocation**

- Answering a set of questions does not determine your risk taking ability.**

- Your goal target, time and the resources determine the level of risk one should take**

What is Financial Planning?

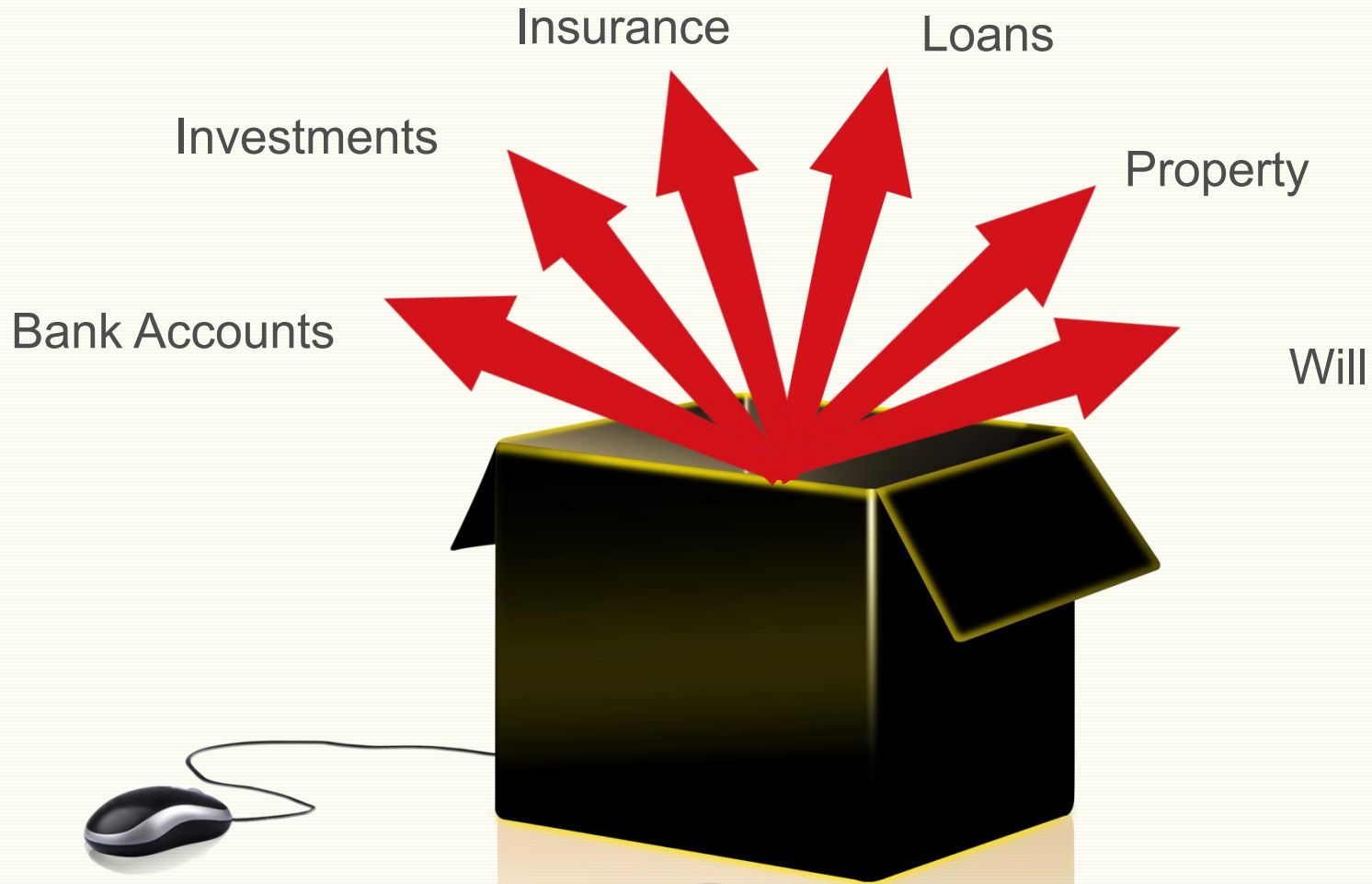


Have you created your 'Black Box'?



- **Your best support system**
- **A reservoir of all information in a systematic manner**
- **Contains all the private and confidential financial information in detail**

What is a Black Box?



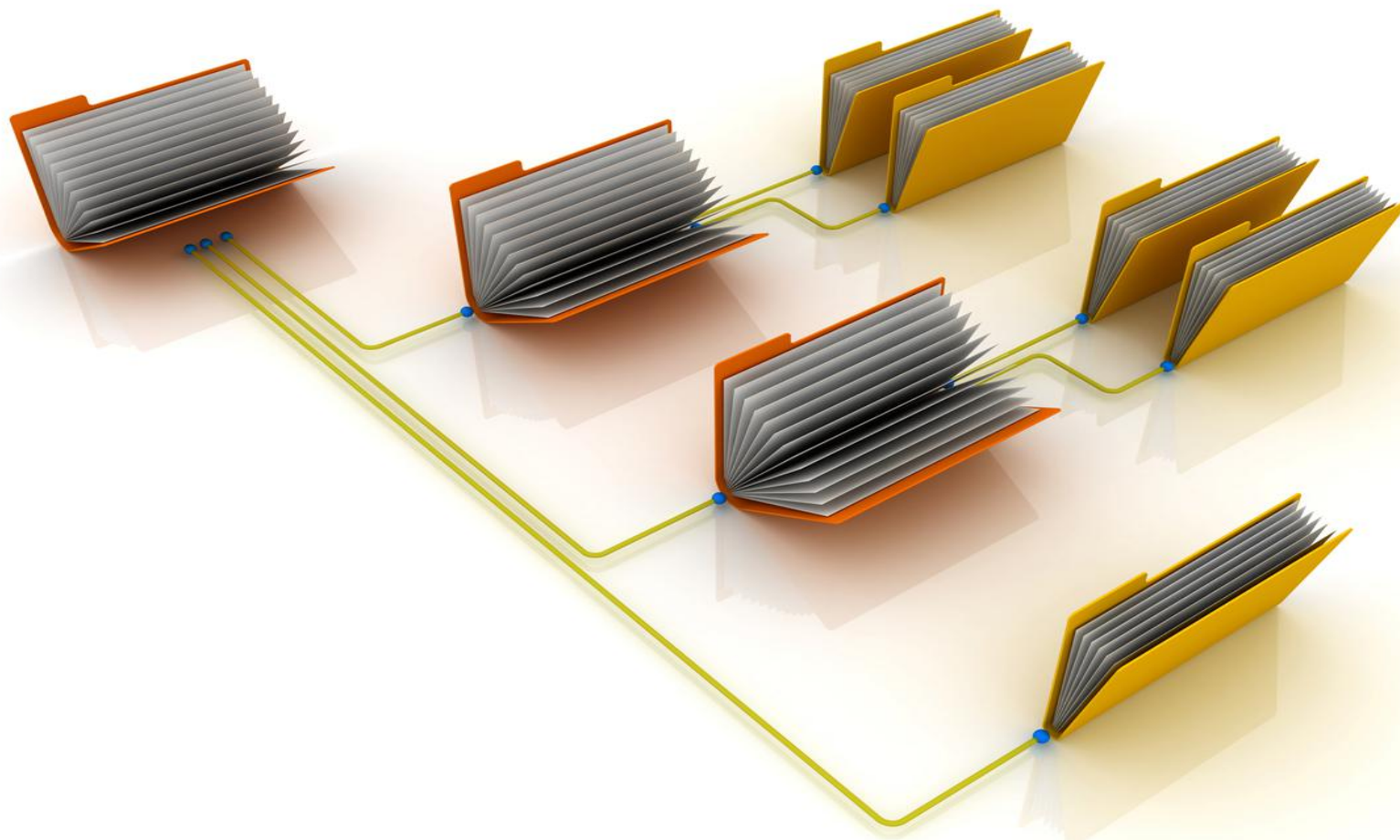
Inheritance Planning



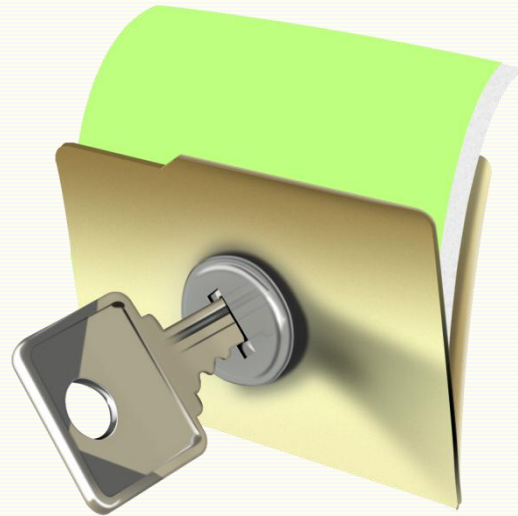
Paperwork Management



Paperwork Management



What is a private web locker?



Comprehensive Wealth Management

ePlan – Customized Plan	Risk Management	Research Desk	Family Office	Succession Planning
Creation of Trusts (Public / Private)	Dynamic Network Analyzer	Single / Multiple Goal Planning	Financial Planning	Salary Restructuring
Wealth Audit	Will Creation	Filing IT Return	10K Plan, 20K Plan etc..	Health Insurance Consulting
Portfolio Administration	Paperwork Management	Retirement Planning	Book Keeping	Transaction Management
Tax Planning	Blackbox	Legal Support Services	Legacy Line	Equity Research
Education Funding	Holiday Planning	Debt Management	Small Business Setup	ePlan – Free for Life

Thank You

Satish Menon

