



WINTER SPORTS LIFE INSURANCE, CRITICAL ILLNESS COVER AND INCOME PROTECTION

The facts about getting Winter Sports life insurance

Most Winter Sports usually take place in extreme mountainous locations, and include activities such as skiing, snowboarding, ski racing, ice climbing, rock climbing and many more. As is the usual case in the world of underwriting, extreme sports and winter sports carry an element of risk. Winter Sports life insurance is usually available and at standard rates (no loading) if you are a recreational skier, snowboarder or mountaineer. If however you are a professional or competing athlete skier, snowboarder or mountaineer, then getting cover for Winter Sports life insurance could be more difficult to obtain, or you may find that your premiums are higher than the standard rate. In such cases, it may be worth applying to a specialist insurer who can accommodate your needs. At Iam Insured, we can help you with this and find the best product for your circumstances.

WHAT DOES WINTER SPORTS LIFE INSURANCE COST?

If you need Winter Sports life insurance, you will need to provide insurers with information about your Winter Sports activities and whether you do these recreationally or professionally. Insurance underwriters will assess your application for Winter Sports life insurance based on the following:

- The type of Winter Sport you are undertaking (e.g. Skiing, snowboarding or mountaineering)
- Your personal experience level (i.e. amateur or professional)
- How often you do Winter Sports
- Any variations to your sport (e.g. Off-piste skiing)
- Qualifications you own in the sport

YOUR PREMIUMS FOR WINTER SPORTS LIFE INSURANCE WILL ALSO DEPEND ON:

- Sum assured (£'s)
- Term of cover (years)
- Type of policy (e.g. Family, Mortgage, Whole of Life etc.)

WINTER SPORTS LIFE INSURANCE RATES/RATINGS

Rates for any non-standard cover such as Winter Sports life insurance will vary from one insurance provider to another, depending on their underwriting philosophy. Insurance providers use a risk based scale to determine the amount you will pay for your cover which uses a 'percentage loading' or '£'s per mille loading'. All insurance companies have their own underwriting criteria which will also change over time, so can be difficult to predict unless you regularly speak to them.

PERCENTAGE (%) LOADING FOR WINTER SPORTS LIFE INSURANCE

A percentage loading basically applies a % to your standard premium based on the levels of risk calculated for your own circumstances. Your percentage loading will apply a multiple to your Winter Sports life insurance premium, which will be based on your health and activities at the time of your application. You should also know that some insurance providers have different maximum levels to others, so some are prepared to take on higher risks (e.g. 250% or 400%).

EXAMPLE:

BASIC PREMIUM	% LOADING	FINAL PREMIUM
£20.00	50%	£30.00
£20.00	100%	£40.00
£20.00	150%	£50.00
£20.00	200%	£60.00
£20.00	250%	£70.00

PER MILLE LOADINGS FOR WINTER SPORTS LIFE INSURANCE

You may also find that a 'per mille loading' could be applied to your Winter Sports life insurance premiums, but this is more rare and only tends to be used for more severe conditions such as Cancer. A 'per mille loading' will be an additional amount that is applied to your premiums which is based on the amount of cover you are applying for (e.g. £2 per thousand £'s of cover). The other difference with a 'per mille loading' is that it can be applied for the whole term of your Winter Sports life insurance policy, or for a period of time from the start of your policy (e.g. 2, 3, 4 or 5 years).

EXCLUSIONS FOR WINTER SPORTS LIFE INSURANCE, CRITICAL ILLNESS COVER OR INCOME PROTECTION

Another potential outcome when applying for a non-standard cover such as Winter Sports life insurance, critical illness cover or income protection is for an 'exclusion' to be applied to your policy. This means that you may have certain conditions which can be linked to your activities that carry an element of risk excluded from your policy. You may also find that certain additional benefits could be excluded such as Total and Permanent Disability, Waiver of Premium or Guaranteed Insurability.

HOW MUCH COVER DO I NEED?

It is difficult to say how much cover you need when you are applying for a Winter Sports life insurance, critical illness cover or income protection policy. There are however some simple rules that you can follow which will give you a good idea for how much cover you need before you apply.

NB. You should also be aware that a Winter Sports life insurance, critical illness cover or income protection policy could increase after underwriting to reflect any additional risks of claim so affordability may be a consideration.

WINTER SPORTS LIFE INSURANCE AMOUNTS OF COVER

- Mortgage amount (£'s)
- Outstanding debt (e.g. Loans, second charge, credit cards and other)
- Dependants
- Spouse or partner
- Income (after tax)
- Assets (e.g. car, house, business etc.)

WINTER SPORTS CRITICAL ILLNESS COVER AMOUNTS

Critical illness cover is slightly different to life insurance in the sense that it is designed to provide a lump sum payment if you are diagnosed with a critical or serious illness. Most people relate this type of cover to Cancer, which is the biggest reason for claims for critical illness cover. Things to consider are:

- Income (after tax)
- Mortgage payments (annual)
- Cost of living (annual)
- Any other possible costs (e.g. medical treatment or adaptations)

Critical illness cover for those taking part in Winter Sports is also usually accepted with no exclusions and at standard rates, although this usually applies to those doing Winter Sports for recreational purposes. If there is a higher level or risk in your Winter Sports activities, an exclusion may be applied on your critical illness cover policy for that activity. Examples of such exclusions include:

- Off-piste skiing or snowboarding
- Ice climbing
- Ski touring
- Alpine climbing

WINTER SPORTS INCOME PROTECTION AMOUNTS OF COVER

Income protection is a very flexible product with a lot of options and variables so you need to consider your own circumstances before you consider this type of policy. If you work, and especially for people who are self-employed, a Winter Sports income protection policy can be a valuable product to give you peace of mind if anything happens to you. Some of the main aspects to consider are:

- Monthly income (after tax)
- Mortgage/rent payments
- Debts (other)
- Cost of living

Income protection for winter sports can also often be accepted at standard rates with no exclusions, especially for recreational activities. A loading or exclusion could be applied in the case of more extreme Winter Sports. Income protection can come with exclusions for any illness or injury that arises from that sport. Talk to us at iam Insured today so we can talk you through your options.