

Cryonics and Insurance – Research Part 2 (Whole of Life Assurance)

The most preferable type of Insurance for funding Cryonics in the UK is Whole of Life Assurance. In this article I'll explain more about how Whole of Life Assurance works.

Whole of Life Assurance is the most suitable type of Life Assurance for Cryonics because it is designed to meet a clearly identified financial need in the future. In Part 1 of this series of articles we described some other types of insurance and the reason they are generally unsuitable for Cryonics.

USES FOR WHOLE OF LIFE

Whole of Life Assurance is used for a number of purposes such as family protection, mortgage protection, but is most commonly used for a fixed purpose such as meeting potential Inheritance Tax Liabilities within someones estate after their death.

The open-ended nature of this type of policy means that it is most suitable when there is a clearly identified purpose for the policy. This is the reason that Whole of Life Assurance has become the most preferable type of Insurance in the UK for the purpose of funding Cryonics.

There are several insurance providers in the UK that offer Whole of Life Assurance policies. Some offer Investment backed cover and some offer non-investment backed cover. It's very important to know the differences, especially if you are looking to plan for a long term financial aim.

INVESTMENT BACKED

Investment Backed cover means that there is a mixture of insurance and investment funds within the one policy. This type of policy is very similar in structure to endowment policies, which have been in the spotlight for poor performance over the past decade.

The nature of investment performance means that in good times there might be some retained resources within your policy, however, in bad times it could mean that the company could write to you asking for either a higher premium or to reduce your level of cover.

Neither of these scenarios is helpful, especially if you have an existing plan that you are using for the purpose of funding Cryonics. If you have an existing Investment Backed Whole of Life, then we suggest that you check on your sum assured and make sure that the policy is on track.



NON-INVESTMENT BACKED

The majority of Whole of Life Assurance policies that are being taken out currently are Non-Investment backed. They are more defined at outset with certain guarantees over the future premiums and in meeting the policy sum assured in the future.

Insurance companies in the UK have been insuring people since 1774, so they are very experienced at calculating mortality. This means that non-investment whole of life assurance is more certain to meet your objectives than Investment Backed Whole of Life Assurance.

Non-Investment backed Whole of Life Assurance does work out good value for money over the lifetime of the plan, especially if you take the policy for a defined purpose. The insurance companies also know how many people will lapse their policies before they are used, which means lower long term premiums for those that maintained their plans for the full duration.

INDEPENDENT ADVICE

There is no doubt that non-investment backed Whole of Life Assurance has a role to play in helping people to fund Cryonics in the future. We have recently arranged policies for both new Cryonics members and Existing members to bridge potential gaps in their planning.

If you require help or advice about Insurance products for Cryonics then please contact us for more information – we would be very happy to provide quotations for you.

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You can read more about Cryonics and Insurance at www.unusualrisks/cryonicsinsurance.html and also download a copy of our free Cryonics and Insurance Fact Sheet

You can find out more about Cryonics in the UK by visiting www.cryonics-uk.org

Authorised and Regulated by the Financial Conduct Authority. Please note that most Buy to Let mortgages are not regulated by the Financial Conduct Authority.

