

Funeral Insurance (Continued)

Cancellation

If the policy is cancelled after 30 days, no funds are refunded. If premium payments cease, insurance cover will cease.

Accidental Death

Accidental death is covered only for the first 12 - 24 months, depending on the premium selected. If a person dies during this period for a cause other than accidental death, the cover amount will not be paid. 100% of premiums paid will be refunded, but not the cover amount.

Inflation

Funeral costs rise each year. The sum insured by the Funeral Insurance Policy will increase each year by CPI only if extra premiums are paid.

Payment of Funerals?

Some Funeral Insurance advertisements claim payment of Funeral expenses is required prior to a Funeral. This is not the case for Tobin Brothers Funerals, who will work with clients to establish a payment plan if and when required.

Conclusion

A Fixed Price Funeral Plan with Tobin Brothers Funerals is a no-risk investment which is tailored to suit you and your family and is based on your specific needs, in the form of a Contract.

To arrange an obligation free appointment or to obtain a detailed fee proposal, please call our Funeral Advice Line on **(03) 9373 7000**.

Independent Information

Further independent information can be obtained from the Australian Security Investments Commission (ASIC) website: asic.gov.au.



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FUNERALS

Celebrating Lives

FOR OVER 80 YEARS

Frances Tobin
FUNERALS BY WOMEN

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please telephone our Funeral Advice Line: **(03) 9373 7000**

This brochure can be downloaded as a PDF from
www.tobinbrothers.com.au
www.tobinbrothers.com.au/blog

*Fixed Price
Funeral Plan*

What is a Fixed Price Funeral Plan?

A Fixed Price Funeral Plan is an agreement between a Client and Tobin Brothers Funerals. Tobin Brothers is contracted to provide the Funeral chosen by the Client as per their wishes.

Families who invest in a Fixed Price Funeral Plan often mention that they have peace of mind, knowing their Funeral is taken care of without being a burden to their family and friends.

Is the Fixed Price Funeral Plan money safe?

The money is securely invested in accordance with the Funeral Act 2006. The funds cannot be accessed until the death has occurred.

What if Tobin Brothers went out of business?

Should Tobin Brothers cease to operate, another Funeral Director would fulfil the Funeral Service obligations as the funds are securely invested with an impartial investment institution in the Client's name.

What if the invested funds did not meet the cost of the Funeral at the time of death?

Regardless of how the investment performs, the contract guarantees no further costs unless additional items or services are requested.

What if I moved interstate or overseas?

When it becomes impractical for Tobin Brothers to carry out the Funeral, the investment can be reassigned to the person's estate or transferred to another Funeral Director.

What if the death occurred outside Tobin Brothers usual operating area?

It is possible to add "Travel Care" to the Funeral Plan contract, but this applies only to travel within Australia.

Can a Fixed Price Funeral Plan be changed by the client?

The Contract can be amended in writing. If a less expensive item is selected, funds are refunded at the time of the Funeral Service. If additional services are required, they are invoiced at the time of the Funeral Service.

Can the contract be cancelled?

The investment cannot be redeemed. The investment companies are regulated by external bodies preventing them from cancelling and paying out policies prior to death. If necessary, refunds can be paid into the estate at the time of death.

What are the payment options?

- Pay in full – the price is fixed;
- Take out one Contract as an "either/or" Funeral Plan (see below);
- Pay by instalments (see below) or;
- Pre-arrange the Funeral - no payment would be required until such time as the Funeral is required.

What is an either/or contract?

An either/or contract allows for a couple to provide for the cost of the first Funeral, thereby alleviating financial burden on the surviving partner.

Can a Fixed Price Funeral Plan be paid off?

Yes, the initial instalment must include the Administration fee, any Cemetery/Crematorium fees, the GST payable and \$500.00 to open the investment. The balance may be paid in regular instalments over a three year (or less) period.

I receive a Centrelink Pension; does a Fixed Price Funeral Plan affect my payments?

As the investment cannot be accessed, it cannot be used to generate income for you. A Fixed Price Funeral Plan will not affect any pension payments and is not subject to the Income or Assets test. Some clients find that investing funds in a Fixed Price Funeral Plan is an effective way to reduce their financial assets if required.

What is the difference between a Fixed Price Funeral Plan and Funeral Bond?

Fixed Price Funeral Plan (Assigned Investment)

- The Funeral is costed; the correct amount of money is invested;
- The investment is assigned to Tobin Brothers Funerals, who receive the interest to offset ongoing Funeral cost increases;

- When death occurs, the Funeral is conducted;
- If the funds are not sufficient to meet the cost of the Funeral there is no extra charge to the executor or family; and
- An assigned Funeral bond, pre-purchased cemetery plots and cremation deeds are exempt from the Assets test regardless of their value.

Funeral Bond (Unassigned Investment)

- You may invest an amount to meet Funeral expenses, and you receive the interest on those funds;
- A specific Funeral Director is not selected, nor are specific Funeral arrangements made;
- When death occurs, the investment is paid to the executor to contribute to the Funeral expenses. If sufficient funds were not invested initially or the investment does not perform reasonably, the executor or estate is liable for any shortfall in funds;
- An unassigned Funeral bond is only exempt from an assets test up to the value specified by Centrelink. Refer to the www.centrelink.gov.au; and
- Centrelink must be informed if a Funeral bond is taken out, no matter how much is invested.

What about Funeral Insurance?

It is strongly recommended that you read the fine print carefully before contributing to Funeral Insurance. Some important points that you should bear in mind are:

Cost

Premiums generally increase yearly, and (depending on the policy selected) also with inflation. Cover may commence from as little as a cup of coffee however by the age of 80 the estimate is \$25.00, by the age of 85, the estimate is \$38.00. Projections calculated by the Australian Funeral Directors Association (AFDA) indicate that a 60 year old commencing insurance would contribute approximately:

\$7,000 by age 70	\$14,000 by age 75
\$28,000 by age 80	\$80,000 by age 90