

ASU Cover

Becoming unemployed can cause many problems, not least the fact that there simply may not be any money to pay the bills. Most people will agree that their home is their most important material possession, yet if mortgage payments cannot be made, the security of a home can be taken away.

You cannot rely on state help to cover your mortgage payments if you cannot work. There is no help for the first 13 weeks of unemployment or disability for mortgages.

You can buy cover to protect your mortgage payments if you have an accident or become ill and cannot work, if you become unemployed, or to provide full cover for accidents, sickness and unemployment. The terms and conditions under which you can claim differ with every policy, so you should always check them very carefully.

The Benefit period is the length of time you can claim monthly payments for, and these vary for each policy. You can select the time period you want to be covered (1 year, 2 years etc) but the longer you want the cover for, the more expensive the premiums will be.

There is always an Initial Exclusion period at the start of the contract, during which time no claim can be made. This normally applies to unemployment only and is 30, 60 days or longer.

Most policies also have an excess period, for each & every claim. An amount of days 30, 60 or more which are excluded from the claims payment. For example with a 60-day excess, and a claim for 65 days, 5 days are paid.

Alternatively some have a waiting period after which time the claim is paid in full. With a 30 day waiting period, on the 31st day of unemployment or disability the claim is back dated to day 1 & paid in full.

Most providers will cover your mortgage payment and a little extra for mortgage related bills, such as pensions, insurances etc. They usually offer an extra 5, 10 or even 25% but may have conditions on what this money can be used for.