

## **Trauma (Living Insurance, Critical Illness)**

These are contracts that pay a lump sum benefit if you are diagnosed with one of the medical conditions described in the policy.

It is important to understand that the condition must be at the level defined in the policy and not necessarily what your doctor might have told you is wrong with you.

Perhaps the easiest example to understand is cancer. Just because you have a cancer, it may not be at a severe enough level to qualify for payment under the policy's definition.

Each company has a different range of conditions they cover and different definitions for each condition. This is where using an adviser is very important – they know the details of each contract and which ones are most suited to your circumstances.

Also, many companies now offer partial payments on certain conditions where they haven't yet reached the level defined in the policy. It pays to check out which conditions each company pays these early benefits and the conditions covered.