



MDRT AUSTRALIA

MEDIA RELEASE

MDRT Australia joins industry partners to explore solutions to address underinsurance challenge

Thursday September 24, 2009. Million Dollar Round Table, The Premier Association of Financial Professionals® (MDRT) Australia together with its industry sponsor partners Asteron and CommInsure will come together later this week with representatives from leading life companies and industry associations to explore and communicate solutions to help Australian consumers, families and business owners secure their financial futures.

“As an international organization, MDRT is acknowledged for its commitment to assisting financial advisers across the globe better and more professionally address and service the financial objectives of their clients – but most importantly, to ensure that the personal goals and aspirations of clients are protected and underpinned with a robust protection strategy,” said MDRT Australia Chairman Stuart Farrell.

“Unfortunately, today far too many individuals have inadequate protection programs in place as they simply don’t believe they are at risk, particularly against the potential of long term financial hardship after surviving a serious illness or injury.”

Facilitating the MDRT Australia meeting will be one of the world’s leading Critical Illness insurance authorities, renowned risk protection based financial adviser and MDRT Regional Zone Chair for USA, Canada and Oceania, Alphonso Franco.

Alphonso Franco is also the founder and creator of the World Critical Illness Conference, author of the Critical Vision System, the world’s first manual on Critical Illness and insurance. He is also currently co-authoring a book on Critical Illness with Dr. Marius Barnard.

Commenting on the underinsurance challenge, CommInsure General Manager of Market Development and Distribution, Graham Putt said Australia is one of the most underinsured countries in the developed world ranking 16th for life insurance density and penetration.

Furthermore, around 5.28 million Australian families with dependent children do not have adequate insurance cover¹.

“If each of the 17,000 financial advisers in Australia provided advice that resulted in one client being protected per week, it would take about six years to service these 5.28 million families in need of advice. This highlights both enormity of the problem in this country, but also the opportunity presented by the size of the untapped market,” said Graham Putt.

The MDRT Australia meeting will bring together a group of industry professionals and practitioners to discuss solutions and strategies that –

- Focus public attention on the personal ramifications of underinsurance
- Assess training and support programs to enhance the knowledge of financial advisers
- Consider product opportunities for the Australian market
- How to best emulate the activities and successes of role model adviser practitioners
- How can MDRT’s global resources, knowledge and insight best be utilised in Australia

“The issue of underinsurance is far reaching and it’s one that the industry must take steps to address,” said Asteron General Manager Jordan Hawke. “But to tackle the large protection gap in Australia we need to think differently.”

“Insurance has traditionally been sold on the basis of a negative outcome – using fear and statistics to drive the sale of a deferred benefit. Today, Asteron is encouraging the industry to address the gap by shifting the balance. Let’s focus on the positivity of insurance – the choices, hope and financial freedom it gives Australian families everyday.”

Stuart Farrell concluded, “It is our objective to help the industry ensure that the problem of underinsurance and its consequences is prominently on the ‘radars’ of advisers and consumers by communicating the realities positively, consistently and clearly.”

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