

PROTECTION

PERSONAL



REAL Income Protection



WE'RE
FOR LIFE

What is it?

REAL Income Protection provides you with a monthly benefit if you are unable to work due to disability from sickness or an injury. It is based on an amount either agreed at the time of your application, or 75% of your gross income at time of claim.

Why do I need it?

Life is unpredictable. Being unable to work because of an accident or illness during your working life is a real possibility. REAL Income Protection could allow you to focus on your recovery without the added stress of financial worries.

Main benefits

Increasing Income Benefit

Increase your cover (by up to 10%) when your income increases with no medical underwriting.

Death Benefit

You automatically qualify for a benefit equal to 3 times your monthly benefit (maximum of \$30,000).

Booster Benefit (Optional)

In the event of Total Disability, this benefit increases your benefit amount by 1/3 of the monthly amount (less offsets) for up to three months following your selected Wait Period.

Involuntary Redundancy Benefit (Optional)

In the event of a redundancy, you receive a monthly benefit up to \$2,500 payable for 6 months after 30 days of unemployment. There is a 6 month stand-down from commencement of the policy.



Ideal for people who:

Want to protect their income.

Key features



Choose from two types of cover:

- Agreed Value
- Indemnity Value



Partial Disability Benefit – you could receive a partial benefit if you are totally disabled for 7 days or more and return to work in a reduced capacity.



Severe Disability Benefit – you could receive an additional 1/3 of your benefit if you have been unable to work for six consecutive months (Activities of Daily Living apply).



Built-in features

Choose from two types of cover:

- **Agreed Value**

The sum assured is agreed at time of application and is based on up to 62.5% of your income at time of application.

- **Indemnity Value**

Gives you long-term affordability and flexibility as the benefit is based on 75% of your gross income at time of claim or your monthly benefit, whichever is the lesser. Defined as your best consecutive 12 months earned over the last three years.

Increasing Income Benefit

Increase your cover up to 10%, when your income increases with no medical underwriting.

Death Benefit

Automatically qualify for a benefit equal to 3 times your monthly benefit (maximum of \$30,000). **No claim benefit bonus qualifier.**

Partial Disability Benefit

You could receive a partial benefit if you are totally disabled for 7 days or more and return to work in a reduced capacity.

Severe Disability Benefit

Receive an additional 1/3 of your benefit if you have been unable to work for six consecutive months (Activities of Daily Living apply).

Waiver of Premium Benefit

You will not be required to pay any premiums while you are on claim and your monthly benefit is being paid.

Pregnancy Premium Waiver

Waive your premiums for up to six months in the event of pregnancy.

Guarantee of Renewability

Up to age 65 or 70 years provided your premiums are paid.

Optional features

Inflation Adjusted

Your cover level can be adjusted annually to reflect the inflation rate at the time, based on the Consumer Price Index (CPI).

Booster Benefit

Increases your benefit amount by 1/3 of the monthly amount for the first three months of claim following your selected Wait Period.

Involuntary Redundancy Benefit

In the event of a redundancy, you could receive a monthly benefit of up to \$2,500 payable for 6 months after 30 days of unemployment. There is a 6 month stand-down from commencement of the policy.

In 2017, **25.2% of New Zealanders were disabled.** Of this **22.4%** were aged between **15 to 64.**

Source: Statistics New Zealand; Labour market rates by disability status (June 2017 quarter)

After just **4 weeks of a loss in income,** **47%** of New Zealand households will be unable to cover their expenses.

Source: Horizon Research 2015 - How long can you stay afloat if you become seriously ill?



No claim benefit bonus

If you haven't made a claim after three years, your death benefit, occupational retraining benefit and rehabilitation benefit amounts could be doubled.

14 day cooling off period

If the cover is not what you expected or you change your mind, you can cancel your policy and we will refund any premiums paid.

Recurrent Disability Benefit

Bypass your waiting period if the same disability returns within 12 months.

Occupational Retraining Benefit

Be reimbursed for up to 12 times your monthly benefit for an AIA-approved retraining course. **No claim benefit bonus qualifier.**

Rehabilitation Benefit

Receive up to six times your monthly benefit to cover approved specialist equipment or home alterations. **No claim benefit bonus qualifier.**

Home Care Benefit

If full-time care is required, you could receive up to six months of your monthly benefit to a maximum of \$2,500 per month.

Return to Home Benefit

If the life assured suffers a disability while working outside of New Zealand, and we accept your claim, we could pay 3 times the sum assured or the cost of an economy airfare to New Zealand.

Leave Without Pay Benefit

You can choose to suspend your premiums and cover for up to 12 months after which full reinstatement and no extra waiting period will apply.

Unemployed

If you're unemployed and suffer a disability within 12 months, the normal assessment applies.

Case study

58-year-old Jeff was rushed to hospital with severe chest pain. He had angioplasty (surgery that restores normal blood flow through a clogged artery), but continued to have ongoing pain despite his treatment. Normally, Jeff could have expected to be back at work within weeks following his surgery, but his recovery was not as quick as he'd hoped. Ten months following his first hospitalisation, he was still unwell and unlikely to be able to return to his job as an architect in the near future.

While all this was going on, Jeff's REAL Income Protection Cover helped with mortgage payments and living expenses for his family, which allowed Jeff to focus on his recovery.

This is an example only to illustrate the potential benefit of taking out REAL Income Protection, and should not be relied upon as indicative of benefits payable under the REAL Income Protection benefit.

The average full-time employed New Zealander earns **\$1,174.64 a week.**

Source: Statistics New Zealand; Labour Market Statistics September 2017

In the event you are unable to work due to being **disabled for 6+ months**, the maximum government Disability Allowance you can receive is **\$63.22 a week.**

Source: Work and Income New Zealand as at 1st April 2018



WE'RE FOR LIFE

Life

Disability

Health

Trauma

Income Protection

Mortgage, Income and Rent

At a glance

Qualifying Age*

16 – 59 years (occupation class 1 & 2)
16 – 54 years (occupation class 3, 4, 5)

Expiry Age

Renewable to age 65 or 70 years

Benefit Type

Monthly in advance

Benefit Period

2 years, 5 years, to age 65 or 70 years

Cover Amounts

Max - \$25,000 per month

Premium Options

Yearly Renewable Term or Level to age 65
(not guaranteed)

Wait Period

4, 8, 13, 26, 52 or 104 weeks

Inflation Adjusted (CPI)

Optional

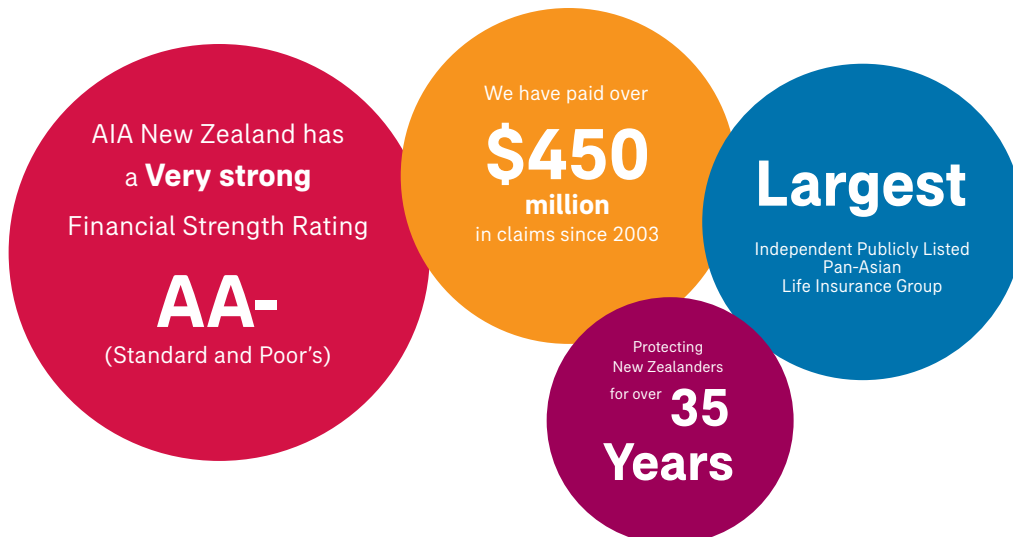
Offsets

Yes

Worldwide Cover

Yes

Why AIA New Zealand?



AIA New Zealand Financial Strength Rating

AIA International Limited, trading as AIA New Zealand, has a current insurer financial strength rating of **AA- (Very Strong)** from Standard and Poor's. A summary of the Standard and Poor's rating scale is:

AAA : Extremely Strong AA : Very Strong A : Strong BBB : Good BB : Marginal B : Weak
CCC : Very Weak CC : Extremely Weak R : Regulatory Action D : Default NR : Not Rated

Plus (+) or Minus (-): The rating from 'AA' to 'CCC' may be modified by the addition of a plus or minus sign to show relative standings within the major rating categories.

*Individual consideration will be given to ages outside this range

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