

PROTECTION

PERSONAL



REAL Total & Permanent Disability Cover



THE REAL LIFE COMPANY

What is it?

REAL Total and Permanent Disability (TPD) Cover is an occupation-rated cover providing a lump sum payment of up to \$5m if you are permanently disabled due to illness or accident and are unlikely to work again. The payment would contribute to a more comfortable lifestyle for you and your family if you were facing both the loss of your income and a possible increase in living expenses.

Why do I need it?

Permanent disability as a result of an illness or accident might not only prevent you from working and earning, it could substantially increase the cost of maintaining a comfortable lifestyle for you and your family. How would you manage with no income and possibly having to fund:

- Usual family living expenses and debt / mortgage repayment.
- Full-time carers or having a family member take time off work to care for you.
- Extra childcare expenses.
- Modifications to the home (e.g. for wheelchair access), or moving house.
- Extra medical and / or travel expenses.
- Lifestyle changes due to your disability.

Main benefits

Policy options

- Depending on your line of work, your policy may be based on 'Own Occupation' or 'Any Occupation' for which you are suitably qualified.
- You may choose this cover to be stand-alone or accelerated with your REAL Life Cover. If accelerated your Life Cover sum assured would be reduced by the amount of a REAL TPD claim, with an associated reduction in premiums.

REAL Total & Permanent Disability Cover Yearly Renewable Term (YRT)

Gives you the flexibility to pay for cover you need now. Premiums are based on your current age, with increases each year.

REAL Total & Permanent Disability Cover Level

Gives you certainty and long-term affordability with a structure that provides level premiums for the term selected. Premiums are guaranteed not to change in the first 3 years.



Ideal for people who are:

Concerned about covering future expenses, should a permanent disability preclude them from working and earning a living.

Premium Options

Yearly Renewable Term to age 65 or 70.
Level up to age 65 or 70 (Premiums are guaranteed not to change in the first 3 years.).

Guaranteed renewable to age 65 or 70 years

Provided the premiums are paid.

Key features



Indexation Adjusted Option (Level Premium only)

Your cover will increase each year based on the indexation percentage selected, your premiums will remain the same. Indexation options: 0%, 1%, 2%, 3%, 4% or 5%.



Funeral Benefit – a lump sum of \$15,000 payable towards funeral expenses if you die during the term of your policy (stand-alone TPD Cover only).



Special Events Increase Option – if requested before age 65 years, and within 12 months of one of several special events, your sum assured may be increased without the need for further health assessments (please see Special Events list on next page).



Partial Disability Benefit – payable under certain circumstances (loss of sight in one eye, or loss of use of one hand or one foot); the lesser of 25% of sum assured or \$75,000.



Built-in Benefits

Special Events Increase Option

If requested before age 65 years, and within 12 months of one of several special events listed below, your sum assured may be increased without the need for further health assessments:

- Marriage or civil union.
- Divorce or legal separation.
- Death of a spouse or partner.
- Birth or adoption of a child.
- Salary increase.
- Taking full-time care of a dependant.
- Secondary education of a child.
- Tertiary education of a child.
- Taking out or increasing a mortgage on your own home.
- Purchase of a residential investment property.

Financial Planning and Legal Benefit

We will pay an additional \$750 in the event of a full Life or Terminal Illness Benefit payment to the Policy Owner, so you can seek financial planning and/or legal advice.

Partial Disability Benefit

Payable under certain circumstances (loss of sight in one eye, or loss of use of one hand or one foot); the lesser of 25% of sum assured or \$75,000.

Assistance Benefit

A payment of \$7,500 may apply for covering the cost of specialist equipment or house alterations.

Guaranteed Passback of Enhancement

If we make improvements in the future and there are no increases in your premiums, these improvements apply to your current policy.

Funeral Benefit

A lump sum of \$15,000 payable towards funeral expenses if you die during the term of your policy (stand-alone REAL TPD Cover only).

Interim Accidental Death Benefit

Up to \$200,000 is payable in the event of accidental death before your REAL TPD Cover application is processed.

Guaranteed Renewable to age 65 or 70 years

Provided your premiums are paid.

Optional features

Inflation Adjusted Benefit (YRT Only)

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

Waiver of Premium Option

If you are totally disabled and cannot work, you pay no premiums after a wait period of your choice: 4, 8, 13, 26, 52 or 104 weeks.

Indexation Adjusted Benefit (Level Premium only)

Your cover will increase each year based on the indexation percentage selected, your premiums will remain the same.
Indexation options: 0%, 1%, 2%, 3%, 4% or 5%.

Disablement Wait Period

The minimum requirement of a three-month absence from employment before total and permanent disability is declared and the benefit paid.

At the end of **June 2010, 93,959** working-age people (aged 18–64 years) were receiving the **Supported Living Payment Benefit.**

Source: Ministry of Social Development, National Factsheet June 2015

The most common cause of disability for adults was **disease or illness with 42%**. For children, the most common cause was a **condition** that existed **at birth with 49%**.

Source: Statistics NZ 2013 census

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.

When can a TPD claim be made?

A claim may be made under any of the following conditions:

- A three month absence from employment, and unlikely to ever work in your 'Own' or 'Any Occupation' again (depending on the definition selected).
- Absence requirement is waived for certain medical conditions.
- Permanently unable to perform two of the 'Activities of Daily Living' without someone else's physical help, which include:
 - Bathing
 - Dressing
 - Toileting
 - Mobility
 - Eating
- Loss of sight.
- Loss of use of limbs (both hands, both feet, or one hand and one foot).
- Significant cognitive impairment (as in dementia-type illnesses).
- If your sole and full-time work is 'normal domestic duties', the definition of 'total and permanent disability' is the inability to engage in, complete and have sole responsibility for, four of five listed 'normal domestic duties':
 - Cleaning the house.
 - Shopping for food and household items.
 - Meal preparation.
 - Laundry services.
 - Caring for a child or dependant (if applicable).
- For policies renewable to age 70 years, the definition of 'total and permanent disability' for ages 66-70 years is based on the Activities of Daily Living.

Case study

Fifty-three year old Robbie was on his way to work when a commercial van pulled out in front of him. The ensuing collision left Robbie with a serious head injury. After three surgeries Robbie was left with a significant permanent disability and an ongoing need for medical care. He was unable to return to his teaching job. But because he had an 'Own Occupation' policy with REAL Total and Permanent Disability Cover, he was able to make a claim that provided him with the funds necessary to help him plan for a new future.

In **2013, 24%** of New Zealanders were disabled.

Source: Statistics New Zealand; The New Zealand Disability Survey 2013

99% of Supported Living Payment recipients have been receiving a benefit continuously for **more than one year.** This is due to the chronic nature of their **condition or disability.**

Source: Ministry of Social Development, National Factsheet June 2015



THE REAL LIFE COMPANY

Life

Disability

Health

Trauma

Income

Mortgage, Income and Rent

At a glance

Qualifying Age

16-59 years*

Expiry Age

Renewable to age 65 or 70 years

Benefit Type

Lump sum payment

Cover Amounts

Maximum cover \$5m (\$3m on an 'Own' or 'Any Occupation' definition, plus \$2m on an 'Activities of Daily Living' definition)

Worldwide Cover

Yes

Premium Options

Yearly Renewable Term

Level (Premiums are guaranteed not to change in the first 3 years). Minimum Term 10 years.

Inflation Adjusted Benefit (YRT only)

Optional

Indexation Adjusted Benefit Level only

Optional

Wait period (Total and Permanent Disability)

Absence from employment stand down period of 3 months.

Contact us



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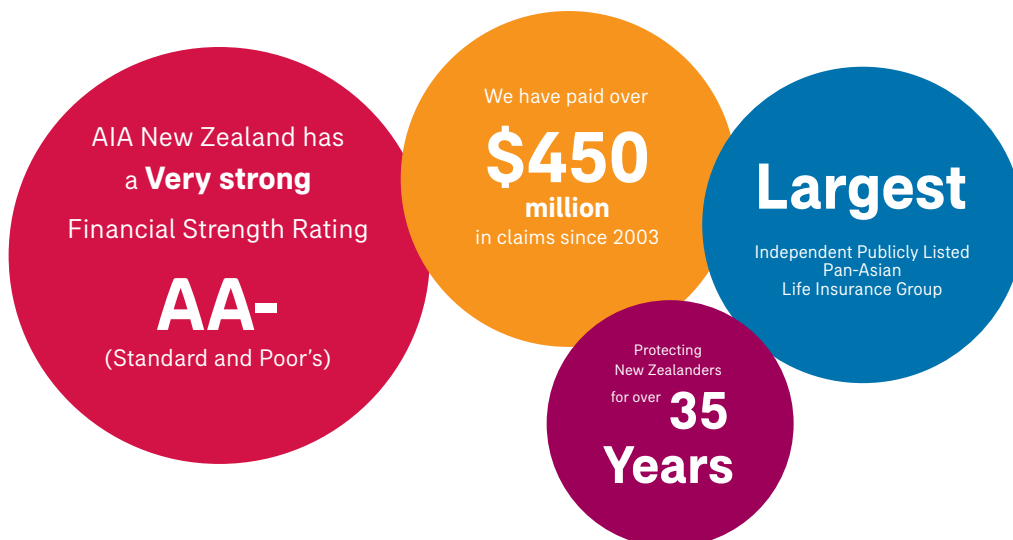
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Why AIA New Zealand?



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 & Poor's. A summary of Standard & 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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