

# Deluxe Income Protection

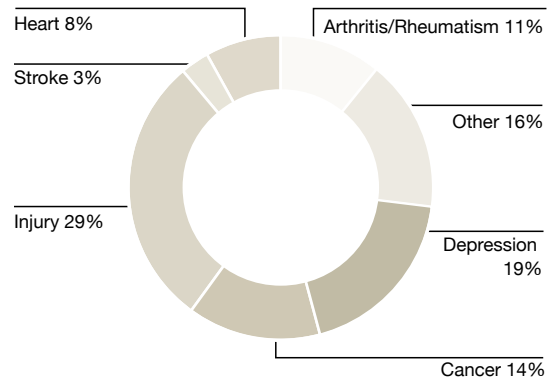


## Part of the AXA Risk Protection Plan

If you suffer from a Sickness or Injury that prevents you from working, Deluxe Income Protection can provide a regular income to you. There are other benefits to take care of those unforeseen extras including hospitalisation, rehabilitation, and getting home from overseas. Deluxe Income Protection can help make sure your bills can be paid and your current standard of living isn't compromised before you're back on your feet.

### Did you know?

- 338 Income Protection claims were paid in 2007 totalling \$9.9 million.
- 72% of all Income Protection claims were males.
- 31% of ongoing claims being paid are for stress or depression.
- Average duration of ongoing claims being paid is 207 weeks.
- 20% of all claimants were under 44 with the youngest being 23.



### There are two Deluxe Income Protection policy options available to you:

#### Deluxe Income Protection – Indemnity

##### Total Disability Benefit

If you're unable to work more than 10 hours a week, we'll pay up to 75% of your pre-disability average weekly income (less income earned while Totally Disabled and other disability income such as ACC, Sickness Benefit and benefits from other income protection plans) up to the amount of the Weekly Benefit.

##### Recovery Benefit

As your health improves, you may be able to return to work in a reduced capacity. We'll pay you a proportion of your Total Disability Benefit if you have been Totally Disabled for at least two weeks and unable to return to full-time work.

#### Deluxe Income Protection – Agreed Value

##### Total Disability Benefit

If you're unable to work more than 10 hours a week, we'll pay up to 55% of your pre-disability average weekly income (less other benefits such as ACC, Sickness Benefit and benefits from other income protection plans), up to the amount of the Weekly Benefit. The Agreed Value sum insured is assessed at the time of application – financial information is required at this stage.

##### Partial Disability Benefit

As your health improves, you may be able to return to work in a reduced capacity. We'll pay you a proportion of your Total Disability Benefit provided your income is less than 75% of your pre-disability income. You must have been Totally Disabled for at least two weeks and be unable to return to full-time work.

## **Additional Benefits for both Indemnity and Agreed Value Options**

### **Recurring Disability Benefit**

If you start to recover from your disability but then suffer a relapse, we'll recommence payment of your Total Disability Benefit without a Qualifying Period. To receive this benefit you must become totally disabled again solely from the same or a related cause, within 52 weeks of returning to work in your full capacity or while being paid a Recovery Benefit. Any benefit payable will be treated as an extension of the original claim and limited to the benefit period.

### **Hospitalisation/Nursing Care Benefit**

During the Qualifying Period for a Total Disability Benefit, if you are hospitalised for more than three days up to a maximum of 90 days, we'll help meet the added expense of hospitalisation and full-time continuous nursing care if necessary.

### **Rehabilitation Expenses Benefit**

While we're paying you a Total Disability Benefit we'll also help meet approved costs of equipment or other expenses which you've reasonably incurred in your rehabilitation.

To assist you in your recovery, we may require you to undertake rehabilitation recommended by a medical practitioner.

### **Vocational Training Benefit**

While we're paying you a Total Disability Benefit we'll also help meet approved costs and other expenses which you've reasonably incurred for vocational training.

### **Specified Sicknesses Benefit**

For certain specified sicknesses, such as heart attack or stroke, you'll receive payment for a minimum period (less the qualifying period) even if you're able to return to work during that time.

### **Death Benefit**

If you die while covered, we'll pay a lump sum equal to 10 weeks of the Total Disability Benefit to your estate.

### **Extended Leave Benefit**

You can cease work for up to 12 months and continue to be covered (while you pay premiums) for

parental leave, sabbatical leave, study leave or leave without pay.

### **Suspension of Cover Benefit**

You can suspend your protection and premiums for up to 12 months if you cease work, go on parental leave, sabbatical leave, study leave or leave without pay. If you want to resume cover, you need to return to work for at least 25 hours per week.

### **Homecoming Costs Benefit**

If you're overseas when you become Totally Disabled, and you're likely to remain Totally Disabled for at least 13 weeks, we'll help get you back to New Zealand.

### **Family Member's Accommodation Benefit**

If you become totally disabled for longer than the Qualifying Period, and you're confined for treatment more than 50 kilometres from home, we'll help pay for an immediate family member to stay with you.

## **Optional Benefits for both Indemnity and Agreed Value Options**

### **Accident Lump Sum Option**

We'll pay a lump sum up to 100 times your Weekly Benefit if you suffer an accidental injury which results in your death or certain specified injuries, such as total loss of sight within 12 calendar months.

### **Cover Boost Option**

Allows you to elect to increase the maximum Weekly Benefit under your Deluxe Income Protection Policy, by up to 15% without further health evidence (on a maximum of six occasions).

### **Booster Benefit Option**

Allows for an additional one third of the monthly Total Disability Benefit to be paid to you for the first three months of a Total Disability claim.

### **Mental Health Limitation Option**

Allows a discount to the premium when restricting the total benefit period to 24 months for claims as a result of a Mental Disorder. This discount is designed for those clients with no mental health history.

For more information contact your Adviser.

## Additional Information for both Indemnity and Agreed Value Options

### Premium Styles

Stepped and level premiums are available.

### Eligible Age

You can take out Deluxe Income Protection up to age 55. For certain occupations the eligible age can be extended up to age 60 (stepped premiums only). Once insured, protection can be renewed up to age 65. If you are outside these standard ages you will be considered on an individual basis.

### Waiver of Premium Benefit

If you are receiving the Total Disability Benefit, Recovery Benefit or Partial Disability Benefit, any premiums that become payable on your Risk Protection Plan while you are receiving these benefits will be waived (including premiums for your Risk Protection Plan Life or Trauma or Total and Permanent Disablement cover).

### Qualifying Period

You decide how soon after you're Totally Disabled you want your benefit payments to start. You can choose a Qualifying Period from as little as two weeks, right up to a maximum of 104 weeks. The longer your Qualifying Period, the lower the premium.

You can also have a portion of your Weekly Benefit payable after a later Qualifying Period. By delaying the payment of a portion of your Benefit, you can lower the premium.

### Benefit Period

You choose the maximum period of time for which you could receive benefit payments:

- two years to age 65 (whichever is sooner); or
- five years to age 65 (whichever is sooner); or
- to age 65.

The shorter your Benefit Period, the lower the premium.

### Guaranteed Renewability

We guarantee to renew your Deluxe Income Protection each year, (provided the premiums are paid), until the expiry date, regardless of the number of claims you've made or any changes in your health or occupation.

### AIDS Cover

Deluxe Income Protection covers you for total disability caused by or related to AIDS, HIV infection or AIDS-related conditions.

### Worldwide Cover

Deluxe Income Protection includes Worldwide Cover which applies 24 hours a day, with no time limit on the absence from New Zealand.

Should a period of Total Disability commence while overseas, it may be necessary for you to return to New Zealand if claims payments are to extend past six months.

### Discounts

A 15% discount will be applied to the Income Protection annual premium when a minimum of \$100,000 Life Cover is taken out on the same policy.

### Tax Deductibility

#### Indemnity

Under current tax legislation the premium paid for Deluxe Income Protection – Indemnity can be tax deductible in some circumstances (excluding the premium for the Accident Lump Sum Option). Most of the payments you receive are assessable as income.

#### Agreed

Under current tax legislation the premium paid for Deluxe Income Protection – Agreed Value is not tax deductible. Most of the payments you receive are not assessable as income.

Tax legislation may change in the future. For more information, speak to your Tax Adviser.

**Important Note:** This information sheet provides a general summary of the key features of Deluxe Income Protection. Full details including full descriptions of the defined (capitalised) terms and details of conditions and exclusions are set out in the Policy Document, which is available on request. For a copy of the Policy Document, contact your financial adviser.

For more information about these and other AXA New Zealand products & services, contact your financial adviser or contact us on **0800 161 652** or fax **0800 161 699**



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