

If you had an accident or illness and were unable to work, where would income for you and your family come from? Would your partner be able to compensate for your lost income by working more, or entering the workforce?

FOOD FOR THOUGHT

Five in 10 males are likely to become disabled due to an illness or accident before they turn 65, preventing them from working for at least a month.¹

Seven in 10 females are likely to become disabled due to an illness or accident before they turn 65, preventing them from working for at least a month. Of these, nearly a third will still be on claim 12 months later.¹

One in nine men will be disabled and off work for more than 12 months before age 65.²

One in five women will be disabled and off work for more than 12 months before age 65.²

Sources:

1 Davies Financial and Actuarial Limited

2 Insurance Alert, Winter 2000

We provide a choice of cover options to meet various employment and income situations:

Types of cover	What it means
Indemnity	Provides a benefit up to your insured amount or 75% of your earnings prior to disablement.
Indemnity Extra	Provides an enhanced indemnity benefit up to your insured amount or 75% of your earnings prior to disablement.
Agreed Value	Provides a monthly cover at a level agreed at the time you take out your policy.

TotalCareMax Disability Income Protection has built-in features...

Feature	What it means	Why it's important
Advance Payment	If your claim is notified and accepted by Sovereign within the waiting period, you can receive half of your first month's benefit at the end of the waiting period.	This benefit recognises that to go without an income during a waiting period can cause undue stress.
Choice of Benefit Payment Period	The benefit payment period can be for one, two or five years, or to age 65 or 70.	While lifelong disability does happen, the reality is that a return to work is advised for most people. The longer the benefit period, the higher your premium will be. A choice of period gives you affordability options.
Waiting Period	You choose how long you can afford to wait, following disablement, before you qualify for the benefit. You have a choice of seven waiting periods: 2, 4, 8, 13, 26, 52 or 104 weeks.	As in the case of an excess, the longer you wait, the lower your premium will be. You can choose how long you are prepared to wait.
Waiver of Waiting Period	Should you suffer a recurrence of the same disability within six months of your benefit ceasing, we will waive the waiting period.	If you have a relapse of your disability, it will not disadvantage you as eligibility for the benefit starts immediately.
Back-to-Work Payment	If you return to work between 12 and 24 months after claiming, you will receive a lump-sum payment equal to three times your monthly benefit claim amount.	Returning to work has a positive effect on your life and confidence. The financial assistance of a lump sum can provide a real boost.
Rehabilitation	A lump sum of up to six times your monthly benefit is available to pay for approved specialised equipment or home alterations.	Improving your quality of life after a claim can be costly. You may qualify for financial assistance.
Suspension of Cover	Should you go on parental leave, sabbatical leave, study leave or leave without pay, you can apply to us to suspend your cover.	This allows you to keep your income protection policy intact and ready to reinstate upon your return to work, without having to reapply for cover.
Leave Without Pay (not available during periods when you have suspended cover)	If you become totally disabled while on leave without pay due to maternity, paternity or work sabbatical for 12 months or less, we will pay your benefit entitlement.	You are not prevented from making a claim because of short-term changes to your employment status.
Partial Disability and Enhanced Partial Disability Payment	These benefits help you to make the transition between total disablement and a return to work. You may be eligible for additional income and a top-up monthly payment, paid for up to 12 months while on claim.	Not everybody who gets sick can go from being totally disabled to back to work in one seamless move. For those people, partial disability payments are there to make the process a little easier. It may well be an expensive time, which is why we try to ease the transition with an enhanced payment for 12 months.
Bed Confinement	If you are confined to bed during the waiting period, at home or in a hospital, and under daily supervision of a registered medical practitioner, you will be eligible for a benefit payment for each complete 24-hour period after the first 72 hours of bed confinement.	This benefit can ease additional costs which may be incurred during the waiting period.
Waiver of Premium	The premium is automatically waived while you are totally disabled. This cover may be written in conjunction with the full range of Sovereign's other TotalCareMax benefits. However, with Disability Income Protection, Waiver of Premium cover must always be taken out.	Your cover continues without the need to pay premiums should you go on claim for total disability.
Worldwide Cover	The cover provides 24-hour protection anywhere in the world.	You have peace of mind knowing you're protected when overseas on work assignments, or on holiday.
Vocational Retraining	Provides funding for Sovereign-approved retraining programmes.	This benefit can help you retrain to get back to work.

TotalCareMax Disability Income has an add-on benefit...

Future Insurability (applies only to benefits which are not CPI linked)	Allows the insured person to increase their sum assured without having to provide further medical evidence.	Your income is not set in stone; you may get a pay rise and need to increase your cover, so we make it easy for you to apply for additional cover.
Premier Cover Option	Available as an optional addition to Disability Income Protection and provides the following benefits: • Extra cash • Permanent disablement • Home care	This option provides a little more money in a variety of circumstances, to lessen the impact of being disabled.

DISABILITY INCOME PROTECTION

Are you protecting your greatest asset – your ability to earn?

Just because your health suffers a setback, your financial wellbeing doesn't have to. When illness and accidents leave you unable to work, income protection can protect you from the consequences.

WHAT IS IT?

Disability Income Protection provides you with a monthly payment if you are unable to work, due to illness or injury, for more than 10 hours a week.

GOOD REASONS TO HAVE INCOME PROTECTION

■ UNEXPECTED ILLNESS

The chance of becoming disabled is greater than you might think.

■ KEEPING YOUR HOUSEHOLD RUNNING

Without an income, mounting debts can cause additional stress. How long could you afford to cover your monthly bills, without completely draining any savings safety net?

■ A CHANCE TO RECUPERATE

With an Income Protection benefit to help meet your financial commitments, you can focus on your recovery.

■ A QUICK RETURN TO WORK

Where appropriate, Sovereign can give you a helping hand in returning to work, with expert claims managers assisting and co-ordinating your rehabilitation.

■ OR A NEW VOCATION

If you cannot return to your usual occupation, Sovereign may assist with the costs associated with vocational retraining.

There when you need us...

With Sovereign, you can be confident that we'll be there when you need us.

We pay out more in claims than any other life insurer, providing our customers with financial support in their times of need. Our claims history has earned us an 'A rating (Excellent)' from the leading worldwide rating agency for the insurance industry, A.M. Best.

We're dedicated to working closely with our customers to achieve the best possible outcome when the unexpected happens. Our philosophy on all claims is to make the process easy for you.

Our team of experienced claims professionals is ready to assist should you need to make a claim.

Sovereign – leaders in life

Sovereign has been a part of New Zealanders' lives since 1989, and today provides life and health insurance, home loan, investment and superannuation products to over 650,000 customers. One in 10 New Zealanders over the age of 15 has a relationship with Sovereign.

Our products are carefully designed to meet the specific needs of our many and varied customers, helping them to build or regain financial independence and freedom.

We are:

- The country's leading life insurance company
- The country's largest non-bank home loan provider
- New Zealand's third-largest health insurance provider on the basis of premiums and memberships
- The sixth largest in the retail managed fund market, managing over \$1.3 billion.

Sovereign Services Limited

Sovereign House
74 Taharoto Road
Takapuna
North Shore City 0622

Private Bag Sovereign
Auckland Mail Centre
Auckland 1142

Telephone +64 9 487 9000
Facsimile +64 9 487 8003
Freephone 0800 500 108
Freefax 0800 329 768

enquire@sovereign.co.nz
www.sovereign.co.nz

Exclusions

Sovereign will not pay any of the benefits listed where any of the following (and, in each case, either directly or indirectly) causes or contributes to the disability:

- The life assured deliberately injuring himself or herself or attempting to do so
- The life assured participating in any criminal act
- Pregnancy or childbirth of the life assured unless the disability lasts for more than 90 days after the end of pregnancy, in which case the waiting period will start from the 91st day
- The life assured not complying with the treatment prescribed by the attending treatment providers
- The life assured deliberately taking or using non-prescribed drugs, other than for proper therapeutic or medical purpose and in accordance with the manufacturer's directions for use, or the deliberate misuse by the life assured of prescribed drugs.

If the life assured is imprisoned for any reason, no monthly benefit will be payable during the term of imprisonment.

Legal

Please note that special conditions apply; please refer to the policy document.

All applications are subject to individual consideration. Special conditions, exclusions and premium loading may apply to individual applications.

Sovereign Assurance Company Limited, the policy insurer, is part of the Commonwealth Bank of Australia Group and is a related company of ASB Bank Limited and its subsidiaries (the 'Banking Group'). Neither the Banking Group, the Commonwealth Bank of Australia, nor any of their directors, nor any other person, guarantees Sovereign Assurance Company Limited or its subsidiaries, nor any of the products issued by Sovereign Assurance Company Limited or its subsidiaries.

