

PREMIUM COVER



What is Premium Cover?

Insurance that pays your total premiums needed to continue your policy if you, or a key person in your business becomes disabled and is unable to work.

Why do you need Premium Cover?

If you or a key person were to become totally disabled and unable to contribute to the business, then business priorities would change. If you have the right insurance in place you shouldn't have to tighten your purse strings too much. Premium Cover assists your business by paying for the cost of your policy for the entire time you are on claim meaning you have one less thing to budget for!

Premium Cover is an integral part of Key Person Start-Up Cover and Business Overheads Cover, but it's just as important to have alongside all of our other Business Assurance Covers such as:

- › Life Cover
- › Trauma Cover
- › Complete Disablement Cover.

Regardless of the covers you choose, Premium Cover will pay your premium should you become disabled.

Premium Cover overview

Entry criteria:		Minimum entry age 20 Maximum entry age 60
Cover amount:		Total premium
Cover term:		To age 65
Waiting period:		You can choose a waiting period of: 4, 8 or 13 weeks

Occupation classes: 1-4

Your occupation class is determined by the work you do. Your financial adviser will be able to help you work out what occupation class will apply to you.

Mandatory cover:

It's mandatory to have Premium Cover if you have Key Person Start-Up Cover and Business Overheads Cover.

Meaning of total disability

Total disability means as a result of illness or injury, you are unable to work in your pre-disability occupation and are not working in any occupation in any capacity.

What's not covered?

- › Intentional self-harm including attempted suicide
- › Taking part in a criminal activity
- › Pregnancy or complications resulting from pregnancy unless the disability lasts more than 90 days after the pregnancy
- › Not following the advice and treatment of, or under the regular care of, a medical practitioner
- › Increases to the total premium from increasing your cover or adding new covers while on Premium Cover claim

Premium details

Minimum premium:



\$20 per month (incl. policy fee)

Payment frequency:



Weekly, fortnightly, monthly, half-yearly, annually

Payment method:



Direct debit, credit/debit card

Premium review structure

Under Premium Cover, you will have a 1 Year premium review period. This means your premiums will be recalculated on each anniversary date based on your policy's total premium, age-related changes and, if applicable, any changes to Cigna's protection premium rates or relevant laws.

Benefit details

Premium Cover provides several benefits that are built-in to the cover.

Some facts to think about



In 2018, **238,800** claims were made to ACC for work-related injury.

(stats.govt.nz injury statistics - work-related claims: 2018)



There are an estimated 60,000 stroke survivors in New Zealand; many are disabled and in need of significant daily support.

(stroke.org.nz: 2018)

If you're still not sure, ask yourself.

If I became disabled and was no longer able to contribute to the business, could it afford to continue paying its insurance premiums to ensure its insurance cover remained in place.

If 'no', then now is a good time to talk to your financial adviser.

Built-in benefits

Premium Cover provides several benefits that are built-in to your cover including:

Benefit	What is it?	How it works	Why it's important
Disability Benefit	Your total premiums will be paid for if you become disabled.	If you've been totally disabled for at least 7 days in a row and remain totally disabled or return to work with a partial disability, this benefit will pay for the regular total premiums needed to continue your policy.	Relieves your business of the financial responsibility of paying for your premium during your treatment and recovery.
Recurrent Disability Benefit	Waiver of your waiting period if your disability returns within 12 months of going off claim.	If you become totally disabled or partially disabled again because of the same illness or injury within 12 months of the original Disability Benefit claim ending, your waiting period will be waived and your claim for the same illness or injury will be assessed as a continuing claim on the original Disability Benefit claim.	If you suffer a recurrence of the same disability you would not have to wait out the period again.

Talk to your financial adviser

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Important information

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Cigna Life Insurance New Zealand Limited

