

REDUNDANCY COVER



What is Redundancy Cover?

Insurance that pays a monthly amount for up to 6 months if you are made involuntarily redundant.

Why do you need Redundancy Cover?

You may need a back-up plan to help you pay for your living expenses if you're made involuntarily redundant, leaving you free to focus on your next career step.





Redundancy Cover can only be chosen with Income Cover and/or Mortgage Repayment Cover.

Redundancy Cover provides you with a monthly sum insured amount that is agreed on at commencement of the cover and is paid at the end of the waiting period if you are made redundant. Some examples of how this money can help are paying for:

- › day-to-day expenses (e.g. power, phone, food etc.)
- › mortgage or rent payments, or
- › costs associated with looking for new employment

Please refer to the terms and conditions of the cover for full requirements and criteria.

Redundancy Cover overview

Entry criteria:		Minimum entry age 16 Maximum entry age 55
Cover amount:		Limited to the combined sums insured of any Income Cover and Mortgage Repayment Cover you hold with us, up to a maximum of \$4,000 per month.
Cover term:		To age 65
Waiting period:		4 weeks

What's not covered?

- › if redundancy was within the first 180 days of employment
- › if you knew you would be made redundant or might be made redundant when this cover started
- › if redundancy was because your fixed-term employment contract expired or your employer didn't renew it
- › if you were self-employed
- › if you voluntarily resigned, took redundancy or retired
- › if you or your relative controls the employer in any way, for example by being a director, shareholder or owner
- › if redundancy was from seasonal, temporary or relief work
- › if you were involved in a strike or labour dispute that caused or resulted in the redundancy

Some facts to think about



\$1,300
per week

The average weekly household expenditure is **\$1,300 per week.**

(stats.govt.nz - Household Expenditure Statistics: Year Ended June 2016)



\$218.98 per week

\$364.94 per week

In 2019, the Jobseeker Support Benefit is **\$218.98 per week** for a single person 25+, or **\$364.94 per week** for a married civil union, de facto couple (without children), or **\$391.00 per week** (with children).

(workandincome.govt.nz 2019)



Unemployment was at 4.5% as at June 2018.

(stats.govt.nz Unemployment rate: June 2018 quarter)

If you're still not sure, ask yourself.

Would I have enough savings to get by if I was made redundant?

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

Talk to your financial adviser

Call us on 0508 464 999

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Important information

This brochure is for information purposes and is a summary only. Please refer to the policy wordings for our full requirements and eligibility criteria. The content is intended to be of a general nature, does not take into account your financial situation or goals, and is not a personalised financial adviser service under the Financial Advisers Act 2008. It is recommended you seek advice from a financial adviser which takes into account your individual circumstances before you acquire a financial product. This brochure is based on information current as at May 2020 and is subject to change.

Cigna Life Insurance New Zealand Limited

