

# REDUNDANCY COVER



## What is Redundancy Cover?

Redundancy Cover is an insurance that pays a monthly benefit 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 cover your living expenses if you're made involuntarily redundant, leaving you free to focus on your next career step.

## How does it work?

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

Redundancy Cover provides you with a monthly sum insured that is 'agreed upon' from the outset 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 policy wordings for full requirements and eligibility criteria.

## Redundancy Cover overview

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

## What's not covered?

- › any written or verbal notifications of redundancy received before or within 6 months of the policy commencement date
- › redundancy within the first 180 days of employment
- › any redundancy that you had reasonable knowledge of the possibility of at the start of the policy
- › any redundancy caused by or resulting from a strike or labour dispute in which you are involved
- › if you or your relative is a director, shareholder, owner of, the employer or otherwise controls the company/business where you've been made redundant
- › if redundancy relates to seasonal, or part time, temporary, or relief work, or the expiry or non renewal of a fixed term employment contract
- › self-employment
- › redundancy as a result of voluntarily resigning or retiring

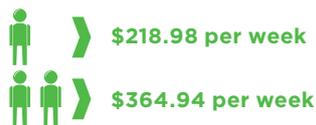
## Some facts to think about



\$1,300  
per week

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

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



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**

**Visit [cigna.co.nz](http://cigna.co.nz)**

**Email [insurancenz@cigna.com](mailto:insurancenz@cigna.com)**

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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 June 2019 and is subject to change.

**Cigna Life Insurance New Zealand Limited**