

# LIFE COVER



## What is Life Cover?

Life Cover is an insurance that pays you a lump sum if you or a key person dies or is diagnosed with a terminal illness.

## Why do you need Life Cover?

Life Cover is an easy and cost-effective way to protect your business if you or a key person dies or is diagnosed with a terminal illness. It provides peace of mind that your business can continue to operate at a time when key decisions about the future of your business need to be made.

## How does it work?

A lump sum amount is payable if you or a key person in your business dies or is diagnosed with a terminal illness.

Some examples of how this money can help are:

- › a cash injection to help your business continue operating
- › clearing business debt or loans
- › recruitment costs to find a replacement person
- › succession planning
- › executing a buy/sell agreement.

## Life Cover overview

<b>Entry criteria:</b>		Minimum entry <b>age 20</b> Maximum entry <b>age 70</b>
<b>Cover amount:</b>		No maximum cover amount
<b>Cover term:</b>		To <b>any age</b> Life Cover does not expire and is payable on death or terminal illness at any age.

## What's not covered?

Intentional self-inflicted harm including suicide or attempted suicide within the first 13 months of the policy commencement.

## Benefit review

You must provide us with regular information at least every three years that confirms the sum insured is still applicable for your business.

## Benefit details

Life Cover provides several benefits that are built-in to the cover as well as some options you can choose to add at an additional cost. So it's easy to tailor your Life Cover to suit your needs and budget.

## 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 Life Cover, you will have a one year premium review period. This means your premiums will adjust each year on your policy anniversary in line with your increasing age and underlying premium rate changes that have occurred since your last policy anniversary date.

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## Some facts to think about



**Every 90 minutes** a New Zealander dies from coronary heart disease.

(National Heart Foundation 2017)



Every year, **more than 600** women die from breast cancer in New Zealand – almost two every day.

(Breast Cancer Aotearoa Coalition 2018)



Cancer is the leading cause of death in New Zealand. **30% of all deaths** are cancer related.

(Ministry of Health - Mortality 2015 Data Tables)

### If you're still not sure, ask yourself.

If I or a key person was to die tomorrow, would my business be able to continue operating?

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

## Built-in benefits

Life Cover provides the following benefits that are built-in:

Benefit	What is it?	How it works	Why it's important
<b>Terminal Illness Benefit</b>	An early payment of the Life Cover if you or a key person is diagnosed as terminally ill.	If you or a key person is diagnosed as likely to die within 12 months, the full Life Cover sum insured may be payable. In this event no further Life Cover is payable.	Provides peace of mind that you can afford to make the right decisions when it comes to the future of your business.
<b>Financial and Legal Advice Benefit</b>	An additional payment of up to \$2,500 for reimbursement of financial planning or legal advice fees.	This benefit is paid as a reimbursement of fees for financial planning and/or legal advice obtained for the use and protection of the Life Cover.	Allows for consultation of a financial planner or legal professional if you require financial or legal advice in regards to how to invest the benefit paid.

## Optional benefits

An optional benefit that you can choose to add for an additional premium:

Optional benefit	What is it?	How it works	Why it's important
<b>Optional Guaranteed Insurability</b>	Allows you to increase your cover if you or a key person's financial interests in the business, proportion of ownership or value of the business increases. You will not have to provide any further evidence of your health.	<p>You can increase your Life Cover without providing any further evidence of health in the following circumstances:</p> <ul style="list-style-type: none"> <li>› your proportion of ownership of the business increases; or</li> <li>› your loan guarantees to the business increase; or</li> <li>› the value of your business increases; or</li> <li>› you or a key person's value to the business increases (other than through increased ownership) e.g. promotion to a more important role or the establishment of significant customer relationships etc.</li> </ul> <p>The maximum amount that the sum insured can be increased by is the Guaranteed Insurability multiple shown on your policy schedule (2, 3, 4 or 5) multiplied by the original sum insured or \$15 million (whichever is the lesser).</p> <p>You must apply for Optional Guaranteed Insurability within 90 days of the applicable business event occurring.</p> <p>This option expires on your or a key person's 65<sup>th</sup> birthday.</p>	Allows you to keep your insurance up to date if there is an increase in the value of the business or financial interests without providing any further evidence of your health.

**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)**

**Fax 0508 464 777 (toll free)**

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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**

