

Start-up Monthly Disability Cover



What is Start-up Monthly Disability Cover?

Insurance that provides a monthly "agreed value" benefit to help compensate for losses a new business may face if a life assured is unable to work as a result of an injury or illness.

Why do you need Start-up Monthly Disability Cover?

The smaller the business, the greater the reliance there is on one or two key employees. You and the key employees in your business are its most valuable assets. The expertise and knowledge you and your key people contribute is essential to the running and success of your business.

Start-up Monthly Disability Cover is specifically designed to protect new businesses from the financial impact caused if you or a key person are unable to work due to an illness or injury, by providing an agreed value monthly benefit to help your business stay afloat while you or a key person recovers.

For new businesses it can be difficult to prove profitability to justify agreed value levels of cover. If your business has been in operation for 3 years or less, Start-up Monthly Disability Cover allows you to choose a sum insured amount from \$1,000 per month to a maximum of up to \$8,000 per month coverage.

Start-up Monthly Disability Cover overview

Entry criteria:

Minimum entry **age 16**
Maximum entry **age 60**



Cover amount:

Minimum amount of **\$1,000 per month**
Maximum amount of **\$8,000 per month**



Cover term:

To **age 70**



Waiting period: You can choose a waiting period of **4, 8 or 13 weeks**



Payment terms:

6 months, 1 year or 2 years



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:

Premium Cover.

Benefit details

Start-up Monthly Disability Cover provides several benefits that are built into the cover as well as some options you can choose to add at an additional cost.

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 period

Under Start-up Monthly Disability Cover, you will have a 1-year premium review period. This means your premiums will be recalculated on each anniversary date based on your sum insured, age-related changes and, if applicable, any changes to Chubb Life's protection premium rates or relevant laws.

Offsets

Other business insurance income as a result of the same disability will be offset.

What's not covered?

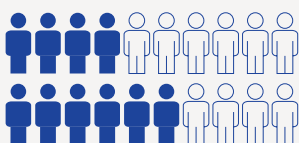
- › Intentional self-harm including attempted suicide.
- › Taking part in a criminal activity.
- › Pregnancy or complications resulting from pregnancy, unless the disability lasts more than 90 days after the pregnancy.
- › Not following the advice and treatment of, or under the regular care of, a medical practitioner.

Some facts to think about



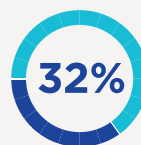
In 2018, the incidence rate was **129 claims per 1,000 FTEs** for self-employed people compared to 98 claims per 1,000 FTEs for employees.

(Statistics New Zealand; Injury statistics - work-related claims: 2018)



4 out of 10 males and **6 out of 10 females** are likely to be off work for 30-90 days due to an illness or accident before they reach 65.

(Davies Financial and Actuarial Limited, Jan 2010)



32% of injured people take longer than 10 weeks to return to work.

(ACC Annual Report 2016/2017)

If you're still not sure, ask yourself

If an illness or injury prevents you or a key person from working, will your business be able to cover its costs and run profitably without you?

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

Built-in benefits

Start-up Monthly Disability Cover provides the following benefits that are built-in:

| Benefit | What is it? | How it works | Why it's important |
|-------------------------------------|---|---|---|
| Total Disability Benefit | A monthly payment if you are totally disabled and are unable to work. | If you become totally disabled as a result of an illness or injury, a monthly benefit may be payable. Payments begin at the end of the waiting period. | Helps to meet the short to medium-term needs of your business while you or a key person focuses on recovery. |
| Partial Disability Benefit | A monthly payment if you are only able to work in a reduced capacity due to illness or injury. | If you are working at a reduced capacity (working 75% or less of your pre-disability hours), as a result of an illness or injury, a partial monthly benefit may be payable. Payments begin at the end of the waiting period. No waiting period applies if you move from a total disability benefit to a partial disability benefit. | Helps ease you back into full-time work by making sure that you do not suffer financially. |
| Cover Conversion Option | Allows you to apply to convert your Start-up Monthly Disability Cover to another policy if your circumstances change. | With the Cover Conversion Option, you can apply to convert an amount up to the Start-up Monthly Disability Cover sum insured under your policy to Monthly Disability Cover on a new policy without assessment of the life assured's health. | Allows you to keep your insurance terms should you convert your Start-up Monthly Disability Cover to another policy. |
| Recurrent Disability Benefit | Waiver of your waiting period if your disability returns within 12 months of going off claim. | We will waive the waiting period, and treat your claim as continuing, if a disability comes back within 12 months of a claim ending. | If you or a key person suffers a recurrence of the same disability you are not unfairly penalised by having to wait out the waiting period again. |

Optional benefits

Optional benefits that you can choose to add for an additional premium:

| Optional benefit | What is it? | How it works | Why it's important |
|------------------------------------|---|---|---|
| Seasonal Adjustment Benefit | An optional increase in cover by 25% for a 3-month period. | With the Seasonal Adjustment Option, we will increase the total or partial disability benefits we pay for a selected 3-month period by 25%. | Helps with additional seasonal expenses associated with your business. |
| Farm Consultancy Benefit | A monthly payment of \$750 for specialist farming assistance if you become totally or partially disabled. | Farm Consultancy pays an additional monthly benefit for a maximum of 6 months to assist with expenses associated with engaging a Farm Consultant for services such as herd management and feed systems. | Helps provide the expertise your business needs to continue operating should you suffer an illness or injury. |

Seasonal Adjustment Benefit and Farm Consultancy Benefit are only available to Farmers and those working in the Agriculture industry.

Talk to your Financial Adviser

Call us on 0508 464 999

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Important information

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Chubb Life Insurance New Zealand Limited (Chubb Life)