

Mortgage and Living Cover



For most of us the finer things in life, like owning a home, are the result of hard work. But we often overlook the importance of protecting our hard-earned lifestyle – or choose not to because of the cost. How would you manage if you were unable to work due to illness or injury?

Mortgage and Living Cover is an option worth exploring. You have the ability to tailor the cover to your needs, lifestyle and importantly budget. It's packed with features and you can adapt the cover as your lifestyle changes.

How does Mortgage and Living cover work?

If you're unable to work because you're sick or injured, you'll receive regular monthly payments after your agreed waiting period. We'll pay you until you can return to work, or you reach the end of your chosen benefit period. Depending what option you choose it could be up to age 70!

Just take a moment to reflect on what could happen... It's about protecting your future lifestyle.

Simon Evans, Asteron Life customer

Know exactly how much cover you have

Mortgage and Living offers an agreed level of cover. Knowing how much income you'll receive if you need to claim provides certainty, and allows you to focus on recovery. Choose from Agreed Value, Agreed Value Plus or a combination of the two to best meet your need and budget.

Agreed Value

This is the cheaper of the two options, taking into consideration any income you receive as a result of your illness or injury (such as ACC or other insurance payments), which is offset against any insurance payment received. Agreed value provides consistency in your income while you're unable to work.

Agreed Value Plus

This allows you to lock in your level of cover, giving you certainty about how much you'd receive in the event of a claim regardless of other sources of income.

The insurance payment received for both Agreed Value and Agreed Value Plus would be adjusted if you were able to work reduced hours.

Disclaimer: Customer testimonials and examples are provided for information only and do not advise on or recommend a product. For financial advice including on product suitability, please contact your financial adviser.

How much cover?

Your level of cover can be based on either your income or mortgage repayments. Your Adviser can help you determine your options.

These calculations are only used to determine your initial level of cover, once it's agreed it won't decrease even if your income or mortgage repayments do.

If over time your income and lifestyle is likely to change, you have the option to increase your level of cover by 10% each year without any medical underwriting. Refer to the policy document for full details. An inflation adjustment can also be applied to your level of cover each year. This is a small percentage, determined by the Consumer Price Index (CPI), to ensure your cover keeps up with inflation.

	Agreed Value	Agreed Value Plus	Combination of Agreed Value & Agreed Value Plus
Income	Up to 75% of your income (less tax).	45% of your income up to a maximum of \$7,500 per month.	Up to 75% of your income (less tax).
Mortgage	115% of your mortgage repayments on your residential property.	115% of your mortgage repayments on your residential property up to a maximum of \$7,500 per month.	Cannot exceed 115% of mortgage repayments on your residential property.

Tailor cover options to your budget

Mortgage and Living Cover lets you structure your cover in a way that's right for you and your budget.

Structuring your premiums

There are two ways to structure your premiums:

- 1. Stepped Premium.** Premiums start lower but increase over time, mainly due to age but other factors such as inflation can play a part too.
- 2. Level Premiums.** The option to lock in the premium until a selected age – either 65 or 70 years. Level premiums automatically take your increasing age into account and balance your premiums out over the life of a policy. This can save you thousands of dollars over the life of your policy. Level premiums will only increase if you choose the inflation adjustment or if there are changes in tax or market conditions.

Transition to Level Premiums. Mortgage and Living Cover gives you flexibility to adapt your premium structure as your needs and budget changes. Your Adviser will be able to support you with this.

Benefit Payment Periods. You can choose how long you could receive payments for if you're unable to work due to sickness or injury – 2 years, 5 years or until age 65 or 70.

Waiting Periods. This is the time between being unable to work and the monthly payments starting. It's up to you to consider all the factors and choose how long you want your waiting period to be – most people choose between 30-90 days. The longer your waiting period the lower your premiums.

Choose from – 14, 30, 60, 90, 180, 365 or 730 days.

Mental Health Discounts. If you're looking for ways to lower your premium you might like to consider having a maximum benefit period of 2 years for any disability claim which is directly or indirectly related to mental illness. This will automatically reduce your annual premium by 10%.



Benefits included with Mortgage and Living Cover

Mortgage and income update. You're able to increase your cover by up to 10% each year with no further medical underwriting if your income or mortgage payments increase.

Homemaker support. If you've worked full time for over 12 months doing domestic duties in your own home you could be covered by Mortgage and Living Cover. Refer to your policy document for full details.

Flexi claim payments. You can choose to receive your benefit in weekly, fortnightly or monthly payments.

Return to work. If you can return to work full time, we'll pay you a bonus of one month's benefit after your first 3 months back at work, and a further two months' benefit after your first 6 months back at work.

Rehabilitation and retraining support. Make contact with us straight away if you're unable to work due to sickness or injury so we can look for ways to help you. This might include support with rehabilitation, wheelchairs, occupational therapy or additional childcare.

Family assist. We'll pay for a nurse or family member to look after you at home for up to 6 months.

Dependent relative. If you have to stop working to undertake the full time care of a family member, we'll pay you a monthly benefit for up to 6 months.

Recurrent disability. We'll continue your benefit straight away if you're affected by the same disability within 12 months of being back at work – waiving your wait period.

Disability reset. We'll reset your benefit period once you've returned to work following a claim on Mortgage and Living Cover that has either 2 or 5 year benefit period. This allows you to claim for a new or related illness if the need arises. Refer to your policy document for full details.

Reduction in waiting period. Lets you reduce the waiting period on your Mortgage and Living Cover if a Business Disability Cover or Farmers Disability Cover you have with us is cancelled. This is also available if your sick leave entitlements reduce or your employer cancels a disability insurance.

Increasing claim. This allows you to increase your monthly benefit payments each year while you're on claim. It's useful because it keeps your benefit up to date with inflation.

New parent premium waiver. While on parental leave we'll pay your premiums for 6 months. Insurance protection is still important even if you're on parental leave – and when you're expecting a baby you might find you need to budget more.

Elective surgery. Pays you a monthly benefit if you are disabled due to elective surgery.

Choose to boost your cover with these optional benefits

Ten-hour benefit. This allows you to work up to ten hours per week in your usual occupation without it affecting the benefit you receive.

Specific injury support – (monthly or lump sum) benefit. Support when you need it. Receive this benefit if you suffer any of 29 specified injuries (ranging from broken bones to paralysis). The benefit is payable even if you are still able to continue working. Check the policy document for the full list of injuries and payment periods.

Note: When purchasing Specific injury support, you must choose either monthly or lump sum.

Income top-up package. Boost your income in the early stages of a claim with:

- **Income booster.** You'll receive an extra 33% of your monthly benefit for the first 3 months that you're on claim. The Income Booster is useful to help you adjust to your new routine.
- **Income bonus.** Receive up to an extra 25% of any income you earn if you return to work for more than 10 hours per week, during the first 12 months that you're on claim.

Immediate assist package. Financial support while you're waiting for your claim payments to start. Support includes:

- **Bed confinement.** Stuck in bed? Receive a benefit for each day you are confined to bed during your waiting period.
- **Crisis benefit.** Immediate support in a crisis. Receive this benefit as soon as you're diagnosed with one of the 11 specified conditions (including cancer, heart attack and stroke), regardless of your waiting period. It doesn't matter if you're still able to work or not. Check the policy document for the full list of conditions and payment periods.

Redundancy. If you're made redundant we've got you covered with monthly payments for up to 6 months. This optional benefit is currently only available to customers who already have cover under it.

Free Kids Cover. Make sure you fill out the Kids Cover section of your application to add \$50,000 of trauma insurance for each of your children (or grandchildren) at no extra cost. You can increase this amount up to \$200,000 for just \$1 per \$10,000 per month.

Full details of all of these benefits are detailed in the policy document.

Talk to your adviser about how to get Asteron Life Mortgage and Living Cover.

Asteron Life Limited has been given an A+ financial strength rating by Standard & Poor's. A copy of the rating scale is available for review at our offices. For more information, please visit www.asteronlife.co.nz/about/financial-strength



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