

TOTAL PERMANENT DISABLEMENT

Income Protection

Looks after you and your family's future if you become permanently disabled.



SUPPORTING YOU WHEN YOU NEED IT MOST

Personal



Pay your mortgage:

Whatever happens, you'll have resources to contribute to your home loan or other debts, helping to safeguard your family's future.



Medical expenses:

The lump-sum payment can help cover the cost of ongoing medical treatment and possible modifications to your home or work environment.



Maintaining your lifestyle:

Without the ability to earn, you'll still need to pay the bills and everyday living expenses.



Best available care:

Employing a full-time caregiver is often necessary, but can be expensive. A lump-sum payment can assist with the cost.

Business



Business continuity:

The lump-sum can assist your business to continue operating.



Replacement cover:

The short-term survival of your business may depend on recruiting a qualified replacement or retraining an existing employee.



Succession planning:

If you are unable to continue in the business, this benefit may provide valuable assistance and time to plan, should you choose to trade on or wind up.



Medical expenses:

The lump-sum payment could cover the cost of ongoing medical treatment and ease the strain on your business.

Some basic conditions for Total Permanent Disablement:

- > Lump-sum payment: This type of benefit pays a once-only lump-sum with a maximum sum assured of \$5 million.
- > Eligible entry ages: 16 years (individual consideration after age 60).
- > Term of cover: Renewable to age 65 or to age 70.
- > Worldwide Cover: Provides cover anywhere in the world, 24 hours a day.

TOTAL PERMANENT DISABLEMENT from Sovereign

We can help provide financial peace of mind with a lump sum payment should you become totally and permanently disabled and unable to work.

Total Permanent Disablement (TPD) is where, as a result of accident or illness, you are so incapacitated that you:

- a. Cannot do your own job or (where applicable) another job to which your skills may be suited; or
- b. Suffer loss of limbs or sight; or
- c. Cannot perform at least two of the following activities without the physical assistance of someone else:
 - Bathing and showering
 - Dressing and undressing
 - Eating and drinking
 - Using a toilet
 - Moving from place to place by walking, in a wheelchair or with a walking aid.

Or, alternatively, you are unable to perform one of the activities noted above and your intellectual capacity has reduced or deteriorated to such an extent that you require permanent and constant supervision. Please refer to the Total Permanent Disablement policy wordings (Personal or Business) for the exact criteria.

Our insurance options

First you decide what core insurance works best for your needs, **Personal** or **Business**, or both. From there, Total Permanent Disablement has two options depending on your situation:

OPTION	HOW IT WORKS	WHY IT'S IMPORTANT
Own Occupation	It is unlikely you will ever be able to work in your own specific occupation.	When taking out a Total Permanent Disablement policy, it's important to understand the different occupation definitions and how this influences the cover provided. There is potentially an impact on whether a claim can be paid or not, and the pricing of policies do reflect this. 'Own occupation' policy is the most comprehensive and clear-cut form of cover, whilst 'any occupation', being broader, has a lower premium.
Any Occupation	Being so incapacitated that it is unlikely you will ever be able to return to work, which will pay remuneration greater than 25% of your pre-disability earnings, in your own or any other occupation or gainful employment for which you are reasonably suited by education, training or experience.	

Then you can look at what way you want to set it up. Again you have two options:

OPTION	HOW IT WORKS	WHY IT'S IMPORTANT
Standalone	The Total Permanent Disablement sum assured, when paid as a claim, does not reduce any life cover the insured has. Your Total Permanent Disablement claim is regarded as a standalone payment.	You don't need to have life cover to still get the protection Total Permanent Disablement provides. You may have life cover with Sovereign and its value can be preserved in the event of a claim.
Accelerated	The Total Permanent Disablement sum assured is treated as an early 'accelerated' payment of any life cover the life assured has. 'Accelerated' cover means that if we pay a claim under your Total Permanent Disablement cover, then your Life Cover sum assured will reduce by the same amount. This means that 'accelerated' Total Permanent Disablement is available at a lower cost than the Standalone Total Permanent Disablement. The maximum amount payable for any 'accelerated' benefit is the total amount of the Life Cover Benefit for the life assured.	This reduces the life cover sum assured and is an affordable way to ensure you get the cover you need.

EXTRA HELP INCLUDED WITH OUR TPD



Financial Advice Benefit

With this benefit, you are able to get financial advice from a Sovereign-approved financial adviser at the time of receiving a full claim payment under your Total Permanent Disablement. Sovereign will reimburse the policy owner for fees up to \$2,500 (incl. GST). This is a one-off payment across all Sovereign policies.



Special Events Increase Facility

Enables you to increase the sum assured under your Total Permanent Disablement following a significant event in your life, which results in increasing financial responsibilities. These significant events include: Having a child, getting married, taking out or increasing a residential home loan, receiving a significant salary increase and other major events.



Future Insurability Benefit

You can apply to increase your sum assured at every third policy anniversary without providing further medical information. Note that limits and conditions apply and every increase in cover will require an increase in premium.



Waiver of Total Permanent Disablement Waiting Period

If your medical condition enables an assessment to be made immediately that the disablement is total and permanent, and all the other requirements have been met for the payment of Total Permanent Disablement, then the normal three month waiting period is waived.



A note on exclusions

Total Permanent Disablement (including the built-in benefits and optional benefits in this brochure) is subject to certain stand-down periods and exclusions. For more information about these and other exclusions and stand downs, please refer to the relevant policy wordings which can be found on Sovereign.co.nz or speak to your Adviser.

OTHER BENEFITS YOU CAN ADD ON

We understand everyone's needs are different. Below are some optional benefits you can add to your insurance to give support where you need.

Waiver of Premium

This can remove the burden of paying premiums when you are unable to work due to total disability. We will waive your premium payments, while your insurance remains in place.

Accidental Injury Cover

This optional benefit provides a single up-front payment, should you be injured accidentally. You can use it for whatever you need: covering treatment costs, getting taxis to work, hiring someone to help with children, or simply taking time off work to recover.

You choose how much cover you need, up to \$5,000 a month, and the lump sum you receive is based on the treatment you require. For example, a broken leg that requires a cast entitles you to a three month payment, totalling a maximum of \$15,000. This is paid as a lump sum once your claim is approved. Making a claim under this optional benefit is not affected by payments from ACC or other insurances you may have.



Business safeguard facility

(Available with Business 'accelerated' only)

A great option for a growing business, this benefit provides you with the option to increase the sum assured as your financial interests or your financial value to the business increases, without having to provide further medical information.

Note that limits and conditions apply and every increase in cover will require an increase in premium.

Specialists and Diagnostic Testing with Best Doctors

This benefit provides cover up to \$5,000 per year for specialist consultations, diagnostic imaging and tests. Best Doctors* offers the chance to seek a second opinion from an international network of medical specialists.



* Best Doctors is a trademark of Best Doctors Inc., in the United States and other countries, and is used under licence.

LIFE. TAKE CHARGE.



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SOVEREIGN

Other things you should know: The availability of insurance cover is subject to your application being approved. All applications are subject to individual consideration. Special conditions, exclusions and premium loadings may apply. This insurance is underwritten by Sovereign Assurance Company Limited ('Sovereign'). For full details of the products and benefits offered by Sovereign, please refer to the policy document(s) which are available from Sovereign. The information contained in this publication is general in nature and is not intended as advice. It may not be relevant to individual circumstances and before making any insurance decision, you should consult a professional Adviser. Copies of our disclosure statements are available on request, free of charge.