

Life Cover



What is Life Cover?

Life Cover pays a lump sum of money if you pass away or become terminally ill. Life Cover is designed to help your family pay costs that you would have helped with if you were still alive. You may also choose to have Accidental Death Cover that will only pay a lump sum benefit if you pass away as a result of an accident.

What do most people use Life Cover for?

- Paying off the mortgage. Many people need to reduce their debt as quickly as they can if they go from two incomes to one.
- Providing future financial support for their children. For example, our customer Pam (below) used part of her advance life insurance payment, after becoming terminally ill, to pay for her children's tertiary education.
- Providing extra income for their family after they've gone, or contributing to their spouse's retirement fund. Many people would need financial support if an income earner passed away.
- Paying for childcare support if the person who passed away was the primary caregiver. Many people find that, as the remaining parent, they need extra support. If they continue working, they may also need more childcare support.

What benefits does Life Cover include?

- **Death benefit.** Your family or nominated beneficiaries will receive a lump sum of money if you pass away. We normally make the payment to your nominated bank account within two days after we receive the claim.
- **Terminal illness benefit.** You can apply to receive your Life Cover payment straight away if you're given less than 12 months to live. We normally pay this within seven days after you place a claim with us. You can use the money for your immediate care and help to plan a secure future for your family.
- **Financial planning and legal advice benefit.** We will pay up to \$2,500 for your family to receive professional advice from an approved financial planner. This helps your family decide the best way to use the money they will receive.
- **Grief support benefit.** We will pay up to \$2,500 for your family to receive grief counselling from a professional counsellor.

To have had the money has made an incredible difference for me and my boys. It's a wonderful thing and I am pleased that I had it.

Pam, Asteron Life customer

- **Funeral advancement benefit.** We will make an advance payment of \$15,000 or \$25,000 from your Life Cover when a life insurance claim is accepted. This pays for immediate expenses such as a funeral.
- **Funeral conversion benefit.** You can choose to convert up to \$30,000 of your Life Cover to a level premium Funeral benefit. You can use this option at any time if you've had your Life Cover for more than 10 years and you're 65 years or older.
- **Repatriation benefit.** We will reimburse up to \$15,000 or \$25,000 of the direct costs of bringing the insured person's remains back to New Zealand or their home country if they pass away overseas.
- **Terminal specific condition advancement.** We will make an advance payment of the lesser of \$250,000 or 30% of your Life Cover sum insured if you are diagnosed with one of the listed conditions or if you have a life expectancy of 24 months or less. Check the policy document for the full list of conditions.
- **Special events increase benefit.** You can increase your existing life cover whenever a special event occurs in your life, such as taking out a mortgage or getting a pay rise. You can do this at a later date, without any medical underwriting. This is useful because the amount of insurance you need may change as you get older. See your policy document for more information on special events.
- **Special events conversion benefit.** You can also take out Trauma Recovery Cover or Modified Total and Permanent Disability Cover whenever a special event occurs in your life, such as taking out a mortgage or getting a pay rise. You can do this at a later date, without any medical underwriting. See the policy document for more information on special events.
- **Inflation adjustment benefit.** Each year Asteron Life will offer to increase your sum insured by the rate of inflation, according to the consumer price index (CPI), without the need for further medical or financial underwriting.

What benefits you can add to your Life Cover?

- **Needlestick benefit.** For those who work in the medical and emergency services industry, the Needlestick benefit helps to ensure you can protect yourself against the financial impact of contracting Hepatitis B or C or HIV.
- **Terminal illness support** If you're diagnosed with a terminal illness and are given less than 24 months to live, we will pay an additional lump sum. This will help you pay expenses related to your illness so you don't need to tap into your Life Cover payment.
- **Specific injury support – 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.
- **'We pay your premiums' benefit.** We'll pay your life insurance premiums if you're ill or injured, and can't work in your usual job for more than 10 hours a week.
- **Free Kids Cover** – \$50,000 per child. You can have free trauma insurance for each of your children or grandchildren as part of your policy. Make sure you fill out the Kids Cover section in your application form to take advantage of this. You can also choose to increase the amount of Kids Cover cover up to \$200,000 for just \$1 per \$10,000 per month.

What are your payment options?

- **Level premium payments.** You can choose a level premium payment option and lock your premium payments in, so they don't increase with age – like a fixed rate mortgage.
- **Stepped premium payments.** Stepped premiums start lower than Level premiums but increase each year based on your age at that time.

Talk to your insurance adviser about how to get Life Cover.



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RP321 (09/24)