

How Mortgage and Income Protection works



HEALTHIER, LONGER,
BETTER LIVES



Meet Chris

Chris is a 28-year old early childhood teacher. He currently rents and is saving up for a deposit for his first home.

Financial and insurance overview

ANNUAL SALARY

\$50,000

at application

INSURANCE WITH AIA

MORTGAGE AND INCOME PROTECTION

\$1,875 per month

This equals 45% of his monthly income

Wait period: 13 weeks

Benefit period: to age 70

WAIVER OF PREMIUM

Wait period: 8 weeks

Chris has Mortgage and Income Protection of

\$1,875 per month

This is the maximum amount he can insure, based on his income at application.

Chris has an accident

How can his Income Protection help?

Two years after taking out insurance, Chris has a car accident and suffers injuries that require extensive recovery time which means he isn't able to work. What happens next?

Chris lets his adviser know about his accident. A claim form is submitted to AIA. His 13 week wait period starts on the date of his accident.

AIA assesses his claim and he meets the definition of Total Disablement.

Because he suffered an accident Chris is also eligible for ACC support and his doctor submits a claim to ACC.

Benefit payments Chris receives based on his accident:

MORTGAGE AND INCOME PROTECTION

\$1,875 per month

after 13 week wait period

WAIVER OF PREMIUM

after 8 week wait period

ACC

\$2,828 per month

this equals 80% of his taxable income, after tax, after 1 week wait

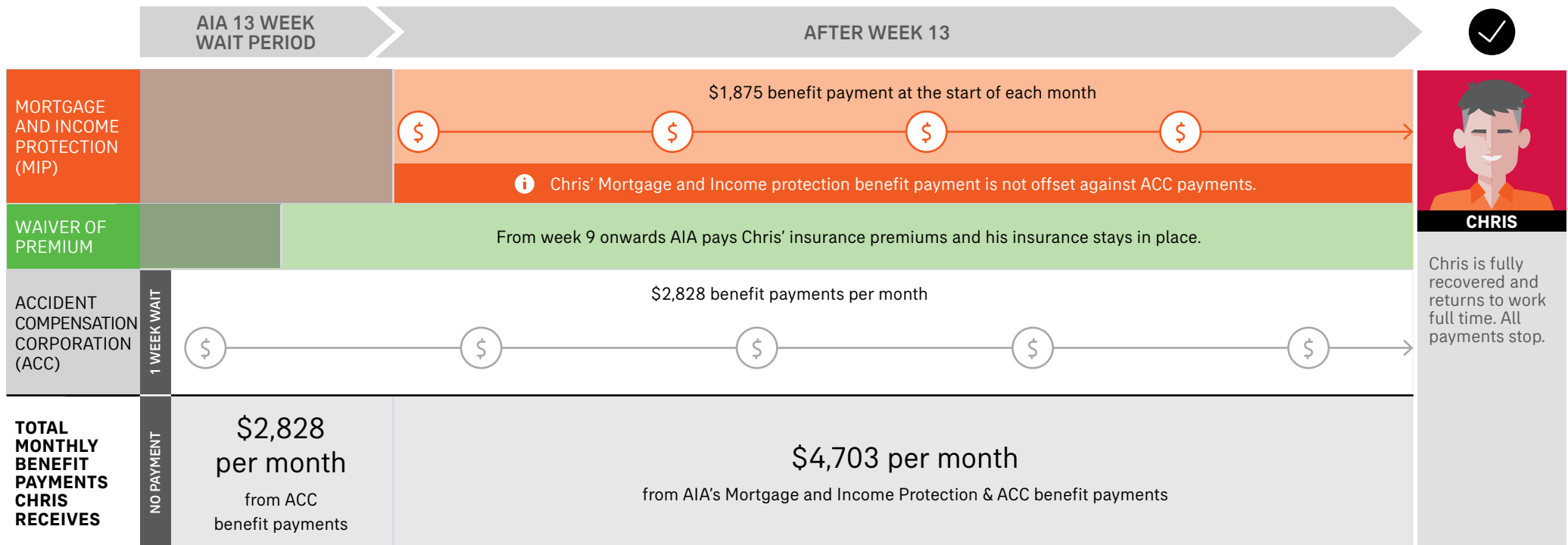
TOTAL

\$4,703 per month

after 13 week wait period

Benefit payment timeline

The diagram below shows benefit payments Chris receives to support his recovery journey. Chris gets recovery support throughout his illness. He receives a visit from an AIA case manager to discuss rehabilitation services regularly.



These examples are illustrative only, and while realistic are not based on actual claims. All figures are net of tax, and assume no change in the life assured's income or benefits since policy issue. ACC figures have been calculated using the online calculator at www.paye.net.nz, and are subject to change. The availability of 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 AIA New Zealand Limited ('AIA'). For full product details, please refer to the policy documents which are available from AIA.