

Total and Permanent Disability Cover (TPD)



Total and Permanent Disability (TPD) Cover provides a lump sum payment should you completely lose your ability to ever work again (or carry on your normal tasks, if you are not employed), as a result of illness or injury. TPD Cover is designed to help alleviate the significant financial impact that losing an income forever would likely cause. The lump sum can help reduce debt, purchase specialised equipment, pay for home modifications, provide additional care, create an investment fund to generate ongoing income or to enable business ownership to be restructured, amongst other things. The purpose of the funds is entirely yours to decide.

Early payment of Life Cover or Standalone TPD Cover

You have the choice to select Accelerated TPD Cover which means in the event of a claim all or part of your Life Cover is paid out. Alternatively you can select a Standalone TPD Cover which pays a lump sum which does not reduce any other cover you might have. The Accelerated TPD Cover is less expensive than the Standalone TPD Cover.

Own or Any Occupation Definition

You have the choice of selecting an Own Occupation Definition for an additional premium. This means that the TPD sum insured will be payable if you are totally and permanently unable to ever do the specific type of job you were employed in immediately prior to becoming disabled – even if you could do some other type of job. This is particularly valuable for those in very specific areas of work such as brain surgeons who, theoretically, could continue to be GP's even if they could no longer be brain surgeons due to something like nerve damage in the hands. An Own Occupation Definition would pay out in these circumstances.

Buying back claimed cover

You can purchase an additional Life Cover Buy Back Option which allows you to reinstate any Life Cover which is reduced by an Accelerated TPD Cover claim, provided the life assured survives 12 months following the claim.

Premium Review Periods

You can choose from the following premium review periods for your TPD cover:

Yearly Stepped – Your premiums are based on your current age and sum insured and are adjusted each year on your policy anniversary.

Level To Age 65, 70, and 80 Non Guaranteed – Premiums remain the same until you reach your selected age, at which time the premium structure automatically reverts to yearly renewable term. Premiums only change in line with any general rates changes or changes to your sum insured until your selected age. **Level to Age 70, and 80 Non Guaranteed – are only available for Accelerated TPD Cover.**

5% Stepped, 10 Year Guaranteed – Premiums are guaranteed to only increase by the fixed 5% step on every anniversary during each 10 year period. Premiums otherwise only change in line with any changes to your sum insured during each 10 year period.

No Wait Benefit

The 90 day stand down period does not apply if the Total or Permanent Disability is caused by:

- Alzheimer's Disease
- Cardiomyopathy
- Chronic Lung Disease
- Dementia
- Diplegia
- Hemiplegia
- Major Head Injury
- Motor Neurone Disease
- Multiple Sclerosis
- Muscular Dystrophy
- Paraplegia
- Parkinson's Disease
- Permanent Blindness
- Permanent Deafness
- Permanent Loss of Speech
- Primary Pulmonary Hypertension
- Quadriplegia
- Tetraplegia.

Continuing cover into retirement

Cover continues even past the traditional expiry age of 65 as long as you continue to have Life Cover included on your policy. The maximum amount of TPD Cover payable from age 65 onwards will be limited to the Life Cover sum insured and any payment under the TPD Cover will reduce the Life Cover sum insured accordingly.

The definition of TPD changes from the ability to work to a non occupational definition once you reach age 65.

It's not all or nothing

Partners Life will also pay you an early Partial Payment Benefit of 25% of the TPD Cover sum insured up to a maximum of \$300,000 if you suffer one of the following serious, permanent impairments – even though you may not be totally and permanent unable to work as a result:

- Loss of use of one hand
- Loss of use of one foot
- Loss of sight in one eye
- Loss of hearing in one ear
- Progressive loss of sight or hearing

Bringing you home

If you have been working overseas for more than 3 months when you suffer a total and permanent disability and you wish to Return to Home Benefit, your TPD Cover includes a Return to Home Benefit which will reimburse you for the costs of bringing yourself and a companion home to New Zealand (up to certain limits).

Treatment away from home

If your recommended treatment has to happen outside of your residential region, then your TPD Cover includes a Support Person Accommodation and Transport Costs Benefit which will reimburse you for up to 10 days accommodation costs and all transport costs for your support person (up to certain limits).

Expert assistance

If you or your family would like assistance with managing the proceeds of a TPD Cover claim, your TPD Cover provides a Financial and Legal Advice Benefit which reimburses the costs of a financial planner and/or lawyer up to a maximum of \$2,500, which is payable in addition to your TPD Cover sum insured.

Special events increases

Partners Life recognises there are a number of special events which can trigger a need to increase your TPD Cover. The Special Events Increase Benefit allows your TPD Cover sum insured to be increased (certain restrictions and limits apply) without further health assessment for the following special events:

- Marriage or civil union
- Divorce or legal separation
- Becoming full-time carer for a dependent relative
- Birth or adoption of a child
- Taking out or increasing a mortgage
- Purchasing a residential property, residential investment property, vacation home or bare residential land
- A dependent child starting full-time tertiary study
- An increase in annual salary
- Death or Terminal Illness of a spouse, defacto partner or civil union partner
- Every 5th policy anniversary

Option to increase cover in the future

In addition to the increase options under the Special Events Increase Benefit and automatic inflation adjustments, you can also purchase a Future Insurability Option which allows further increases to your TPD Cover sum insured each year without further assessment (up to certain limits).

Future proofing the value of your cover

To ensure your TPD Cover can continue to deliver the same real value to you as when you first purchased it, your TPD Cover sum insured will automatically increase by inflation adjustment each year and so will your premiums, unless you have a level premium review period and you selected a no indexation option.

These increases apply irrespective of any changes to your health after your TPD Cover starts.

You also have an option to set a minimum inflation rate of 5% so even when the inflation rate falls below this level your TPD Cover sum insured will still increase by 5%. You can choose to decline any increase in any given year without losing the automatic increase in following years, so you really have the best of both worlds – automatic rights to increase with no obligation to do so.

No Indexation Option

If you have selected a level premium review period to age 65, 70 or 80 you can also choose a no indexation option.

Turning claims promises into reality

Partners Life goes so much further than paying lip service to the way in which we will manage claims. Our intention to manage claims fairly and ethically, irrespective of what the law might allow us to do as a life insurer, is a legally binding promise. We have included our commitment to our claims philosophy into our policy wordings – so we are contractually obliged to behave this way – and we wouldn't have it any other way.

Rewarding partnership for life

Partners Life is passionate about sharing the value we create over time with you. Rather than solely focusing on incentivising new customers to join, we also want to reward clients who are loyal to us. Your Partners Protection Plan includes an increasing Loyalty Premium Discount over time to your TPD Cover premium. So you can take comfort that you will pay increasingly less for your TPD Cover than new clients to the company will. The discounts that apply start from the 2nd anniversary and increase each year by 1% until reaching 10%. Policies with a level premium review period automatically include an averaged loyalty premium discount, therefore an additional discount does not apply.

Help when it's really needed

A premium holiday is available to you to provide financial relief during difficult times without losing your valuable cover. In the tragic event that you lose a spouse or child, are made redundant or bankrupt or are forced to leave work to care for a relative who has become dependent on you due to ill health, your Partners Protection Plan provides up to 6 months of free TPD Cover, while you rearrange your financial affairs. Alternatively your premiums and cover may be suspended for up to 12 months if you need temporary financial relief due to overseas travel, parental leave, extended periods of leave without pay or even if you decide to embark on some additional full-time study. At the end of the suspension period you can restart your TPD Cover without being reassessed.

Keeping your Partners Protection Plan up to date

Partners Life guarantees to automatically apply any future enhancements we make to TPD Cover to your policy, provided there is no additional premium required for those enhancements.

Worldwide cover

Your TPD Cover is valid wherever you may be in the world.