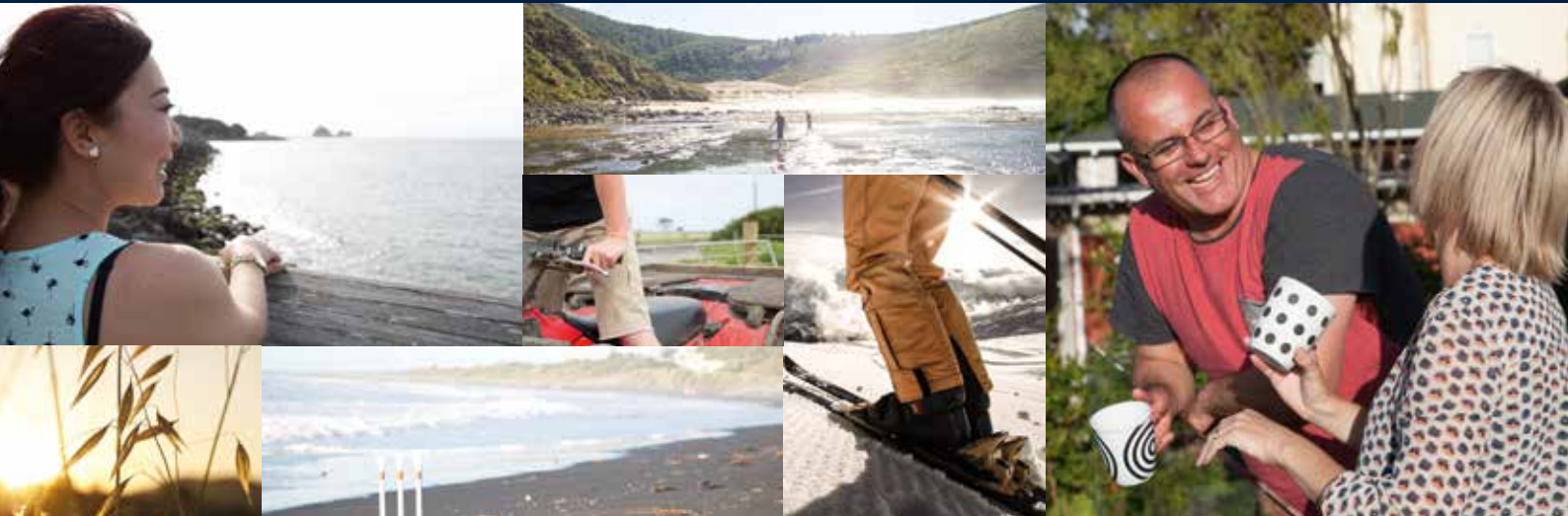


# AMP Workplace Income Protection

Help employees protect one of their most valuable assets – their income.



How well you look after your people today, can make all the difference to how you perform tomorrow.

Take care of your people with AMP Workplace Income Protection, giving peace of mind to employees by providing a source of income if they become ill or injured and unable to work.

## What is AMP Workplace Income Protection?

If employees become unable to work due to illness, accident or injury for an extended period of time, AMP Workplace Income Protection could provide a monthly benefit while they are unable to work.

## Why do you need it?

For most of us, regardless of how much we love our jobs, we work to allow us to live and meet our financial obligations. Having AMP Workplace Income Protection in place for your employees may mitigate a predicament no employer wants to face – stopping income to employees who have exhausted their sick leave whilst they are suffering from a serious health set back and unable to work.

Offering AMP Workplace Income Protection to your employees with a Life Cover Plan as part of their remuneration package demonstrates a genuine care for your employees and may help to attract and retain valuable employees by giving you a real point of difference in the market.

## Key features of AMP Workplace Income Protection

- ✓ **Income Benefit** – If an employee is totally disabled as a result of illness, accident or injury and therefore unable to work, they could receive a monthly benefit of up to 75% of their monthly income after a waiting period<sup>1</sup>.
- ✓ **Death Benefit** – If the worst happens and your employee dies while receiving income protection benefit payments, AMP will pay a lump sum equal to 10 weeks of the employee's benefit payments.
- ✓ **Flexibility around benefit period** – You may choose cover that has a specific benefit period of one, two or five years or up to age 65. For larger plans that have a 2 year base benefit, a five year 'topup' option may be available on a 'premium partnership' basis, which means the employee pays some of the premium cost and the extended benefit period may not require additional health evidence<sup>3</sup>.
- ✓ **Choice of wait time** – You can choose how long your employees have to wait before an income protection benefit payment would be made – 4, 8, 13, 26 or 52 weeks (Waiting Period)<sup>2</sup>. The longer the waiting period the less expensive the premium is.
- ✓ **Medical evidence not usually required** – To be accepted for cover, employees will not typically need to undergo a medical check or produce any evidence of their health (up to a specified limit)<sup>3</sup>.
- ✓ **Supporting recovery** – Your employee may be eligible to receive a partial benefit if they are able to return to work in a reduced capacity after being totally disabled.

<sup>1</sup> Subject to a maximum of 75% of the first \$320,000 of income, then 50% of the next \$120,000 of income, up to a maximum income benefit of \$300,000 per annum (or \$25,000 per month).

<sup>2</sup> The waiting period is the period a person must be totally disabled for before a benefit becomes payable.

<sup>3</sup> Automatic acceptance is dependent on the size of your business and conditions, including eligibility criteria and limits, will apply.



## Additional options to boost cover for your employees

**Cover up to the age of 70** – New Zealanders are retiring later in life, so AMP Workplace Income Protection provides the option of cover up to the age of 70 (for larger plans). If you choose to cover employees to age 70, the benefit period after age 65 is limited to two years and a maximum of 60% of income, up to a maximum income benefit of \$120,000 per annum (or \$10,000 per month).

**The option to increase benefit limits** – For benefit periods over 2 years, you can choose to increase the monthly amount your employees would receive if the employee has been paid a benefit for 12 consecutive months – by either the annual increase of the Consumer Price Index or 5%, whichever is less.

**Cover may be continued if an employee leaves** – When an employee leaves the business, they may have the option of continuing Income Protection at their own expense and without having new medical evidence of health (Continuation Option)<sup>4</sup>. This can be a major advantage for them because if they were to start a new cover as an individual without taking up a continuation option, they would need to provide detailed health information to AMP.

**An option may be available to add an ‘Own Occupation’ definition** – As an employer you may be able to add an ‘Own Occupation’ definition. This means that employees are considered disabled if they are not capable of performing their usual (own) occupation due to injury or sickness (some restrictions may apply).

## AMP Workplace Income Protection in action

If someone is unable to work due to an injury, ACC may pay up to 80% of their income; however, it is subject to a maximum that changes each year. ACC only covers certain injuries and other government assistance may not be available to provide compensations to cover illness or all types of injuries.

Having AMP Workplace Income Protection in place for your employees could help to cover bills or financial commitments in the event that your employees are Totally Disabled as a result of illness, accident or injury and unable to work.

## Other things you need to know

- The maximum annual income benefit amount possible is \$300,000 per person (\$25,000 per month).
- There may be restrictions on the availability of, or amounts of, cover for employees in hazardous occupations.
- At the commencement date of a plan, the entry age range for automatic acceptance to apply for AMP Workplace Income Protection can be from 15 to 70 (different ages may apply for new employees after that date).
- Premium rates may be guaranteed for up to three years which can make budgeting easier<sup>5</sup>.
- The premium you pay depends on the benefit period and wait period selected, the age and gender of your employees, the size of the business and the occupations covered.
- If you are transferring an existing Income Protection Group plan from a different insurer, AMP can in many cases accept this as a Workplace Income Protection plan, provided full underwriting details are supplied in writing by the previous insurer. Some limitations may apply.
- AMP will not pay any claims where a total or partial disablement is attributable to intentional self-injury, attempted suicide, or an intentionally contracted infection. Other circumstances may apply.
- Benefit payments will be offset by certain amounts specified in the policy (eg ACC payments). Taxes may also be deducted if required.

<sup>4</sup>The availability of, and taking up of, a Continuation Option is subject to the terms and conditions set out in the policy.

<sup>5</sup>Premium rates may change with immediate effect in some circumstances as outlined in the policy.

## Want to know more?

Insurance is complex. It’s important to note that this product card is just the tip of the iceberg and only provides a brief summary of the key features of the relevant cover. Cover is subject to policy terms and criteria being met. Full details of the AMP Workplace Protection Plan, including definitions, terms, conditions, exclusions, wait periods, qualifying periods and no-claims periods are set out in the policy documentation (available from your Broker, Adviser or AMP). In the event of any conflict or inconsistency between this document and the policy documentation, the latter will prevail. Cover may cease in a number of circumstances outlined in the policy documentation.

Talk to your Broker or Adviser today to help you make sure you choose the right cover for your employees. Alternatively, you can call the AMP@Work team on **0800 267 967**, or visit **amp.co.nz**.