



Product Comparison: AIA Real Loss of Earnings and AIA Living Loss of Earnings

This document is provided for guidance purposes only and is not designed to be relied upon as providing an exhaustive list of the differences between our AIA Real Loss of Earnings and AIA Living Loss of Earnings (**Basic/Premier**). It is your responsibility to take the appropriate steps to satisfy yourself that you understand and explain the differences between each policy and how that impacts on the individual circumstances of your client. AIA takes no responsibility for the financial advice you provide to your client in this regard.

	Benefit	Key	Key Difference
1.1	Expiry Age	Green	
1.2	Worldwide Cover	Green	
1.3	Exclusions	Yellow	Exclusion condition varies
1.4	Definition of Total Disability	Green	
1.5	Offsets	Yellow	More offsets under AIA Living
1.6	Definition of Partial Benefit	Green	
1.7	Recurrent Disability Benefit	Green	
1.8	Death benefit	Red	Available under AIA Real AIA Living (Premier Only)
1.9	TPD Benefit	Red	Available under AIA Real AIA Living (Premier Only)
1.10	Occupational Retraining	Yellow	Variation based on time period selected
1.11	Return to home benefit	Green	
1.12	No Claim Benefit	Red	Available under AIA Real only
1.13	Increasing Income benefit	Yellow	Different qualifying methods

	Benefit	Key	Key Difference
1.14	Home care benefit	Red	Available under AIA Real AIA Living (Premier Only)
1.15	Bed Confinement Benefit	Green	
1.16	Leave without pay	Green	
1.17	Rehabilitation Expense Benefit	Green	
1.18	Pregnancy Premium waiver	Green	
1.19	Concurrent Waiting Period Benefit	Green	
1.20	Childcare Support Benefit	Green	
1.21	Partial Disability Bridging Benefit	Red	Available under AIA Real only
1.22	Waiting Period Reduction	Green	
2.0	Booster Benefit Option	Green	
2.1	Optional Redundancy Benefit	Green	Available under AIA Real only
2.2	Mental health Disorder limitation	Red	Different benefit period

Key

■ Not available in both
 ■ Similar with slight difference
 ■ Same or very similar cover



	BENEFIT/FEATURE		AIA Real LOE	AIA Living LOE
1.1	Expiry Age		Cover renewable to age 65 or 70 years.	Cover renewable to age 65 or 70 years.
1.2	Worldwide Cover		Cover applies anywhere in the world.	Cover applies anywhere in the world.
1.3	Exclusions		<ul style="list-style-type: none"> Intentionally self-inflicted injury whether the life assured is sane or insane. Participation in any Criminal Act. Pregnancy, childbirth, abortion or miscarriage unless the Disability lasts for more than ninety (90) days after the end of pregnancy, at which time the waiting period will commence. In the case of a policy with a benefit period of two (2) years, any injury, sickness, or related condition in respect of which twenty-four (24) months of Income Protection Benefits have already been paid. In the case of a policy with a benefit period of five (5) years, any injury, sickness, or related condition in respect of sixty (60) months of Income Protection Benefits have already been paid. 	<ul style="list-style-type: none"> The life assured deliberately injures himself or herself or attempts to do so. The life assured engages in or is part of any conduct that is criminal. Pregnancy of, or childbirth by, the life assured, unless the disability lasts for more than 90 days after the end of pregnancy, in which case the waiting period will start from the 91st day. The life assured does not comply with the treatment recommended by the attending treatment providers. <p>If the life assured is imprisoned or sentenced to home detention for any reason, no monthly benefit will be payable during the term of imprisonment or home detention.</p>
1.4	Definition of Total Disability		<ul style="list-style-type: none"> The life assured is under the regular and personal care of a medical practitioner; and The life assured's injury or sickness is supported by clinical evidence and approved by us; and The life assured is unable to perform the life assured's usual occupation as the result of the injury or sickness; and <ul style="list-style-type: none"> The life assured's pre-disability income from their usual occupation has reduced by twenty percent (20%); or The life assured is unable to perform at least one important income producing duty of their usual occupation and is not working in their usual occupation; or The life assured is unable to perform the income producing duties of their usual occupation for more than ten (10) hours per week. 	<p>In AIA's opinion, the life assured is totally disabled, if as a direct result of sickness or injury, he or she is:</p> <ul style="list-style-type: none"> under the regular and personal care of a registered medical practitioner; and unable to:- <ul style="list-style-type: none"> > perform at least one important income producing duty of the role they were involved in immediately before the disablement date and is not working in that role; or > engage in the occupation they were involved in immediately before the disablement date for more than 10 hours per week; and not working or engaged in any other occupation or business.



1.5	Offsets	<p>Post-Disability Income means the life assured's monthly income, or the amount of income the life assured is capable of earning per month while disabled, as determined by Us after an assessment of present and likely capabilities based on:</p> <ul style="list-style-type: none">• the total of any other income replacement policy; and• employer remuneration, excluding any sick leave entitlements; and• any other sources in relation to the same disability.	<ul style="list-style-type: none">• Any other income replacement or mortgage protection benefits that any person receives or is entitled to receive from any sources in relation to the life assured and the same or a related disability (for example payments from ACC, or another insurer), with the following provisions:<ul style="list-style-type: none">> Where the life assured is covered by income replacement or mortgage protection benefits held with more than one provider, AIA will negotiate with the other provider(s) to determine the amount to be offset. AIA will not seek to apply offsets under this sub-clause in respect of income replacement or mortgage protection benefits held with other providers which were accurately disclosed in your application, provided that there has been no change in the circumstances for you or the life assured.> Benefits payable under an AIA Key Person Disability Income policy will not be offset.> If the life assured is entitled to receive a benefit from ACC but is not receiving that benefit because the life assured has either not applied for the benefit, or has not provided all of the requirements necessary to assess the benefit, or the benefit has been stopped due to any non-compliance with ACC requirements, AIA will offset the full ACC entitlement regardless of whether the life assured is receiving a payment or not.• Any income before income tax, as a result of the life assured being actively involved in or actively carrying on business, other than passive income such as investment income, rental income or income earned by the business which cannot be attributed to the active involvement of the life assured.• The life assured's sick leave payments, subject to a maximum of 10 days' sick leave payments for all claims resulting from the same or a related disability. <p>If you have chosen the Premier Cover Option then the life assured's sick leave payments are not included in offsets.</p>
-----	---------	--	---



1.6	Definition of Partial Disability			<p>The life assured is partially disabled, if as a direct result of sickness or injury he or she:</p> <ul style="list-style-type: none"> > has a reduction in work capacity resulting from the continuation of the disability; and > because of the reduction in earning capacity, the life assured earns less than 75% of pre-disability income.
1.7	Recurrent Disability / Recurrent Disablement		If the life assured has the same disability within 12 months of the original disability the waiting period will be waived.	If the life assured has the same disability within 12 months of the original disability the waiting period will be waived.
1.8	Death Benefit / Bereavement Grant		If the life assured dies during the term of this benefit, pays 3 times the monthly benefit up to a maximum of \$30,000	<p>Available under Premier only</p> <p>If the life assured dies while AIA is paying a total disability income benefit, the amount payable is 3 times the monthly benefit.</p>
1.9	Severe Disability / Permanent Disablement		Pays the life assured an additional 1/3 of the benefit until the expiry of the benefit period, if the life assured has been absent from any employment for six (6) consecutive months and is unable to perform two (2) of the activities of daily living.	<p>Available under Premier only</p> <p>Pays the life assured an additional 1/3rd of the benefit if a Total Disability Income Benefit has been paid for 24 consecutive months and in AIA's opinion that life assured is permanently disabled.</p>
1.10	Occupational Retraining / Vocational Assistance		Payable if the Life Assured takes a programme of occupation retraining while receiving an Income Protection benefit. An additional lump sum reimbursement up to a maximum of twelve (12) months payable.	The total amount which AIA will pay for any vocational assistance is limited to a maximum of 12 times the monthly benefit amount.
1.11	Return to home benefit		<p>If the Life Assured has been outside of New Zealand and suffers a disability for the first time and a claim has been accepted. AIA will pay the lesser of up to three (3) times the monthly benefit or a single economy air fare to New Zealand.</p> <p>In total the maximum we will pay is over the life of the policy under the Return Home Benefit is \$10,000.</p>	<p>If the life assured is outside of New Zealand and suffers, for the first time a total disability, upon acceptance of the claim we will pay the lesser of:</p> <ul style="list-style-type: none"> > three times the monthly benefit specified in the schedule; or > a single standard economy flight back to New Zealand for the life assured and one support person. <p>In total the maximum AIA will pay over the life of the Policy under the Return Home Benefit is \$10,000.</p>
1.12	No Claim Benefit		If the Income Protection benefit has been continuously in force for 3 years and no claim has been paid AIA will:	Not available



			<ul style="list-style-type: none"> • Double the death benefit payable; and • Double the occupation and rehabilitation benefits 	
1.13	Increasing Income benefit		<p>Allows the life assured to increase their cover without providing medical evidence, where an increase in salary has occurred, if:</p> <ul style="list-style-type: none"> • the life assured is under age 55 at the time of the option to increase; and • no benefit is being received or payable under this income protection benefit and premiums are not being waived; and • the income protection benefit is less than \$12,000 per month. 	<p>Future Insurability Benefit will only apply if the Claim Indexation Benefit has not been selected.</p> <p>Allows the life assured to increase their cover without providing medical evidence, where an increase in salary has occurred, if:</p> <ul style="list-style-type: none"> • the life assured is under age 55 at the time of the Future Insurability Increase; and • the life assured provides evidence within 60 days of their increase in income. <p>AIA will not accept an application under this Future Insurability Benefit to increase cover for a life assured if the life assured is entitled to or is receiving payment of a claim for a disability that the life assured suffered on or before the date of application.</p>
1.14	Home care benefit		<p>If the Life Assured is on claim and is requiring full-time care an additional benefit of up to \$2,500 is payable or the cost of the care, if it is provided by a person whose profession it is to provide nursing or similar services.</p>	<p>Available under Premier only</p> <p>If the life assured is totally disabled the benefit pays for the services of a person providing care to the life assured.</p> <p>The amount of the benefit each month will be the lowest of:</p> <ul style="list-style-type: none"> > 1/12th of the benefit amount shown in the schedule; or > \$2,500; or > the cost of the care, if it is provided by a person whose profession it is to provide nursing or similar services; or <p>if the care is provided by a direct family member, 75% of the pre-tax income we determine the family member has lost because her or she has given up work to care for the life assured.</p>



1.15	Bed Confinement		If the Life Assured is disabled and confined to bed and under the full-time care of a Registered Nurse before the Waiting Period has elapsed and has been so for more than three (3) days, the Benefit payable after the third day will be a daily Benefit equivalent to 1/30 of the monthly Disability Benefit.	<ul style="list-style-type: none"> • If, at any time during the waiting period the life assured is confined to bed under full-time care for more than three days and is in an occupation class other than five, then AIA will pay a Bed Confinement Benefit for each complete 24-hour period after the first 72 hours of bed confinement. • This benefit will be a daily benefit equivalent to 1/365th of the benefit amount shown in the schedule • Under the Premier Cover Option AIA will also pay the Bed Confinement Benefit for each complete 24-hour period within the first 72 hours of bed confinement.
1.16	Suspension of Cover / Leave Without Pay		This benefit enables the life assured to suspend their cover if they go on leave without pay for any reason for up to 12 months	This benefit enables the life assured to suspend their cover if they go on parental leave, or go on leave without pay for any reason for up to 12 months.
1.17	Rehabilitation Equipment Expense / Home Modification or Equipment Expenses		An additional benefit of 6 times the monthly benefit to cover the costs of purchasing specialist equipment or home alterations as a result of the disability. This Benefit will be reduced by any costs recovered from other sources such as other insurers or the ACC.	An additional benefit of 6 times the monthly benefit to cover the costs of purchasing specialist equipment or home alterations as a result of the disability. This Benefit will be reduced by any costs recovered from other sources such as other insurers or the ACC.
1.18	Pregnancy Premium waiver		Waives the total premium under the policy for up to 6 months at any stage between the second trimester and 6 months after the pregnancy.	Waives the total premium under the policy for up to 6 months at any stage between the second trimester and 6 months after the pregnancy
1.19	Concurrent Waiting Period		If during the Waiting Period under this policy, the Life Assured should suffer a recurring disability under their Business Continuation Cover, Farmers Revenue Protection Cover or New to Business Cover policy, after returning to full-time work, the portion of their Waiting Period for their Mortgage Income and Rent Benefit under this policy will be considered to have been continuous and only the remaining period will apply	If during the Waiting Period under this policy, the life assured is able to claim the Recurrent Disablement Benefit under a Business Overheads, Business Continuity, Rural Continuity or Locum Cover policy, the portion of their waiting period for their Mortgage and Income Protection under this policy will be considered to have been continuous and only the remaining period will apply.
1.20	Childcare Support Benefit		The amount we will reimburse under the Childcare Support Benefit is the lesser of: A. The actual additional childcare costs; or B. \$800 per month per dependent child under the age of fourteen (14)	The amount AIA will reimburse under the Childcare Support Benefit is the lesser of: > the actual additional childcare costs; or > \$800 per month per dependent child under the age of 14 years old.



1.21	Partial Disability Bridging Benefit		Not available	The Partial Disability Bridging Benefit is a lump-sum payment equivalent to 1/3 rd (33.3%) of the final monthly Total Disability Income Benefit paid before the life assured ceased to be totally disabled
1.22	Waiting Period Reduction		If a life assured has a waiting period of 26, 52 or 104 weeks, they can reduce this waiting period, without providing any further medical evidence, if their Business Continuation Cover, Farmers Revenue Protection Cover or New To Business Cover is cancelled due to the life assured no longer being actively involved in the business or the business is sold or the business is no longer actively trading.	If a life assured has a waiting period of 26, 52 or 104 weeks, they can reduce this waiting period, without providing any further medical evidence, if their Business Overheads, Business Continuity, Locum Cover or Rural Continuity is cancelled due to the life assured no longer being actively involved in the business or the business is sold or the business is no longer actively trading.
Optional benefits				
2.0	Booster Benefit Option / Extra Cash Benefit		Where the life assured is totally disabled this benefit pays an additional 1/3 of the monthly benefit less offsets for up to 3 months.	Available under Premier only While the total disability income benefit is being paid this benefit will pay an amount equivalent to 1/3 rd (33.3%) of the total disability income benefit for each month for the first three months after the waiting period.
2.1	Optional Redundancy Benefit		Pays the lesser of the monthly benefit or \$2,500, if the life assured has been made redundant for a maximum of 6 months.	Under Redundancy Benefit If the life assured becomes redundant AIA, will pay the monthly sum assured shown in the schedule minus any other mortgage or income protection benefits the life assured receives or is entitled to receive from any other sources in connection with the same redundancy, excluding any unemployment benefit paid by WINZ or equivalent.
2.2	Mental health Disorder Limitation		If the life assured is totally disabled as a direct or indirect result of a Mental Health Disorder, the total Benefit Period for all claims arising out of this disability will be twelve (12) months.	This option will reduce the life assureds' premiums but means if they make a claim for mental health, they will only receive payments for 2 years throughout the life of their policy.

Please Note:

This comparison is a product summary only.

Please refer to the Policy Wordings for AIA's full requirements and eligibility criteria.

The content is not a personalised financial adviser service under the Financial Advisers Act 2008.

This comparison is based on information current as at August 2019 and is subject to change.