



Product Comparison: AIA Real Mortgage, Income & Rent Cover and AIA Living Mortgage & Income Protection

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 Mortgage, Income and Rent Cover and AIA Living Mortgage Income Protection. 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	Product options/limits	Yellow	No specific rent limit in AIA Living
1.2	Offsets	Yellow	AIA Real has no offsets to \$5k
1.3	Recurrent Disability	Green	
1.4	Death benefit	Red	Not in AIA Living
1.5	Occupational Retraining	Green	
1.6	Return to home	Green	
1.7	Special Events	Yellow	Different limits/amounts
1.8	Future Insurability	Red	Not in AIA Living
1.9	Bed Confinement	Green	
1.10	Leave without pay	Green	
1.11	Rehabilitation Expense	Yellow	No set amounts
1.12	Guaranteed Pass Back of Future Enhancements	Green	
1.13	Partial Disability	Green	
1.14	Waiver of Premium	Green	
1.15	Childcare Support Benefit	Green	

1.16	Concurrent Waiting period	Green	
1.17	Partial Disability Bridging	Green	
1.18	Enhanced Partial Disability Income	Red	Not in AIA Living
1.19	Pregnancy Premium waiver	Green	
1.20	Waiting Period Reduction	Green	
2.1	Optional Redundancy Benefit	Yellow	
2.2	Mental health disorder limitation option	Yellow	Different benefit terms
2.3	Back to work benefit option	Red	Not in AIA Living
2.4	Specific injury benefit option	Red	Not in AIA Living
2.5	Optional Inflation Adjustable Claim benefit	Green	

Key

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



	BENEFIT/FEATURE		AIA REAL MIRC	AIA Living MIP
1.1	Product options/limits		<ul style="list-style-type: none"> • Mortgage cover 115% • Income 45% • Rent 115% 	<ul style="list-style-type: none"> • Mortgage cover 115% • Income 45%
1.2	Offsets		No offsets up to \$5K, irrespective of whether a mortgage is being paid. This applies to all options of MIRC.	<p>Includes any mortgage or income protection benefits that you or your mortgage provider receive or are entitled to receive in relation to the life assured and in relation to the same or a related disability. This excludes ACC benefits received or entitled to be received.</p> <p>AIA will not seek to apply offsets under this clause in respect of mortgage or income 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</p>
1.3	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.
1.4	Death benefit		Pays three (3) times the monthly benefit up to maximum of \$30,000	Not available
1.5	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.
1.6	Return to home benefit		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>If the life assured is outside of New Zealand and suffers, for the first time a total disability, upon acceptance of the claim AIA 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>



<p>1.7</p>	<p>Special Events Increase / Property Special Event Facility</p>		<p>Prior to reaching age 55, the Life Assured can increase cover without providing medical evidence for the following;</p> <ul style="list-style-type: none"> • Increasing an existing residential mortgage • Purchasing a new home which the Life Assured will reside in • Purchasing a vacation home • Purchasing a bare block of land zoned as residential <p>Not available if the life assured has claimed or was entitled to claim under this policy. A written application must be received by Us within six (6) months of the event occurring. The increase in respect of each Special Event cannot exceed \$1,500 per month or the amount of any additional or increased mortgage repayments, whichever is the lesser. The sum of the total maximum increase under this Special Events Increase cannot exceed 75% of the original Sum Assured.</p>	<p>The Mortgage and Income Protection Benefit sum assured may be increased if one of the following property special events has occurred:</p> <ul style="list-style-type: none"> • an increase to an existing mortgage; • the purchase of a new home; • the purchase of a holiday home; or • the purchase of a bare block of land zoned as residential. <p>A life assured over the age of 55 is not eligible for any Property Special Event Facility increases. You must make the request within 6 months of the relevant property special event occurring. The increase to the Mortgage and Income Protection Benefit sum assured for the life assured cannot exceed 115% of the increase in the mortgage repayment or \$750 per month, whichever is the lower. The total maximum benefit amount payable for your Mortgage and Income Protection Benefit, including all increases, cannot exceed \$6,000 per month.</p>
<p>1.8</p>	<p>Future Insurability</p>		<p>Prior to reaching age 55 You may request Us to increase the Mortgage Income and Rent Benefit without further medical evidence, if an increase in mortgage repayment or rent payment has occurred. Subject to:</p> <ul style="list-style-type: none"> • You must request the increase within six (6) months of taking out a new mortgage or increasing an existing mortgage or an increase in residential rental payment; and • You will need to provide evidence satisfactory to Us of the new mortgage or increase in the existing mortgage or increase in residential rental payment; and • The maximum increase under this Benefit is 50% of the initial Benefit with any one individual increase being limited to the lesser of 115% of the increase in the mortgage repayment or residential rental payment in excess of the Benefit or \$300 per month whichever is the lesser 	<p>Not available</p>



			Not available if the life assured has claimed or was eligible to claim under this policy.	
1.9	Bed Confinement Benefit		If the Life assured is has been confined to bed for more than three (3) days during the wait period, we will pay 1/30 th of the monthly benefit per day until the end of the wait period or until the life assured is no longer confined to bed.	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 1/365 th of the benefit amount shown in the schedule
1.10	Leave Without Pay / Suspend Cover		If the life assured takes a period of leave without pay they can suspend premiums and cover for a maximum period of 12 months. We will not pay any Benefits under this Policy in respect of any event that occurs while cover is suspended	If the life assured goes on parental leave, or goes on leave without pay for any reason, they may suspend cover. The benefit may be reinstated after it has been suspended without the need to provide further medical evidence, provided that: > the benefit has been suspended for no longer than 12 months from commencing the leave; and > they notify to reinstate the benefit. No claim under the Mortgage and Income Protection Benefit will be payable during, or for any disability that occurs during, the period that the cover is suspended
1.11	Rehabilitation Equipment Expense / Rehabilitation and Support		An additional benefit of up to twelve (12) times the monthly benefit to cover the costs of purchasing specialist equipment or home alterations as a result of the disability.	We will appoint the life assured a Case Manager, who will work with the life assured to understand their personal situation and assist them with the claims process. They will work with the life assured to consider what rehabilitation or functional support could assist the life assured's return to work or improve their capacity to work, either during or after the waiting period as appropriate in the opinion of AIA. Acceptance of any costs associated with the agreed rehabilitation and functional support by AIA does not mean that we will accept liability for any other benefit.
1.12	Guaranteed Pass Back of Benefit Enhancements		Any future improvements made to Real Trauma will be automatically passed back.	Sits within AIA Living Umbrella wording. Any future improvements made to AIA Living Mortgage and Income Protection will be automatically passed back.



1.13	Partial Disability		<p>The hours worked by the Life Assured per week are less than 75% of the hours worked per week in the three (3) months immediately prior to the disability; and</p> <p>The Life Assured is under the regular and personal care of a Medical Practitioner; and</p> <p>The Life Assured is not Totally Disabled.</p>	<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 work capacity, the life assured is working less than 75% of pre-disability working hours.
1.14	Waiver of Premium		<p>During a period of Total, Partial or Recurrent Disability for which we have accepted a claim, all total premiums due will be waived.</p>	<p>Under Waiver of Premium Benefit</p> <p>During a period where the life assured is totally disabled or partially disabled the regular premiums will be waived.</p>
1.15	Childcare Support Benefit		<p>The amount we will reimburse under the Childcare Support Benefit is the lesser of:</p> <ul style="list-style-type: none"> A. The actual additional childcare costs; or B. \$800 per month per dependent child under the age of fourteen (14) 	<p>The amount AIA will reimburse under the Childcare Support Benefit is the lesser of:</p> <ul style="list-style-type: none"> > the actual additional childcare costs; or > \$800 per month per dependent child under the age of 14 years old.
1.16	Concurrent Waiting period		<p>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</p>	<p>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.</p>
1.17	Partial Disability Bridging Benefit		<p>The Partial Disability Bridging Benefit is a lump-sum payment equivalent to 1/3rd (33.3%) of the final monthly Total Disability Benefit paid before the Life Assured ceased to be Totally Disabled</p>	<p>The Partial Disability Bridging Benefit is a lump-sum payment equivalent to 1/3rd (33.3%) of the final monthly Total Disability Income Benefit paid before the life assured ceased to be totally disabled</p>
1.18	Enhanced Partial Disability Income Benefit		<p>The Enhanced Partial Disability Income Benefit is the lower of:</p> <ul style="list-style-type: none"> • 25% of the monthly Partial Disability Benefit; or • 1/12th of the Benefit amount shown in the schedule less the monthly Partial Disability Benefit <p>This Benefit is paid monthly in arrears for a maximum period</p>	<p>Not available</p>



			of twelve (12) months per claim.	
1.19	Pregnancy Premium waiver		We will waive the Total Premium under this Mortgage Income and Rent Benefit for up to six (6) months at any stage between the second trimester and six (6) months after the Life Assureds pregnancy finishes if the Life Assured becomes pregnant while this Mortgage Income and Rent Benefit is in force. This Waiver will cease when a total of six (6) months Premiums are waived.	AIA will waive the premium for this Mortgage and Income Protection Benefit for six consecutive months at any stage between the second trimester and six months after the life assured's pregnancy finishes if the life assured becomes pregnant. This Pregnancy Premium Waiver will cease when six consecutive months premium has been waived.
1.20	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				
2.1	Optional Involuntary Redundancy Benefit		Pays the lesser of a monthly benefit or \$2,500, if the life assured has been made redundant up to a maximum of 6 months.	Under Redundancy Benefit If the life assured becomes made redundant AIA will pay monthly the sum assured shown in the schedule minus any other mortgage or income protection benefits the life assured receives or is entitle 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 option		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. This option is only available if you choose a benefit period to age 65 or 70.

2.3	Back to work benefit option		<p>If the life assured has been totally disabled for more than twelve (12) continuous months, has received an Occupational Retraining Benefit and then immediately returns to full time work the benefit will pay:</p> <ul style="list-style-type: none"> • After three (3) consecutive months of full time work an amount equal to one (1) times the monthly benefit; and • After six (6) consecutive months of full time work an amount equal to two (2) times the monthly benefit. 	Not available
2.4	Specific injury benefit option		<p>The Benefit starts to accrue when the specific injury listed is suffered and is paid monthly in advance and will stop when the payment period ends.</p> <p>Whilst the Specific Injury Benefit is being paid no other Benefit is payable under this Policy. If the Life Assured is still Totally or Partially Disabled at the end of the payment period, any further Benefits will be assessed at the end of the payment period.</p>	Available with Accidental Injury Cover
2.5	Optional Inflation Adjustable Claim benefit		<p>We will increase the monthly Benefit payable by the most recent Consumer Price Index Increase. When You are no longer disabled, You can choose to keep the higher levels of Benefit and the Premium will increase accordingly.</p>	<p>Where the Optional Claim Indexation Benefit is selected, the Mortgage and Income Protection Benefit sum assured shown in the schedule will increase on each anniversary date by the same percentage as the percentage increase in the consumer price index for the preceding year ending 30 September.</p>

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.