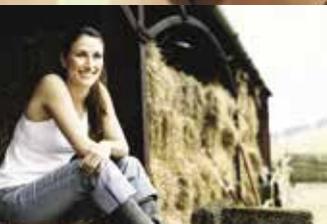


# How AMP helps New Zealanders

Claims stories and statistics





# The true value of insurance is revealed the day you need to claim

Most people wouldn't dream of having an uninsured house or car, but often neglect insuring their ability to earn an income and protecting their family.

Illness, death, accidents and disabilities – they're facts of life, and frequently fill the news headlines. Unfortunately these events don't always result in an insurance claim that makes it easier for those affected to get through a hard time.

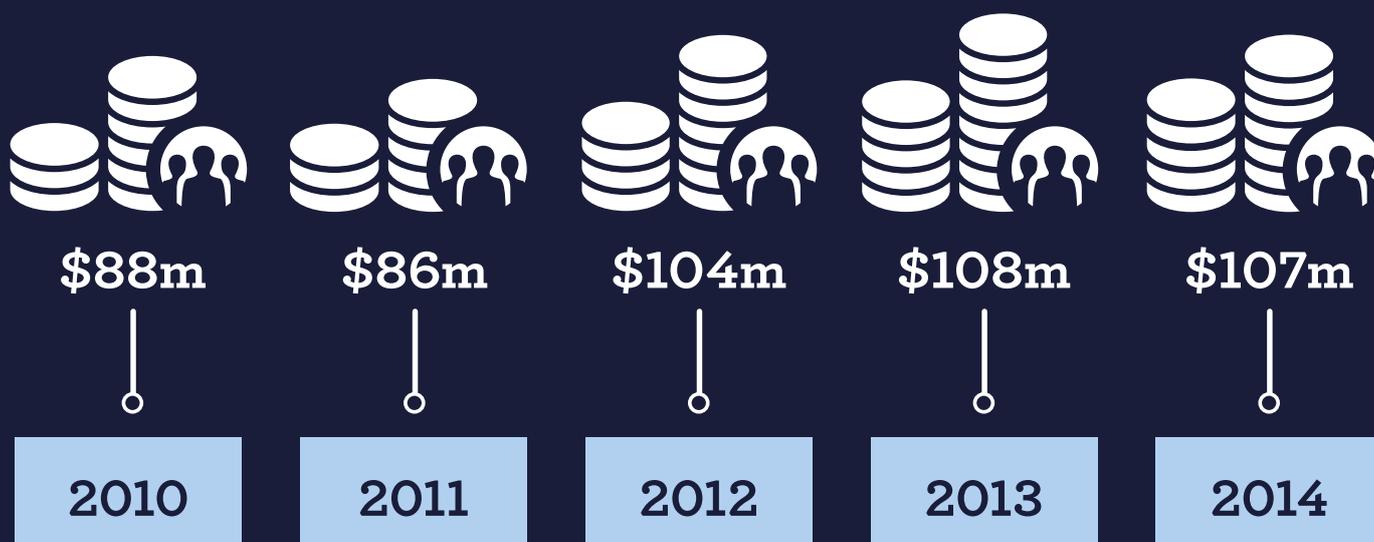
Life is about living. What we pay in personal insurance claims helps you maintain your lifestyle and protect those that matter most.

# How AMP helped New Zealand families in 2014

The reality is: many of our customers have suffered unfortunate events, causing them to claim. AMP was there for those going through difficult times.

	Average payment	Total paid	
Life and Terminal Illness	\$259,048	\$61,394,531	
Trauma	\$106,828	\$29,377,896	
Total and Permanent Disability	\$126,941	\$634,708	
	Average monthly payment	Total paid	
Income Protection	\$4,796	\$16,273,794	
	Number of lump sum payments	Number of monthly Income Protection payments	Total paid
Overall	513	3,394	\$107,680,929

We consistently pay out to New Zealand families, year after year



We have combined Lifetrack and Risk Protection Plan Personal Insurance figures to form overall totals \*1

# The NZ health landscape at a glance

## Did you know?

In 2011

nearly  $\frac{1}{3}$   
of deaths

were caused by cancer<sup>2</sup>



& nearly  $\frac{1}{3}$   
of deaths

were caused by  
cardiovascular disease<sup>2</sup>

In 2012  
there were  
**30,099** deaths  
registered  
in NZ<sup>3</sup>...



...and only **57%** of Kiwi  
households had Life  
Insurance<sup>4</sup>.

Life Insurance payments can be put towards credit card debts, mortgages, health expenses and funeral costs.

Or those diagnosed with a terminal illness could put an advanced lump sum payment of their Life Insurance towards ticking items off their bucket list.

The families of those without Life Insurance may have suffered financial difficulties.

**It's unfortunate, but true.**

**Important Note:** Statistics included are most recent available at time of publication.

1. The AMP group of companies operates in New Zealand through two life insurance companies. Risk Protection Plan products are issued by The National Mutual Life Association of Australasia Limited (Incorporated in Victoria, Australia) ("NMLA"). References to AMP in relation to Risk Protection Plan products are to NMLA. Lifetrack products are issued by AMP Life Limited (Incorporated in New South Wales, Australia) ("AMP Life"). References to AMP in relation to Lifetrack products are to AMP Life.

2. Ministry of Health: Mortality and Demographic data (2011). Wellington

3. Births and Deaths 2012, Statistics New Zealand

4. Underinsurance study (2012): The Financial Services Council

# Life Cover

Because death is a fact of life

## What is Life Cover?

Life Cover pays a lump sum on death of the person insured. Life Cover also offers a 'terminal illness benefit', which means you can be paid out early if a "terminal illness" diagnosis gives you 12 months or less to live<sup>5</sup>.

Money from a Life Cover claim can be used however it's needed. For example, it could be used to assist paying off large debts, such as a mortgage, credit cards, medical expenses or bills, or to complete your bucket list. It can also provide your partner and children with financial security for the future. In the case of cover taken for business protection, it can provide funds to ensure the business has options moving forward whether that is to replace you as a key person or take the time to consider selling or winding up the business.

## Did you know?

- On average there is **one death** in New Zealand every **18 minutes**<sup>6</sup>
- Every **90 minutes** a New Zealander dies from **coronary heart disease**<sup>7</sup>
- In 2011, **cancer** was the underlying cause for **8,891** deaths<sup>7</sup>
- **Cerebrovascular disease** (a condition associated with stroke) was the cause of **2,665** deaths in 2011<sup>7</sup>



## A new wife's insistence brings comfort

Simon was a 33-year-old real estate agent. He was energetic, invincible and earned around \$300,000 a year. Life Cover wasn't even on his radar. He scoffed at the idea. Then Simon fell in love with Gina, who was a few years older than him, and soon they were married. Life just couldn't get better. Gina already had insurance and understood its value. A few years after the wedding she invited her AMP Adviser to talk with them about appropriate cover. Simon had finally agreed to give it some thought, although he still gave the Adviser a bit of a hard time. The couple eventually chose \$1.5m Life Cover, along with some other cover.

Two years later Gina called her AMP Adviser to say Simon had been diagnosed with cancer. The Adviser went to see them immediately and although Simon was positive about getting better, he freely admitted he'd been wrong about the need for insurance. Unfortunately the cancer was too aggressive and Simon died in hospital six months later. Simon qualified under his Life Cover for a lump sum payment. His Adviser had visited every few weeks and during those visits Simon repeatedly said, "I didn't think I needed this insurance, but I'm telling all my friends if I hadn't chosen the cover we have, I wouldn't have the reassurance of knowing Gina will be financially secure".

## AMP Life Cover claims 2014



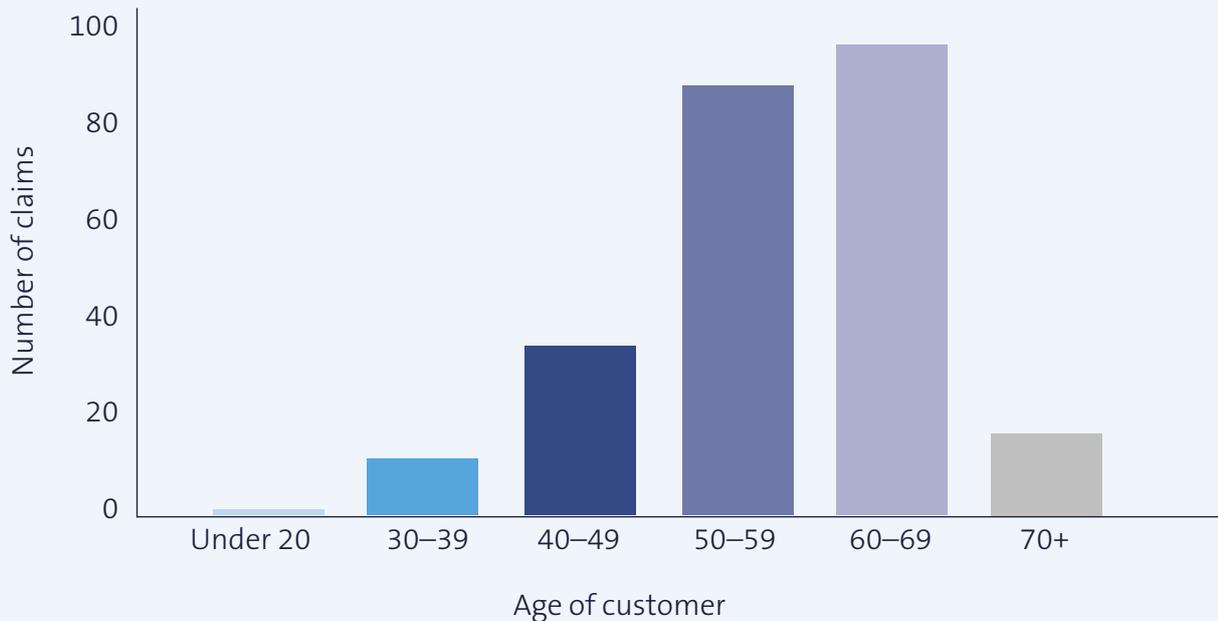
How we helped in 2014

**\$61m**<sup>OVER</sup>

paid in total

**\$259,048**

average payment



### The relief of knowing you've done the right thing

Max was a 50-year-old successful businessman. He had a loving wife and together they'd raised four boys, who were now independently successful. Their AMP Adviser looked after everyone in the family when it came to insurance. Max was heading overseas for an extended business trip. A short while after his return Max was diagnosed with a brain tumour. His Adviser gathered the paperwork and went to his home immediately. Max was grateful, as he was already having trouble reading emails.

A year later Max passed away, but before he died he had the comfort of knowing he'd helped provide financial security for his wife and family. His Life Cover lump sum payment will help his wife to maintain the lifestyle they worked hard to achieve. She's now financially secure, and probably will be for the rest of her life, despite only being in her 50s. The type of tumour Max had meant that he also qualified under his policy for a Trauma Cover payment of \$250,000, which gave them greater freedom during the final year.

**Note:** These claims figures include both Life and Terminal Illness claims.

<sup>5</sup>Refer to the relevant policy document for the definition of terminal illness and the exclusions and terms and conditions that apply.

<sup>6</sup>Population clock, Statistics New Zealand, Jan 2015

<sup>7</sup>Ministry of Health (2014) Mortality and Demographic data 2011. Wellington: Ministry of Health

# Trauma Cover

Because serious illness happens in every family

## What is Trauma Cover?

No matter how fit and healthy you are, there's always the possibility of a serious health problem. Trauma Cover is designed to provide an agreed lump sum that you can use any way you like if you're diagnosed with a specified major illness or injury and live for any prescribed survival period<sup>8</sup>.

Trauma Cover pays out for sickness or accident related specified major traumas, and you can use the money however you like<sup>8</sup>.

ACC only pays out for health problems caused by accidental injury, not sickness.

## Did you know?

- Between 2000 and 2010 the number of registrations of cancer increased by **18.6%**<sup>9</sup>
- **1 in 20** New Zealand adults has been diagnosed with coronary heart disease. That's **176,000** people<sup>10</sup>
- There are an estimated **198,000** New Zealanders with diabetes<sup>10</sup>
- The prevalence of multiple sclerosis in New Zealand is approximately **1 per 1,000** and is most common in young adults<sup>11</sup>

NB: The cases referred to in this panel are intended to provide general context only and are not necessarily cases that would be covered by AMP's Trauma Cover products.



## A one-off payment that continues to benefit the whole family

Aroha was 42 with a husband and two young children when she went to the doctor with what she described as a 'niggle in her back'. After being referred to a specialist, she was diagnosed with bowel cancer and underwent a course of intensive chemotherapy.

The type of cancer Aroha had meant that under her AMP Trauma Cover she received a payment of \$220,000. She and her husband Bill could spend it however they liked. This gave Aroha and Bill funding to help them through a traumatic stage in their lives. It was a huge relief. They chose to pay off their mortgage, which meant Bill could take time off work to be with Aroha and take care of their two young children. Aroha was quite sick during the treatment, but five years later she's doing fine. Her relationship with Bill is stronger than ever and they continue to enjoy the security of knowing that even if the cancer returns, they'll still be mortgage-free.



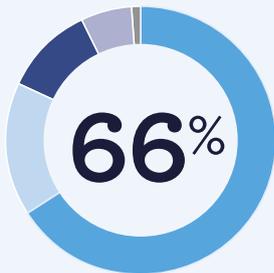
## AMP Trauma Cover claims 2014



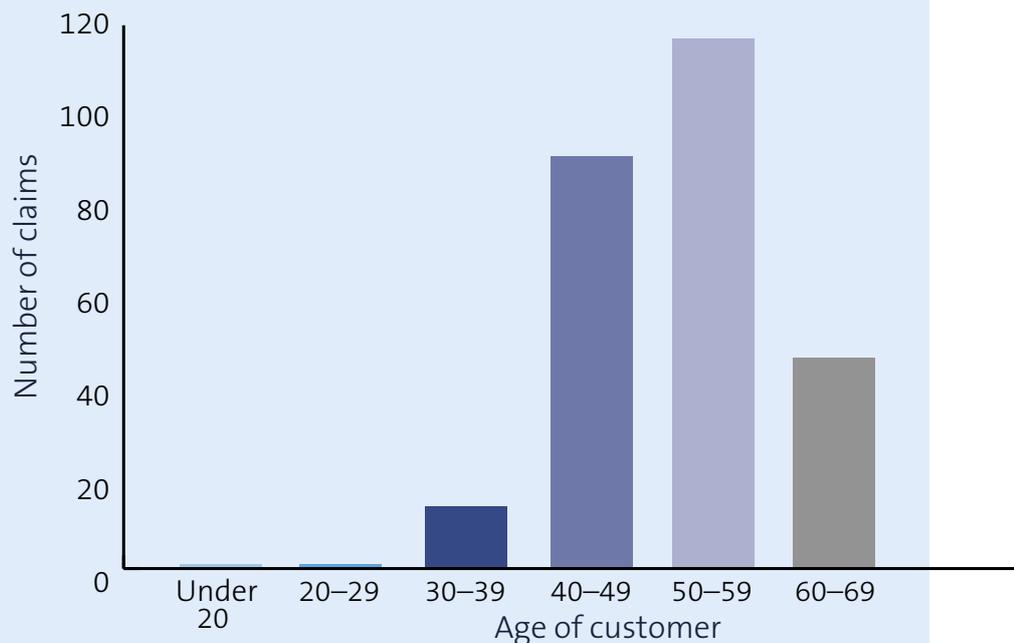
How we helped in 2014

**\$29m**<sup>OVER</sup>  
paid in total

**\$106,828**  
average payment



**66%** of Trauma claims in 2014 were cancer related



### One shining light in a devastating Christmas

While raising five children, Mike and Libby each built successful businesses. They arranged for their AMP Adviser to pay a visit and review their levels of insurance, as Mike was approaching 50 and their children were getting older. They each had Trauma Cover, and some other cover. Some months later, on Christmas Eve, Libby called their Adviser to say Mike had been diagnosed with leukaemia.

Their relationship with their Adviser was so strong that the Adviser visited them that night to ensure their financial concerns at least were addressed as soon as possible. Leukaemia was covered under Mike's Trauma Cover, and so he received a lump sum payment of \$395,000. There were no strings attached. It was theirs to keep and use as they decided. Mike is still alive and they both recall the relief and stability the Trauma Cover provided that Christmas time. It meant they had the freedom to make real choices as they came to terms with Mike's diagnosis and prepared for whatever the future might hold.

<sup>8</sup>Refer to the policy document for the specified major illnesses and injuries, prescribed survival periods and the exclusions and terms and conditions that apply.

<sup>9</sup>Cancer: New Registrations and deaths 2010, Ministry of Health, Wellington: Ministry of Health

<sup>10</sup>Ministry of Health: Annual Update of Key Results 2013/14: New Zealand Health Survey

<sup>11</sup>MS Prevalence Study 2006: The MS Society of NZ

# Total and Permanent Disability Cover

Because when change happens you need to adapt

## What is Total and Permanent Disability (TPD) Cover?

Permanent disability can happen after an accident or a serious illness. It brings your working life to a standstill, potentially making you dependent on a government benefit for income. With TPD Cover, you could receive a lump sum payment if you become totally and permanently disabled<sup>12</sup>. The money can be used in any way you like – it could pay off your mortgage, cover medical bills, allow you to make essential modifications to your house or be invested to create an income. TPD Cover gives you financial comfort when you need it most.

The most common cause of total and permanent disability is disease or illness, not an accident.

Every year many New Zealanders become disabled as a result of an illness or accident.

**Approximately 20%** of people in New Zealand have a disability<sup>13</sup>

**There is 1** new spinal cord injury in New Zealand **every 5 days** - motor vehicle accidents account for nearly 40% of these<sup>13</sup>

**There are an estimated 60,000** stroke survivors in New Zealand; many are disabled in need of significant daily support<sup>14</sup>

NB: The cases referred to in this panel are intended to provide general context only and are not necessarily cases that would be covered by AMP's TPD cover products.



## Florist keeps the business she loves

Jane loved flowers from an early age. With her husband David, she'd visited the world's top garden shows and their home was never without beautiful arrangements. When their children left home, Jane started a small florist business to keep busy. A few years later David died unexpectedly, just 48 years old. He had Life Cover from an AMP work scheme, but it didn't cover their debts. Suddenly the florist business went from a hobby to an essential income provider.

Fortunately Jane's shop was going well, and by working longer hours, she soon lifted the profits to meet her financial needs. Determined to live without worrying about money, Jane contacted the AMP Adviser who had been so caring following David's death. Together they settled on a cover plan that gave Jane the peace of mind she needed.

A few months after her 50th birthday, Jane began to struggle with the physical side of the business. Her joints had become increasingly sore. She was diagnosed with arthritis and was unable to continue working as a florist. It would be 15 years before she'd get superannuation. Fortunately, her AMP Adviser had recommended Total and Permanent Disability Cover. Jane's arthritis was so severe that she qualified under her policy for a lump sum payment to spend however she liked. It was enough to clear her debts and she was able to hire a florist. This meant Jane was able to keep the business she loved, and continue to watch it succeed.

## AMP Total and Permanent Disability Cover claims 2014



How we helped in 2014

**\$126,941**

average payment

Age range of customers:

**50 - 62**

YEARS OLD

*TPD Cover is designed to cover the insurance gap many people overlook - adapting your lifestyle for the impacts of living with a total and permanent disability.*

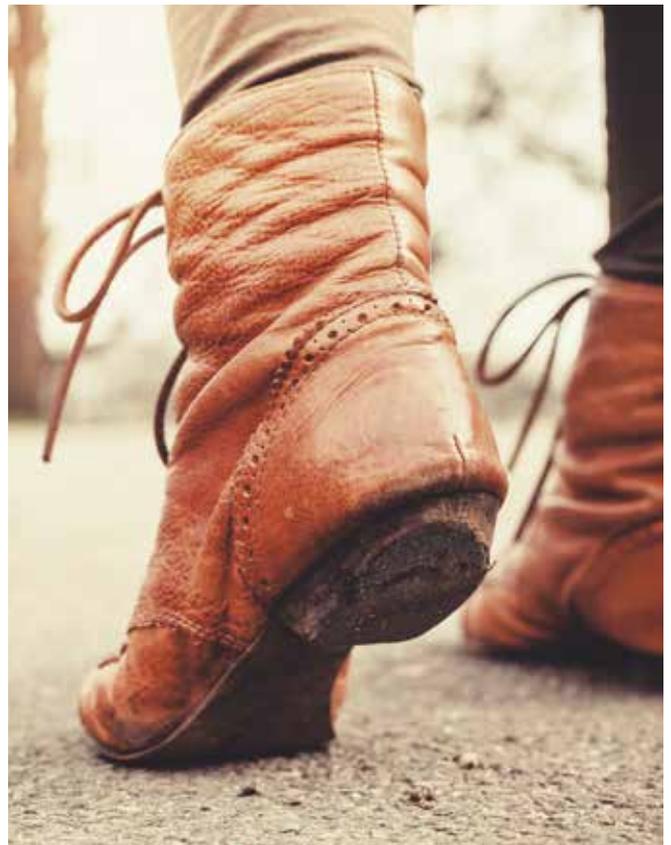
What happens if you become totally and permanently disabled<sup>12</sup> following an accident or illness, and are unable to work?

With TPD Cover, you could receive a lump sum payment to use however you like.

What help does the government give for ongoing disability?

For those eligible, there is a Disability allowance available from Work & Income New Zealand. The maximum weekly allowance is \$61.38\*.

This is dependant on how much you and your spouse or partner earn.



\*As at 1 April 2014

<sup>12</sup>Refer to the relevant policy document for the definition of "totally and permanently disabled" and the exclusions and terms and conditions that apply.

<sup>13</sup>CCS Disability Action: Facts and Figures. <sup>14</sup>stroke.org.nz

# Income Protection Cover

Because your earning ability is your greatest asset

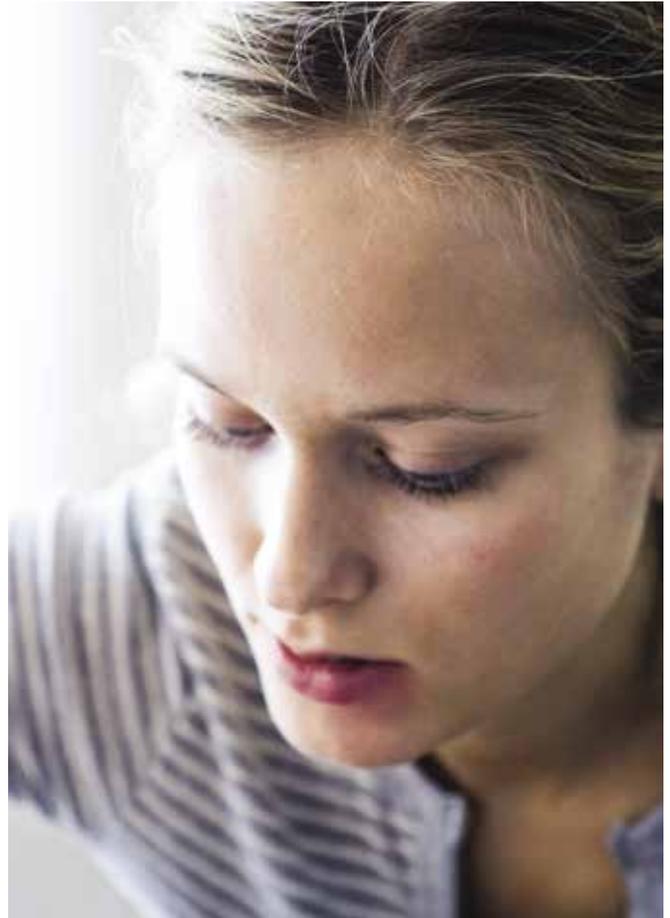
## What is Income Protection?

Your ability to earn an income is probably your greatest asset. A regular income allows you and your family to acquire assets and finance the lifestyle you enjoy. Income Protection is designed to pay you an income if illness or injury means you're unable to work for an extended period of time<sup>15</sup>.

AMP provides rehabilitation services to help you to regain control and independence, supporting your return to work. ACC does not cover illness. So what happens if you are unable to work following an illness?

## Did you know?

- You are **2.6** times more likely to be off work for **six months or more** due to sickness than following an accident covered by ACC<sup>16</sup>
- **972,000** households on incomes above benefit levels are vulnerable to the risk of long term illness of a major earner<sup>16</sup>
- Entitlement to the Government's sickness benefit of **\$343** a week is affected by household income. Many families find themselves too well off as a household to qualify for a sickness benefit, but **too poor** to pay the mortgage and food bills<sup>16</sup>



## Recovering from the stress of a leaky home

Sandy is a single, self-employed consultant. About five years ago she discovered she was the owner of a leaky home. Capable and determined, she set about planning to put things right. But before long, the frustration and stress became unbearable. She was struggling to focus on her work and the prospect of losing income was the final straw. Sandy was suffering from extreme stress and anxiety that made her unable to work.

Eventually, she phoned her AMP Adviser to see whether her Income Protection cover might provide the lifeline she so desperately needed.

The extent of Sandy's condition meant that she qualified for an Income Protection benefit while she recovered. AMP also arranged for a psychologist to provide Sandy with the professional help she needed. Within four months, Sandy had returned from the brink of despair to earning a full income and keeping her successful consultancy alive. Sandy recently had another episode which again left her unable to work, and once again she received an Income Protection benefit while she recovered.



## AMP Income Protection Cover claims 2014



How we helped in 2014

**\$16m**<sup>OVER</sup>

paid in total

**\$4,796**

average monthly payment



**60%** of Income Protection claims made in 2014 were due to **illness**.

**235**  
customers

**75%** of Income Protection claims in 2014 were from **males**

Last year, AMP helped **118** people return to work.

### When it pays to stay covered

60-year-old Ruth was the National Sales Manager for a successful New Zealand company and the main earner for her family. She'd taken out AMP Income Protection cover when she was 52. As she was approaching 60, her premiums began to increase and Ruth began to wonder whether she still needed the cover. She says she probably would have cancelled it if she hadn't been so busy.

Soon after, Ruth was diagnosed with melanoma. Before long she was unable to continue working as a result of the cancer. The type of cancer Ruth suffered with meant she qualified under her policy for an Income Protection benefit. Ruth turned 65 this year, the age she'd chosen for her Income Protection cover to end. While she has some regrets about not choosing a later and more realistic 'retirement' age, she is delighted with the cover she has received. At a rough calculation, Ruth figures she paid about \$14,500 in premiums during the eight years before her diagnosis and received around \$480,000 over the following five years.

<sup>15</sup>Refer to the relevant policy document for the exclusions and terms and conditions that apply.

<sup>16</sup>Financial Services Council (2012)

# What happens if I need to make a claim?

If something happens and you would like to make a claim, get in touch with us as early as possible. We are here to help and will talk you through what options are available to you.

We understand that making a claim often comes at a challenging and traumatic time and we have a team of caring experienced claim consultants that will support and keep you updated throughout the process. Our aim is to make this as easy and clear as possible.

You just need to get in touch by phone, email or mail and we'll help you with any information required. The earlier we are aware of your circumstances, the sooner we can help.

## Contact us:

**Phone:** 0800 267 425 (Monday - Friday, 8am - 6pm)

**Email:** [claimsmailbox@amp.co.nz](mailto:claimsmailbox@amp.co.nz)

**Post:** PO Box 1692, Wellington 6140

## How long does a personal insurance claim take to process?

Once we receive your claim information, we'll be in touch within three working days. You will have a dedicated claims consultant to help you through the process. We will assess your claim and be in contact again within five working days with an outcome or to let you know if further information is required.

Every claim is different, but once we have approved your claim, payment will be made as soon as possible. We aim to pay you within five working days of approving a claim but will always try to do it quicker if we can.

## Support services beyond payments

While we know providing financial security in uncertain times is important, we also know that people often need additional support to help get back to their best. We can help to connect you to specialist support services.

Under an AMP Income Protection policy, if you are unable to work we can help you to regain control and independence by providing rehabilitation services to support your return to work. In 2014, we helped 118 people return to work. Our focus is on what you can do and how we can help to build your capability.



*Contact us as early as possible  
so we can help*

*If you need to make a claim, we'll  
be back in touch within three  
working days of receiving your  
claim information*



## The value of good advice

Buying insurance is easy, anyone can do it. But identifying the right insurance for your needs, keeping your cover relevant as time goes by and getting face-to-face local support when the unexpected happens is what really makes the difference.

Working with an AMP Adviser is the best way to get the right type of cover at the right price. Just as your life is unique, your protection needs to be purpose-built to address the areas of risk that most affect you.

## An AMP Adviser adds value by:

### Identifying your priorities

Your Adviser will consider your lifestyle, business needs, dependants, debts, occupation, income and health.

### Balancing your risks

When the major risks have been identified, your Adviser will counteract them with the most appropriate forms of insurance cover.

### Staying within your budget

Insurance cover won't help you if it makes your day-to-day finances too tight for comfort. There are various strategies an experienced Adviser can use to reduce your premiums.

### Offering options

With any type of cover, there are options to consider. Your Adviser can talk you through all the possibilities.

### Keeping in touch

If and when the time comes to make a claim, you can call your Adviser for help. Their knowledge and advice can make all the difference at a stressful time.

---

## Never stop protecting what matters most

At AMP, we're here to help.

- Please talk to your Adviser or contact us for further information
- Call the AMP team on **0800 808 267**
- Visit us at **[amp.co.nz](https://amp.co.nz)**

#### Connect with us



AMP New Zealand

This document contains information of a general nature only. If you would like advice that takes into account your particular financial situation or goals, please contact your Adviser. A disclosure statement is available from your Adviser on request and free of charge. The stories are true. Names have been changed to protect individual privacy. Statistics included are Statistics New Zealand's data which is licensed by Statistics New Zealand for re-use under the Creative Commons Attribution 3.0 New Zealand licence. The AMP group of companies operates in New Zealand through two life insurance companies. Risk Protection Plan products are issued by The National Mutual Life Association of Australasia Limited ABN 72 004 020 437 (Incorporated in Victoria, Australia) ("NMLA"). Lifetrack products are issued by AMP Life Limited ABN 84 079 300 379 (Incorporated in New South Wales, Australia) ("AMP Life"). References to AMP in this brochure mean AMP Life and NMLA. AMP Services (NZ) Limited.