

Real Life Story:

Ever heard of a social game of sevens rugby resulting in nearly 6 months off work?

That's pretty much what happened to Dean earlier this year. He can't really remember the game at all after being concussed 3 minutes after kick off even though he played right through (tough guy).

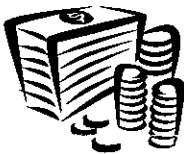
Later on that evening he felt crook and had a nauseating headache – time to go to A&E where the diagnosis was confirmed. Initial advice – take the next two weeks off work and fill in an ACC form.



The Call: We got a call from Dean a month later. He described what had happened and was wondering if the mortgage protection policy we'd put in place could help. He was getting something from ACC but it wasn't as much as his usual wage. Even though his wife was working they were feeling the pinch and he had been advised to have another month off work. Six weeks off work soon became twelve and although he looked physically fine his concentration was short and ability to do physical work very limited – that's a bad combination when you lay concrete for a living.



The Policy: Dean's policy provided a payment equal to his mortgage repayments. If ACC were paying something his insurance policy would top up the difference, if any. When we put the policy together we had decided on a 13-week waiting period to keep premiums reasonable. This meant Dean would have to be off work for more than 3 months before a payment could be made. As it turned out he was off work for almost 6!



The Payout: ING Life did a great job in assessing the claim and during Dean's recovery they topped up the shortfall from ACC. They also made partial payments during his gradual return to work full time.

We had also put in place a Premium Cover benefit. As the name suggests, it pays the policy premium if you are disabled and unable to work (makes sense really, how else would you pay the premiums if you're not earning?) so the total payout was higher than they expected. Nice.

During the whole ordeal Dean's wife was pregnant with child number 1 so we can only imagine how scary it was not knowing when he could return to work (and wondering if he ever could), trying to juggle the usual household expenses while knowing that another mouth to feed would be arriving soon.



The End? Not quite. If Dean's concussion symptoms recur within the next 6 months he won't have to go through another waiting period before financial help arrives. That's a nice bit of security, eh? And by the time you read this Dean will probably be a DAD (baby is due on the 18th). It'll blow him away...lets hope it doesn't knock him out!!!

CASE STUDY – *Disablement Protection*

Mark and Heather were a happily married couple in their fifties. Mark was a director of an employment agency in Auckland and Heather a secondary school teacher. Their two children had left the family home and Mark and Heather were saving for retirement.

But then, life changed. Mark suffered a severe stroke that left him completely paralysed. He was admitted to Auckland Hospital, where he was treated for three months. He then spent another six months in rehabilitation.

Fortunately, Mark had purchased Disablement Protection when he became the director of the employment agency.

While Mark has recovered to some extent, he has difficulty with speech and can walk only with the aid of a walking frame.

Mark is in need of constant care, so the lump sum payment from his insurance policy enabled Heather to retire and become his full time caregiver.

The insurance money also financed a refit for their house to enable Mark to move around with relative ease. Heather also purchased a purpose-built vehicle, to allow much easier access for Mark than was possible with a standard car.

Things to think about:

- 20% of our population are limited in their daily activities because of the long term affects of a disability. Statistics New Zealand, 2004
- Cardiovascular disease, including Heart Disease and Stroke, accounts for 40% of all deaths in New Zealand. Ministry of Health, 2003
- On average, 19 New Zealanders suffer a stroke each day. New Zealand Stroke Foundation, 2003

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CASE STUDY – *Income Protection*

David was a 36 year old construction supervisor at a large building site in Wellington. He was recently divorced from his wife, and was the primary care giver of their five year old son, Richard.

One day at work, David slipped and fell awkwardly, injuring his knee.

He was taken to hospital where it was determined that he would need knee reconstruction surgery.

Given the physical nature of David's work, he was forced to take four months off work to allow a full recovery from the surgery.

David had taken out Income Protection prior to his accident. As a result he was paid a Total Disability Benefit equivalent to 75% of his income, less any other disability income (e.g. ACC payments). This covered his rent, living expenses and the cost of looking after Richard while he recovered.

Things to think about:

- Males suffered 76% of work related injuries in the year ended June 2003.
- 8142 people were admitted to hospital in 2000/01 with knee injuries and averaged a stay of five days. NZ Health Information Service, Selected Morbidity Data for Publicly Funded Hospitals, 2000/01

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CASE STUDY – *Life Protection*

Andy was a 39 year old mechanic living in Christchurch with his wife Deborah and four year old son, David. They had recently bought a small house and were excitedly awaiting the arrival of their second child, Lisa.

Soon after they moved into their new home, Andy began to feel constantly tired and generally off colour. Eventually, he visited the doctor and after further tests was diagnosed with advanced prostate cancer.

Andy underwent immediate surgery, but the cancer had already spread to his bones. Extensive radiotherapy and chemotherapy sessions followed and he managed to fight the disease for about two years, but it was a losing battle.

Andy passed away the day before Lisa's second birthday.

Fortunately Andy and Deborah had both taken out a Life Protection Policy when they purchased their house. The money from Andy's Policy enabled Deborah to cover the costs of his funeral, pay the mortgage, plan a return to work and build a secure future for Lisa and David.

Without this Policy in place, this sad story would have been much worse.

Things to think about:

- One in seven of us will die during our working lives. Demographic Trends, Statistics New Zealand, 2003
- In 2002 there were 17,943 new cancer registrations in New Zealand – 9399 of these were males. New Zealand Health Information Service, 2002

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CASE STUDY – *Trauma Protection*

Vicky was a co-owner of a busy suburban hair salon and owner of a beauty therapy clinic in the city. Together with her 42 year old husband Angus, they also owned a number of rental properties. They were enjoying the rewards of long nights, hard work and good business acumen.

Recognising her financial commitments and the importance of protecting her assets, Vicky and her financial adviser put in place both a Key Person and a Business Succession Plan to ensure she was covered. These included a will, an estate plan and an insurance portfolio including health, Life and Trauma Protection.

Vicky awoke at 7am on a typical week day morning and had her usual cup of coffee. She felt a sharp pain shoot through her jaw and travel into her neck. Angus had gone to work, but after waking up her two teenage girls she started feeling un-naturally hot and developed pain in her chest.

Eventually she rang Angus who rushed her to hospital where she was diagnosed with blockages in her arteries and underwent an emergency Angioplasty. At the age of 38, she did not imagine for a moment that she would suffer a Heart Attack.

Two months later, Vicky suffered another Heart Attack and was admitted to hospital where she underwent a double bypass.

After extensive time away from the salon and the clinic and a total lifestyle change, Vicky decided to sell her share of the hair salon. She was able to use the lump sum payment from the Trauma Protection to provide her with sufficient funds to employ someone to manage the clinic and supplement her and Angus' income until she was able to return to work.

CASE STUDY – *Life and Trauma Protection*

Jane was a 46 year old real estate agent married to 44 year old Chris, an accountant. They had recently moved into a new family home with their 16 year old son, Julian.

While Jane and Chris were returning from a Saturday night movie they met a speeding vehicle on the wrong side of the road. The head-on collision was unavoidable.

After the impact, the car rolled and both Jane and Chris were knocked unconscious. Their injuries included broken bones and, in Jane's case, some brain damage. Chris also suffered a ruptured spleen.

While Chris has fully recovered from his injuries, Jane doesn't remember anything about the accident and the weeks that followed. She has suffered permanent memory loss, paralysis to the right side of her body and has difficulty speaking and understanding speech.

Their financial adviser had recommended Jane and Chris purchase Trauma Protection with their Life Protection policies when they purchased their first family home.

The lump sum payment Jane received from her Trauma Protection is being used to help pay for the ongoing costs of her rehabilitation and treatment. Without this cover, Jane and Chris' situation would have been considerably worse.

Things to think about:

- Each year throughout New Zealand more than 6000 people on average are admitted to hospital with brain injuries. Brain Injury Association of New Zealand, 2003
- There were 405 road deaths recorded in New Zealand in 2005 and an additional 2519 people reporting serious injuries from vehicle accidents. Ministry of Transport, The social cost of road crashes and injuries, June 2006

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- In New Zealand approximately one in four deaths are caused by cancer. New Zealand Health Information Service, Cancer: New Mortality and Demographic Data, 2006.

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