

Personal insurance

There are many risks you face during your lifetime, but the most serious ones you will face are death, disability, serious illness and/or medical intervention (surgery). These can happen at any time and when it does it can be a difficult and traumatic time for everyone. The last thing you want to worry about is money.

Adelphi Insurance Brokers four step Personal Insurance Plan is designed to help you put in place the ideal level personal insurance to take care of your family when you can't and give you the confidence to live the life you want to live - knowing you've made plans to secure your family's future.

Your key assets are more than just your material possessions such as a house, car or business. They also include your quality of life, ability to earn an income and provide security and financial independence.

If your earning potential was interrupted due to death, disability or a medical condition these are some of the major costs you could face:

- Mounting debts to cover medical costs
- Forced sale of family home
- Eroded savings as cash is used to meet living expenses
- Lost opportunity for future plans and dreams
- Loss of quality of life while on a surgery waiting list

An Adelphi Insurance adviser can sit do with you and your spouse, in the comfort of your home, and develop your family's Personalised Insurance Plan to determine the ideal level of Personal Insurance cover you need for your family's unique circumstances and needs.

Life insurance

Though not a pleasant thought it's important to think about this: when you die, who will you leave behind?

Every day you face a wide range of risks to your personal wellbeing and lifestyle but if you were to die early what would be the impact on your loved ones? The truth is, it's always a struggle when you lose someone you love. But your emotional struggles don't need to be compounded by financial difficulties. Life insurance helps make sure that the people you care about will be provided for financially, even if you're not there to care for them yourself.

Life insurance payment provides a one-off payment on your death or if you are diagnosed as being terminally ill, which can help your family continue to live the life you've planned together. The money can be used for whatever you decide such as:

Clearing the mortgage and any other debt

Funeral and legal expenses associated with your death

Keep the kids at their school and fulfil future education plans

Provide an income for your spouse while bringing up young children

If you're renting the life insurance payout could buy your family their own home

The ideal situation is to leave your family in a position as if you were still here financially

An Adelphi Insurance adviser can sit do with you and your spouse, in the comfort of your home, and develop your family's Personalised Insurance Plan to determine the ideal level of Life Insurance cover you need for your family's unique circumstances and needs.

Life insurance provides you and your family with financial certainty and support in the time of need.

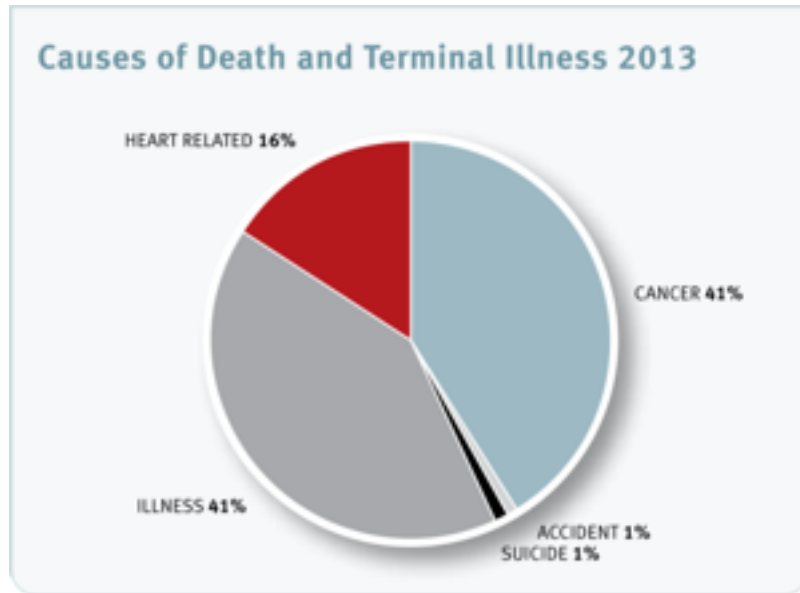
Food for thought...

- On average there is one death in New Zealand every 16 minutes. (1)
- Cancer was the leading cause of death for both males and females in New Zealand in 2009 with 8,437 people having cancer recorded as the underlying cause of death. (2)
- In New Zealand, around 22 people die each week from bowel cancer. (3)
- Stroke is the third largest killer in New Zealand (about 2,000 people every year)(.†4)

Death & Terminal Illness Claims

For the past three years (2011-2013) Fidelity Life has paid a total of \$69 million in death and terminal illness claims.

The details below are for one year to 30 June 2013



Trauma insurance

How would you and your family cope if you suffered a serious illness such as cancer, heart attack or a stroke?

Ongoing advances in medical treatment mean New Zealanders have a greater chance of surviving a serious illness than ever before but it may take 6/12/24 months to recover so there is a greater need for financial support.

Serious Illness also known as Trauma insurance pays you a one-off lump sum if you have a serious medical condition specified in your policy (typical covered conditions listed below). You could use the benefit for anything you decide such as:

- pay for specialist treatment and private medical costs
- make lifestyle changes so you can focus on recovery
- take some time off work or take a stress-free family holiday
- pay down debt

The diagnosis of a trauma event is devastating in any circumstances but the burden will be far greater if your financial security is also put at risk.

Trauma insurance takes the pressure off, so you can spend your time focusing on recovering - not worrying about your finances!

Cancer Only Cover

There is also specialised Cancer Only Cover for people who don't qualify for full Trauma Cover but want cover for a cancer event. This policy helps if you get cancer, even in the early stages. Cancer Cover pays you a lump sum of money if you experience any early stage cancer or meet the claim criteria for more severe cancers. This cover is designed to help people recover physically and financially from cancer.

An Adelphi Insurance adviser can sit down with you and your spouse, in the comfort of your home, and develop your family's Personalised Insurance Plan to determine the ideal level of Trauma Insurance cover you need for your family's unique circumstances and needs.

Food for thought...

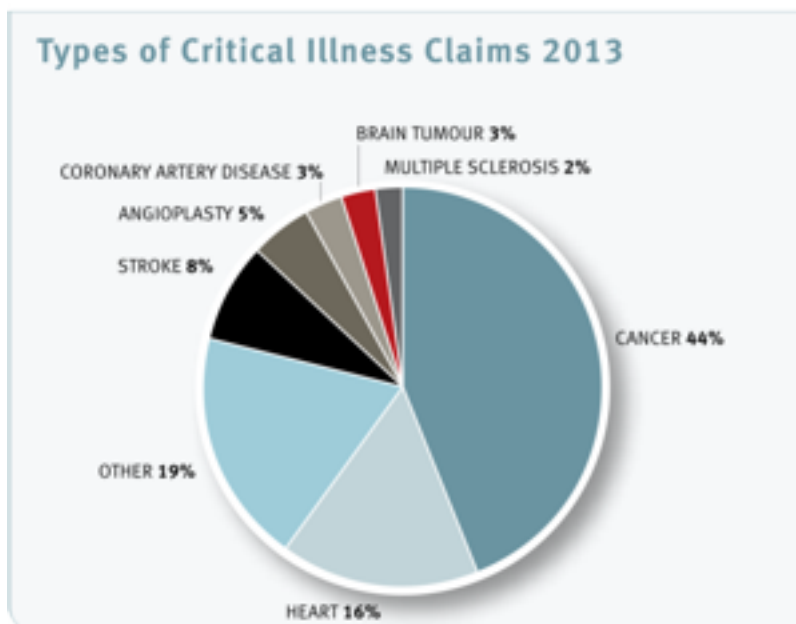
- **Everyday, there are 57 new cancer cases registered and 23 deaths from cancer in New Zealand. (1)**
- **Over 3,300 New Zealand men are diagnosed with prostate cancer every year. (2)**
- **One in three New Zealand adults with heart disease has had a medical procedure. (3)**

- Every day about 21 New Zealanders suffer a stroke. One quarter occur in people under 65 years of age. Stroke is the major cause of adult disability in New Zealand. There are an estimated 60,000 stroke survivors in New Zealand. (4)

Critical Illness (Critical Care, Trauma and Life Care) Claims

For the past three years (2011-2013) Fidelity Life has paid a total of \$38 million in critical illness claims.

The details below are for one year to 30 June 2013



Income protection insurance

If you had an accident or became ill, and were unable to work, would you still have the income you and your family need? Could you cover expenses such as mortgage repayments or rent, medical bills, school fees, groceries and your day-to-day bills?

Your ability to work and earn an income is probably your greatest asset. A regular income helps you and your family build your assets, enjoy the lifestyle you want and do the things you love.

The financial consequences of an injury, disability or extended illness could be devastating for your lifestyle and those that depend on you.

Recovering from an illness or accident is also difficult enough without the extra stress of financial worries.

Income Protection replaces your income if you can't work due to sickness or injury. It's important because your income is what allows you to live your life today - and make plans for tomorrow. Cover options are flexible and can provide for rehabilitation and occupational re-training, if necessary.

Income protection pays you a monthly benefit - just like your salary - and generally covers up to 75% of your pre-tax salary. The money can help you:

- cover your mortgage or rent payments
- continue to cover your living costs
- take care of all your normal bills while you focus on getting better.

Just because your health suffers a setback, your finances and lifestyle shouldn't have to.

An Adelphi Insurance adviser can sit do with you and your spouse, in the comfort of your home, and develop your family's Personalised Insurance Plan to determine the ideal level of Trauma Insurance cover you need for your family's unique circumstances and needs.

Your ability to earn an income is your most important asset.

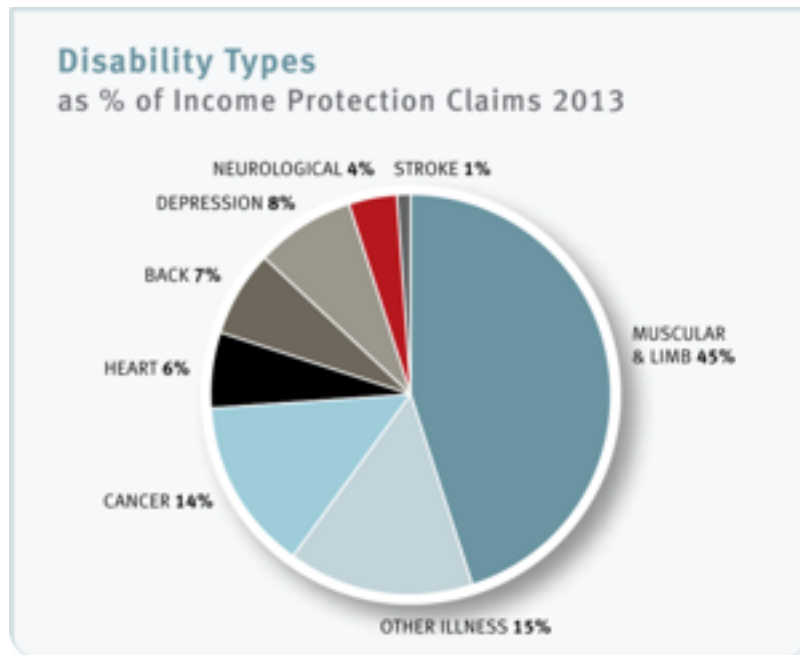
Food for thought...

- **At the time of the 2006 census 20% of New Zealanders lived with a disability. (1)**
- **Every year, about 8,000 people in New Zealand have strokes (22 people per day). (2)**

Income Protection Claims

For the past three years (2011-2013) Fidelity Life has paid a total of \$28 million in income protection claims.

The details below are for one year to 30 June 2013



Source: Fidelity Life Annual Report Claim Statistics 2011-2013.

Total and permanent disability insurance

How would your family or your business cope if you were permanently disabled? Do you have a plan to provide for them? What would happen to your future plans, and theirs?

While for most people the early death of an income earner would cause serious financial strain for those left behind, the financial impact would be just as serious if that income-earner became totally and permanently disabled and unable to work for the rest of their life.

An illness can erode your health either gradually or quickly until you're unable to work, or a serious accident could leave you totally and permanently disabled.

Total and Permanent Disability (TPD) insurance helps you modify your lifestyle and gives you choice and options if you're left permanently without the ability to work.

TPD insurance pays a lump sum if you are permanently disabled and you're unlikely to ever work again. The money can be used for whatever you decide such as:

- fund lifestyle changes and home modifications

- cover the cost of long-term care or medical expenses

- pay any debts including your mortgage

- fund an on-going income for your family.

It's easy to take good health for granted. But the reality is, sometimes we become ill or have an accident and, if it's serious, we might be unable to work ever again.

An Adelphi Insurance adviser can sit do with you and your spouse, in the comfort of your home, and develop your family's Personalised Insurance Plan to determine the ideal level of Total and Permanent Disability Insurance cover you need for your family's unique circumstances and needs.

Food for thought...

- **At the time of the 2006 census twenty percent of New Zealanders lived with a disability, with accidents or injuries the most common cause of disability for adults aged 15 to 44 years. (1)**
- **There are an estimated 60,000 stroke survivors in New Zealand. Many are disabled and need significant daily support. (2)**

- In New Zealand, there are approximately 300 people suffering from Motor Neurone Disease at any one time. Around 100 people are diagnosed with the disease and 100 people die every year. (3)

Mortgage Protection insurance

If you had an accident or became ill, and were unable to work, would you still be able to meet mortgage repayments?

Mortgage Repayment Cover provides a financial safety net should you be disabled as a result of sickness or injury, and unable to meet your mortgage repayments. The monthly benefit is designed to cover mortgage repayments on your behalf during treatment and recovery.

Your family home is simply too valuable an asset to put at risk. Just because your health suffers a setback, your dreams of owning your own home shouldn't have to. When illness and injury leave you unable to work, Mortgage Protection Insurance can protect your family from the financial consequences of not being able to meet your mortgage repayments.

An Adelphi Insurance adviser can sit down with you and your spouse, in the comfort of your home, and develop your family's Personalised Insurance Plan to determine the ideal level of Trauma Insurance cover you need for your family's unique circumstances and needs.

Mortgage Repayment Cover helps protect your family home if you lose your income through illness or injury.

Food for thought...

Only 20 percent of households would cope for more than 12 months with paying their household expenses and maintaining their lifestyle if a serious illness meant the primary income earner being unable to work.*

*Massey University, Exploring underinsurance within New Zealand, 2011

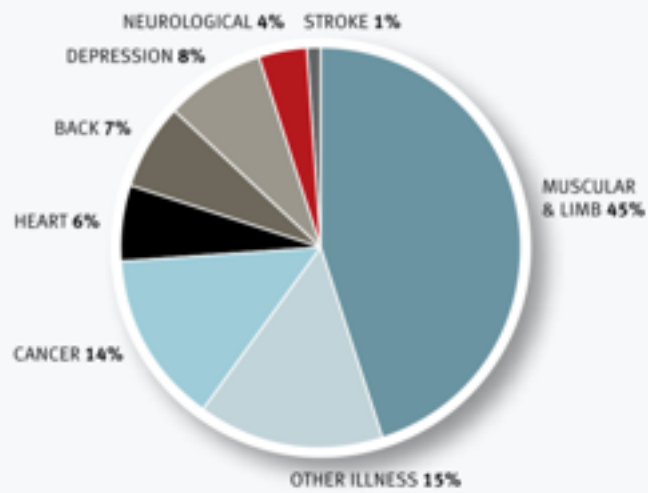
Income Protection Claims

For the past three years (2011-2013) Fidelity Life has paid a total of \$28 million in income protection claims.

The details below are for one year to 30 June 2013

Disability Types

as % of Income Protection Claims 2013



Source: Fidelity Life Annual Report Claim Statistics 2011-2013.

HEALTH INSURANCE

If you get sick are you prepared to join the public hospital waiting list or could you afford to pay for private treatment?

It's hard to predict what health problems you may experience in the future. Unfortunately not all treatments or costs will be covered by the public health system, and the public health system may not give you control over the timing or quality of the care you receive. For those without health insurance, surgery waiting lists are a fact of life. If you wanted to hurry things along, the only option would be to pay for private treatment yourself. But! Would you be able to afford the costs?

In New Zealand we have two health systems: A Public Health System (public funded) and a Private Health System (funded by 'user pays'). The public health system focuses primarily on acute (emergency) services while the private health system deals with elective (planned) services. While we are fortunate in New Zealand to have a good public health system that deals well with emergency situations it is often very limited in its ability to deal with elective or non life threatening procedures. Elective procedures, while generally not immediately life threatening, can have a profound effect on our quality of life. Whether it's painful haemorrhoids, a child's tonsils being removed, a hip or knee replacement or a more serious heart bypass or cancer treatment, health insurance allows us to avoid waiting lists that can stretch for months or even years and regain that all important quality of life.

When it comes to acute (emergency) services, the public health system in New Zealand is excellent. Unfortunately, you are unlikely to receive the same level of urgency if you are suffering from a non-acute medical condition.

For example, if you had a heart attack and your survival depended on surgery, you would be treated immediately. On the other hand, if you were diagnosed with a heart condition that was not immediately life threatening, but you still required surgery, you would go on a waiting list. In a life or death situation, there is no argument about who should be treated first, but in the meantime while you wait (months, sometimes years) for surgery, your life is on hold. Consider that you may be unable to work and this may lead to financial hardship, along with having to cope with a very serious medical condition.

Having health insurance gives us the peace of mind of knowing we can gain immediate access to hospitalisation when and where we need it while having the often significant costs involved covered.

Simply put – health insurance books us a hospital bed or treatment spot when and where we need it and we know the sooner a condition is treated the better the chance of cure and the quicker the recovery time.

An Adelphi Insurance adviser can sit do with you and your spouse, in the comfort of your home, and develop your family's Personalised Insurance Plan to determine the ideal Health Insurance cover you need for your family's unique circumstances and needs.

Food for thought...

nzhearl.d.co.nz Wednesday June 13 2012

“More than 3000 patients seeking elective services were turned away by the Auckland District Health Board last year before they had been physically accessed by a board specialist. That is more than 10 each working day”.

Rural Key person insurance

If you were unable to take care of the farm due to illness or injury will the financial needs of you and your farm be met?

Farmers have a unique work environment and, therefore, need a unique form of insurance. As a farmer you know how unpredictable life can be, and it's not just the elements you have to worry about. On top of the day-to-day risks of manual labour, you face the same health threats as everyone else. And you can only be as productive as your body lets you be. The everyday duties of running a farm or sharemilking business don't stop just because you become sick or injured.

Unlike most businesses, a farm or sharemilking business cannot afford to stop operating in the event of a loss of a key person. The financial consequences of a disability or extended illness could be devastating for your lifestyle and those that depend on you. Also when you work and live in the same place, along with your family, a threat to the farming operation is also a threat to your home life.

The standard income protection benefit is based on audited earnings after interest and depreciation. This may be cumbersome for a small-scale farmer to validate, whereas gross farm income is much easier to substantiate.

Rural Key Person Cover is specifically designed for farmers and farm operators like sharemilkers. Rural Key Person Cover will pay you a monthly income if a key person is disabled and unable to work because of illness or injury. This cover allows you to hire a replacement contractor/locum to take care of things while you get back on your feet. You can pay them from a benefit of up to 35% of the farm's gross turnover - up to a maximum of \$10,000 per month.

Note: A key person is someone on the farm responsible for generating business income.

Just because your health suffers a setback, your farm or sharemilking business doesn't have to. The right insurance cover is a vital contingency plan for any farmer, as it can take just one setback to jeopardise years of hard work.

An Adelphi Insurance adviser can sit do with you and your spouse, in the comfort of your home, and develop your family's Personalised Insurance Plan to determine the ideal level of Rural Insurance cover you need for your family's unique circumstances and needs. This can include looking at your life insurance, serious

illness, permanent disability covers and can extend to the areas of succession planning.

Food for thought...

- The cost of farm injuries to New Zealand in 2008/2009 was in excess of \$51 million. (1)
- Every day, nine New Zealanders are injured on a farm. (1)
- There are more than 63,000 farms in New Zealand, employing in excess of 135,000 New Zealanders. (2)
- About 40% of dairy farmers operate with sharemilkers. (3)
- Each year, 16 New Zealanders die on farms as a result of their injuries. (1)

ACC Statistics 2010

Key person insurance

Having a key person like a director or shareholder fall seriously ill or be seriously injured can have a devastating effect on a small to medium sized business where one or two people may be key revenue generators. Our Key Person and Rural Key Person Cover provide essential revenue replacement to a business if a key person is disabled.

Key Person and Rural Key Person Cover will pay a business an agreed monthly benefit for a set period if a key person is disabled because of a continuing sickness or injury.

Why your business needs it:

In small to medium sized businesses or partnership, one or two people may be key revenue generators.

The survival of that business may be at stake if they are unable to work and hence generate revenue.

Key Person Cover gives the business time to recover and/or put in place appropriate measures to keep it running.

Who is a key person?

A key person is someone in the business responsible for generating business income. It may also apply to an individual whose loss has a significant operational impact as opposed to business income, e.g. CEO, Financial Controller.