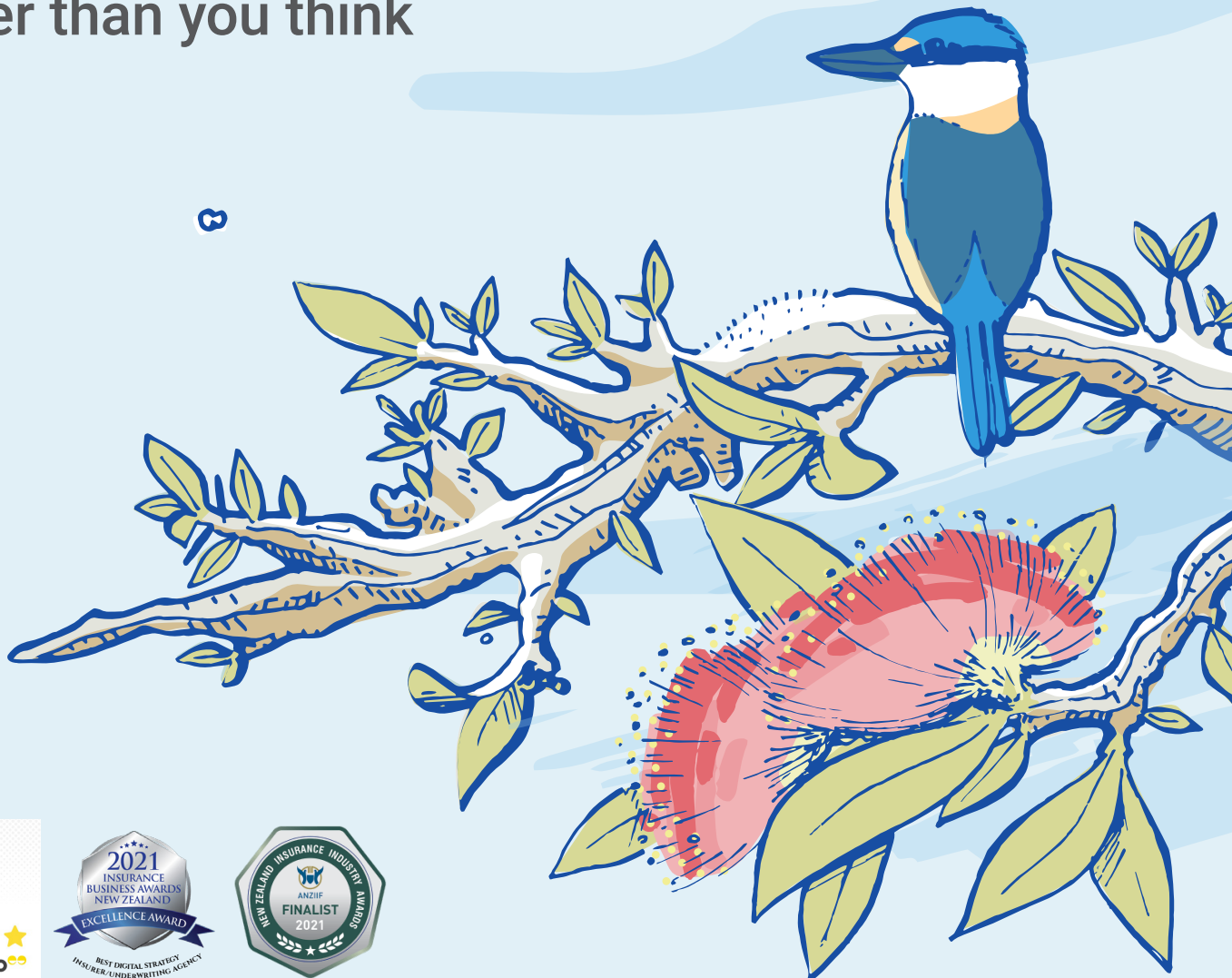


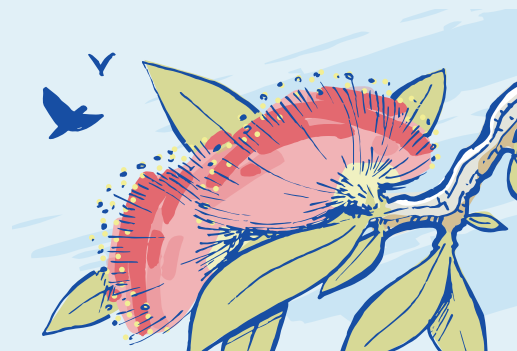
# 5 Big Life Insurance Questions

And why getting it sorted is  
easier than you think



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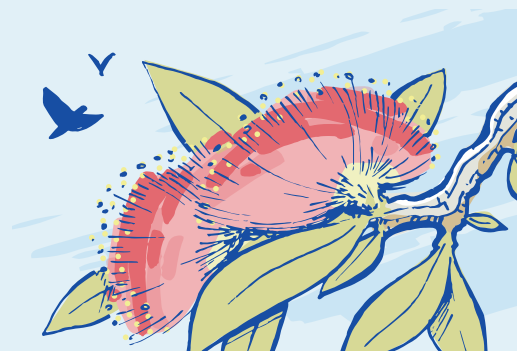
## Why it's so important – and how to get it sorted

Life Insurance provides for those you leave behind and helps them after you are gone. When everything else is tough, having life insurance means that those you care about can have some peace of mind about paying rent, mortgage and bills.

## Putting protection in place to provide for your loved ones should the unthinkable happen.

Thinking about life insurance can bring up uncomfortable questions about death, disability, serious illness, money and family relationships – no wonder it's so difficult for many people.

After tackling the big questions, there's also the matter of sorting out the details, finding a provider and actually applying. This can be challenging, with many people choosing to simply put it off altogether.



## **The good news is, it's not as complicated as it might seem.**

At Pinnacle Life, we've been providing award-winning life insurance cover to New Zealanders since 1998.

We keep things simple - our policies are written in plain English to ensure you understand exactly what you're getting into.

And our online application process is designed to be quick and straightforward, without the tricky questions or time-consuming details that put so many people off.

## **Get it done and get it right, so you don't have to worry about it again.**

We want to make getting life cover and other forms of protection as easy as possible because it's so important. Life insurance is a crucial part of your financial planning, particularly if you have a partner, children or other people relying on your income. You want to get it done and get it right, so you don't have to worry about it again.

After two decades in the business, we've heard all kinds of questions about how life insurance works. This guide aims to answer some of the most common queries and make the whole process easier to understand.

***Let's get started.***



# What is life insurance?

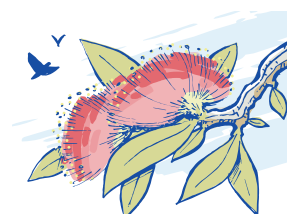
## Breaking down the different types of policy

Life insurance is probably the best-known form of family protection insurance, but it's not the only option. As well as life insurance there are other forms of insurance that offer protection:

- [Life Insurance](#)
- [Income Protection cover](#)
- [Critical Illness cover](#)
- [Disability cover](#)

These all fall under the life insurance umbrella, and provide protection for a range of challenging life situations.

As the name suggests, life insurance pays out a lump sum if you pass away or become terminally ill. Other forms of cover can provide help if you're sick or injured and unable to work, or if you lose your income for another reason. Depending on your circumstances, you may need a patchwork of different types of cover, to make sure you're protected no matter what.







# Life Insurance

Life Insurance provides a tax free lump sum for those you leave behind.

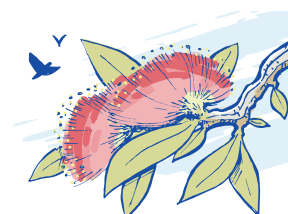
It can be used for anything at all. It can help loved ones pay the rent or mortgage, put food on the table and pay the bills or it can be used to invest in your children's education or other things you want for your family by paying a lump sum to the policy owner in the event of your death.

Life Insurance breakdown:

A tax free lump sum if you die*	
Early payment if you are diagnosed as terminally ill and expect to live less than 12 months	
We'll pay if you die from suicide after you've had your policy for 13 months	
But not if you die from specific high-risk pastimes, while on deployment in the armed forces or as a journalist in higher-risk countries (listed in the policy document)	

\*check the policy document for more detail.

- You can get a policy if you are aged 18-75
- You can apply online if you are aged 20-69, otherwise contact us to discuss your options
- You can be living in NZ, Australia, USA, Canada, UK, Ireland, Hong Kong or Singapore.

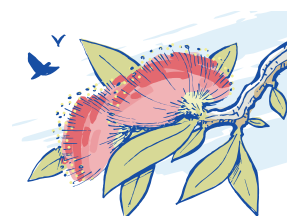


There are lots of things that you can't control in life, but putting protection in place to provide for your loved ones should the unthinkable happen is something you do have control over.

Life Insurance pays out in a lump sum if you pass away, so your loved ones aren't left with massive debt – or faced with losing their home shortly after losing a family member.

You set your cover at a level that suits your lifestyle and your expenses – more on that later. For example, you could choose an amount that will cover the remainder of your mortgage (or pay the rent), plus enough to pay family expenses for a few months or years. It all depends on whether you are the sole breadwinner, how many children or other dependents you have and what your day-to-day expenses are.

Pinnacle policies pay out early if you are diagnosed as terminally ill, with only a short time to live. Although it's unpleasant to think about, having extra funds in those last months can help make things easier for you and your loved ones and give you more choices.



# Income Protection cover

Income Protection insurance pays you a monthly amount if you are unable to work, due to illness or injury.

It means that while you can't work, you can still have money coming in, so you can keep on with your life even though you're not earning.

Income Protection breakdown:

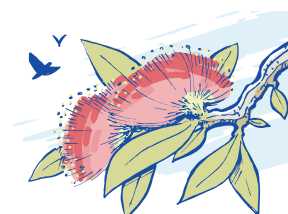
A monthly payment if you can't work because you're sick or injured*	✓
The choice of how long you need to wait for payments to start and how long you'll receive payments for when you take out your policy.	✓
Increase your cover as your salary goes up.	✓
You can't claim if you're made redundant, if you can't work due to a mental illness, or a normal pregnancy	✗

\*check the policy document for more detail

- You can apply if you are aged 20-59 and,
- Living and working in NZ.

Pinnacle Life's Income Protection helps get you through temporary situations where you may be unable to work. If your family relies on your income to pay the rent or mortgage and put food on the table, it's a crucial piece of the insurance puzzle.

Income Protection cover comes in when you are sick or injured and unable to work for a time. This type of cover isn't paid in a lump sum, but as a monthly payment that kicks in after a set waiting period. You choose the length of cover, which can be as little as six months or as long as three years. If you receive sick leave from your employer, or payments from ACC, other insurance policies or any other government agency, these will be deducted from your claim payments.





# Critical Illness cover

Critical Illness cover is an add-on option to your Life Insurance policy and pays out a lump sum if you are diagnosed with a critical illness. It's what we call an 'early payment' benefit so what gets paid out is taken off your life cover.

Having Critical Illness cover means that if you suffer from one of [the 24 conditions](#) specified in your policy, you will receive a lump sum payment to use however you need.

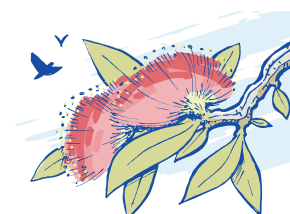
Critical Illness breakdown:

A tax free lump sum if you have any of the illnesses and conditions listed in the policy document	✓
You're covered if you have a heart attack, stroke, or cancer	✓
Suffer from major burns, total deafness or blindness	✓
But not an illness not specified	✗
And not if the event causing your illness is the result of self-harm	✗

- You can apply online if you are age 20-59 or call us for an application form. You'll need to have, or be applying for, a life insurance policy.

Dealing with a serious illness or injury is difficult enough without extra financial stress. That's where critical illness cover comes in. This type of insurance is designed to help you and your loved ones keep paying bills and maintaining the essentials while you're sick or injured and unable to work.

If you have an illness, injury or condition covered by your policy, you'll get a one-off, tax-free payment to cover bills, day-to-day expenses, and medical costs as needed. This means you and your family can focus on recovery without the stress of unpaid bills or missed rent or mortgage payments.






# Disability cover

Total and Permanent Disability cover is an add on option to your Life Insurance policy.

We'll pay the owner of the policy a tax-free lump sum if you become permanently unable to work or meet our Total and Permanent Disability Definitions due to accident or illness.

It's also an 'early payment' benefit so what gets paid out is taken off your life cover.

Total and Permanent Disability breakdown:

A tax free lump sum if you are permanently unable to work due to illness, accident or injury	
A tax free lump sum if you lose two limbs, or two eyes, or an eye and a limb or are totally dependent on another person	
But not if the event causing your disability is the result of self-harm	

- You can apply online if you are age 20-59 or call us for an application form. You'll need to have, or be applying for, a life policy.

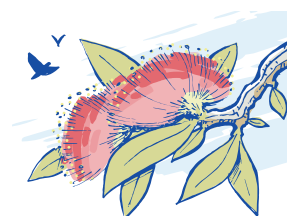


Sadly, some serious injuries and diseases don't end in a full recovery, but leave you with permanent disabilities, and often unable to work. If this happened to you, what would happen to your loved ones?

Total and Permanent Disability Cover is designed for this type of situation. It pays out a lump sum if you're permanently disabled after an illness or accident and unable to go back to work. The money gives you some breathing room after a life-changing experience. It can either cover your rent or mortgage payments, bills and other expenses while you and your loved ones get to grips with your new normal or be used however you need such as modifying your house to make life more comfortable.

**Ready to start working on your Life Insurance cover?**

**Get started now**



# How much cover do I need?

## What to consider when you choose insurance

Understanding the importance of life insurance is the first step – choosing cover is the next. How much cover do you need? What type of cover should you choose? How much will it all cost?

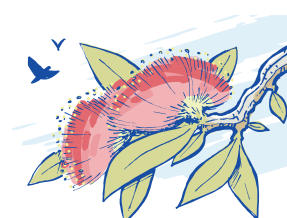
For many people, this is where buying life insurance gets too hard. The whole process can feel overwhelming and complicated, and it can seem easier to just leave it for another day.

We can help.

## Award-winning online advice to working out what cover you need

We recommend using our award-winning online advice tool to guide you through the process – it's free and will give you 3 levels of cover to choose from [just 10 minutes] [click here](#)

Or if you want to start getting your head around how much cover you might need and how much that might cost, here is a simple framework to get you started:



# Calculating life insurance cover - think about your income and your debt

## STEP 1 – Quick calculation

**Basic cover:** Having a basic amount of life insurance means having enough cover to pay any personal debt you have, except a mortgage, and pay for your funeral. This amount would mean you won't burden your family with expenses because of your death.

**Good cover:** A 'good' amount of cover will clear all your debt, including your mortgage, and cover your funeral. Or, it could clear your personal debt, like credit cards and hire purchases, and provide around six months of living expenses (for things like groceries and bills). This amount of cover will give your loved ones a bit of breathing room to figure out what comes next.

**Great cover:** Having 'great' cover considers a lot more factors. It aims to give your family financial freedom and minimise stress if you die or suffer a critical illness, disability, or major trauma. 'Great' cover should cover your mortgage and several years of living expenses if you die.

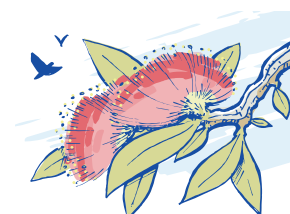
For example, if you earn \$80k per annum before tax and have debt including a mortgage of \$400,000, your cover levels (for life insurance only) might be something like:

- Basic cover: \$50 - \$100k tax-free payout
- Good cover: \$100- 400k tax-free payout
- Great cover: \$500-\$800k tax-free payout

This example doesn't consider who else you might live with, like a partner or children, or any other products we offer, such as income protection or critical illness cover.

*Note this isn't financial advice. It is a general statement only and should give you an idea of what to expect; you shouldn't consider it advice. If you'd like personalised advice tailored to you and your situation, [click here](#)*

*Pinnacle Life is a Financial Advice Provider licensed by the Financial Markets Authority (FMA). For more information about our advice, [click here](#)*



## STEP 2 - Use our Quote Calculator

Put each of your figures (Basic, Good & Great Cover) into our online Quote Calculator to get a quick and simple breakdown of how much the different payout amounts will cost you – [click here](#)

## STEP 3 - Check

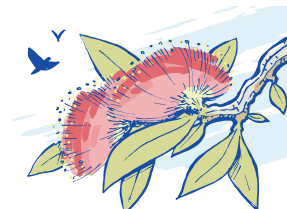
Once you've had a play with the online quote calculator, do a simple double-check. Think about:

- your rent or mortgage and other monthly outgoings to make sure you are happy with your chosen cover level.
- your budget. Don't stretch your budget to pay life insurance premiums, but go for the maximum amount of cover you can afford.
- how your cover increases with inflation each year, which means your premiums also increase (unless you choose to turn this option off).  
Make sure you think about future affordability.

### Want help working out what cover you need?

Our digital advice tool will step you through the process and give you 3 levels of cover to choose from in just 10 minutes.

[Get started now](#)



# Do I need other types of insurance?

## Picking the right cover for your family

Life insurance isn't the only type of cover that can protect your loved ones. Other forms of cover, like critical illness, disability, and income protection give you added financial protection for serious, non-fatal life events – including injury, illness, disease or permanent disability.

It's not fun to think about, but these things can happen to anyone, with little or no warning. If you're considering cover, think about how your family would cope without your income.

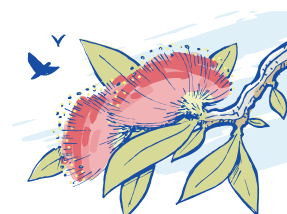
Questions to consider:

- Do you have savings to cover expenses for a short time?
- What would happen if you were unable to work for a year or more?
- How would you manage if you were permanently disabled and unable to work?
- Do you have a plan to cover medical expenses or support if you're seriously injured or ill?
- How would your partner cope with childcare if you were not able to help?
- Could you cover rent or mortgage repayments on one income, or would you need to move or sell your property?

Whatever your situation, it's a good idea to get professional advice before you choose insurance cover.

The Pinnacle Life team knows all the ins and outs of life insurance, cost calculations and different types of cover, and we've built a range of online tools and calculators to make working out your needs as easy as possible.

Need help now? Check out our [Online Advice Tool](#) for guidance.



# How do I apply?

## Quick, simple, stress-free

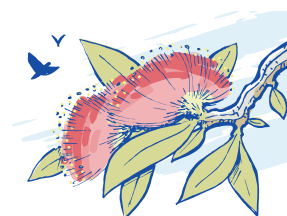
Long, boring, complicated, with tricky questions designed to extract information you don't really want to share – insurance forms have a bad reputation.

At Pinnacle Life, we understand the reluctance to face forms like these and we've come up with a workaround. Short and straightforward, with none of those sneaky bits, our application process is designed for our customers – best of all, it can almost always be completed online.

## Get it done online

Our entire application process is online to make it as straightforward as possible, click through the simple steps, fill in your details and you're sorted.

Of course, if you're more comfortable on the phone, our support team can help arrange your cover instead – get in touch on **0800 22 22 23** to get started.



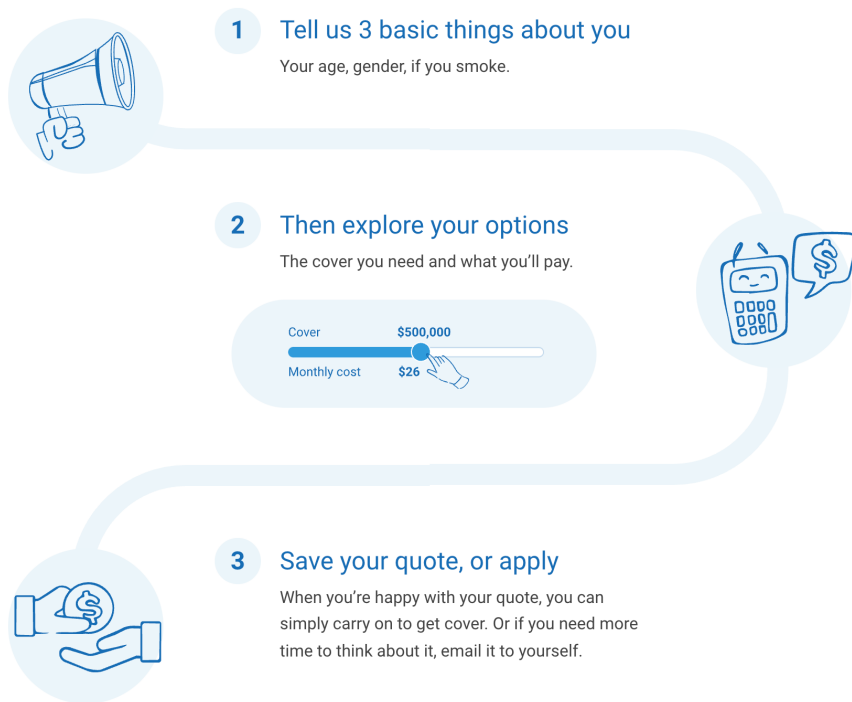


## How it works

Just answer three easy questions and we'll give you a quote. You can then play around with the amount of cover you might want and how much you're happy to pay.

Once you're happy, continue to complete your application. You'll need to fill in some personal details, including name and phone numbers, and answer some health questions. Having your GP's contact information handy, and details about any treatments can speed things up.

The process usually takes around 10 minutes from start to finish.

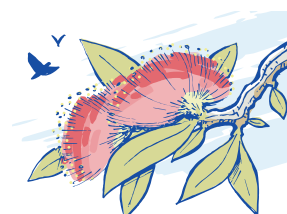


### Get covered

We'll need more health, lifestyle and contact details from you. For most people that's it, you pay your 1st premium, we email your policy and you're covered. Sometimes we need to get a bit more detail. In this case we'll let you know straightaway.



No medical or blood test to apply



## No tricks, just honesty

We're all about being transparent and honest with our customers, so we would never try to trick or mislead you during your application. Our questions are all simple and straightforward.

We just ask that you answer honestly – otherwise, your insurance may not be able to cover you if something happens.

## No medical tests to apply

Most people won't need a blood test or other medical tests to qualify for insurance. If you do, we'll make it clear during the signup process, and help you sort out the details with your GP.

## Apply, check, approve

Once you've finished your application you'll get a confirmation email with your policy document. Our team will review the details you've supplied and if they have any questions will be in touch.

It's all about making it as quick and simple as possible, so you can get it sorted and get on with your life.

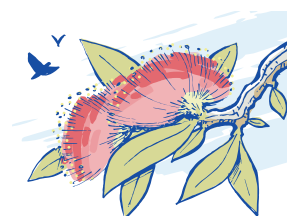
## When will I be covered?

If you apply for a policy online, are approved and accept the declaration you are covered straight away.

You then need to make sure you pay your first premium within 14 days. If we need to check some details with you or your doctor, it can take a little longer. But we communicate with you throughout the process so you know what's going on.

**Want to get it done now?**

**Start your application here**



# What happens when I make a claim?

## Pay-outs made easy

If you're making any kind of claim, you're probably in a seriously stressful situation – and your insurance company shouldn't add to that stress with a complicated claims process or delayed payments.

At Pinnacle, we're acutely aware of the difficult, life-changing situations our customers may be in, and we make a real effort to make the claims process stress-free.

## Simple claims, quick payments

As with our application process, claims are as straightforward as possible. You just need to give us a call or drop us an email. We'll grab a few details and let you know what else we need to process your claim. We pay most claims within 7-10 days of getting all the information we need.

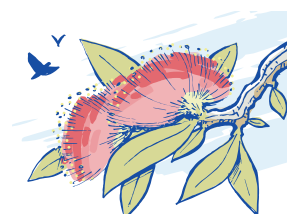
This lets you deal with any outstanding financial issues quickly, so you can focus on your loved ones.

## 97.2% of claims are paid (as at December 2021)

We want to approve claims, that's why we've worked hard to reach a claims rate of 97.2%. If you're facing a terminal illness, we'll pay your life insurance early, so you and your family can ease financial stress during an intensely difficult time.

## Who gets paid?

For most policies the claim payment will be made to the policy owner, or if the policy owner has died to their estate. For an income protection policy any payment will be made to the nominated beneficiary.



# What our customers say

**Leihia**

*"A big thank you to you and your team for providing such an excellent and personal service during an extremely hard time... I would definitely recommend Pinnacle Life. Thanks again."*

**Natalie**

*"I had no idea what to do, and my head was a little scrambled, so you made it very clear and easy."*

**Brian**

*"Empathy and compassion to my situation, you have really made a difference"*

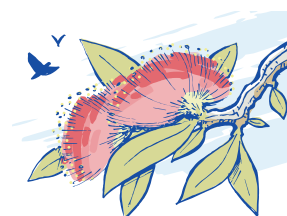
**Vicki**

*"Imagine my surprise when I discovered this morning that the payment is already showing in my account!!"*

**Deborah**

*"You help me through a difficult situation and I can't thank you enough for that"*

[view all testimonials](#)



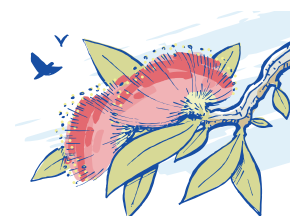
# Life insurance matters

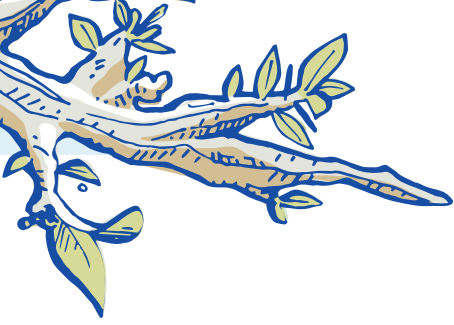
## “Caring for your loved ones, whatever happens”

Life insurance can feel complicated, not only in terms of the actual application but in the emotions that can arise in the process. Nobody wants to think about the possibility of death, disease or permanent disability, but it’s an important part of any financial plan – particularly for parents and caregivers.

At Pinnacle Life, we cut through any complexity to provide clear, simple and comprehensive life insurance options. It’s all aimed at ensuring you get the right cover for your situation, without the need for a stressful, time-consuming or invasive application process.

Online applications, quick approvals and a simple claims process that prioritises quick pay-outs – it’s all about insurance that works for our customers.





# Ready to get your cover organised?

## Here's how

### Find out what cover you need

with our Digital Advice tool

### Get a quote

using our online quote form

**Talk to a friendly Pinnacle team member  
on 0800 22 22 23.**

