

Why do you need Permanent Disability Cover?



Stroke

is the major cause of disability in New Zealand¹

Disease or illness

was the cause for 37% of disabled adults²

Death from stroke is falling, but the incidence of stroke is increasing, leading to a rising burden of stroke-related disability over the next decade¹

Sources:

1. Stroke Foundation of New Zealand, www.stroke.org.nz

2. "2006 Disability Survey", Statistics New Zealand, www.stats.govt.nz

Becoming permanently disabled would be devastating. Its impact would be felt in every area of your life. You may even need to make adjustments to where you live, or your partner's ability to work. But it doesn't need to have a major impact on the financial stability of you and your family.

Permanent disability insurance provides a lump sum payment in the event that you become totally and permanently disabled. The lump sum gives you the flexibility to reduce debt or pay for the things you'll need for a better quality of life.

How would your family cope if you or your partner became permanently disabled and unable to work?

- The average household spends \$956 a week
- The biggest components of household spending are:
 - > Housing and utilities 23%
 - > Food 16%
 - > Transport 14%

Source: Statistics New Zealand, Household Economic Survey: Year ended 30 June 2007.

Who claims for permanent disability insurance?

- 44 is the average age of a claimant
- The largest claim was for \$331,453, for a subarachnoid haemorrhage (bleeding into the brain)

TOWER claims statistics, September 2008.

"I can't work but I can still take care of my family"

Sam has been a builder since he left school at 15. But at age 44 he was in an accident which broke his neck, leaving him paralysed. Among other things, this meant that he could no longer build for a living.

While glad to be alive, the enormity of being unlikely to ever again return to work was overwhelming. He was unsure as to what he would do or how he would continue to pay the mortgage on the home he was renovating with his wife.

But because Sam had Permanent Disability Cover with TOWER he could use the lump sum to help supplement the disability benefit he received from the government. It was also used to finish the renovations he had started to the house and pay everyday bills.

While Sam is unlikely to ever again return to work, the financial stress was reduced because he had his Permanent Disability Cover with TOWER.

**This case study is based on a typical claims situation.*

This brochure is not a policy wording. Full terms and conditions are set out in the policy wording and can be obtained at any time from TOWER. The policy wording sets out the benefits, features, any limitations, maximums and exclusions (circumstances where cover is not provided).

For more information, talk to your adviser or phone TOWER on 0800 754 754.