Start-Up
Income Protection

TAKE ONE LESS RISK
WHAT IS START-UP INCOME PROTECTION?

Start-Up Income Protection can provide a monthly benefit payment to help you get back to your business, should you become disabled as a result of an accident or ill health, and be unable to work more than 10 hours a week.

It’s designed to meet the needs of business owners who have been trading for less than three years and who may find it difficult to prove the profitability of their business.

WHAT DOES IT OFFER YOU?

› Certainty: You have peace of mind knowing that a Start-Up Income Protection benefit is based on a simple “agreed value” sum assured. You choose the amount of cover you require, up to $9,000 per month (limitations apply).

› Simple upgrade: After the first 12 months of cover, if you have supporting financial accounts, you may apply to upgrade to one of Sovereign’s comprehensive personal or business income protection policies. In certain circumstances, there will be no further need for further medical underwriting.

› Limited proof of financials: Because your business is new, we have made it easy for you to apply for cover. We have also minimised the requirement for financial evidence of income.

› Recurrent disablement: Should you suffer a recurrence of the same disability within six months of your benefit payment ceasing, we will waive the waiting period.

› Waiver of Premium: The burden of paying premiums when you are unable to work due to total disability is removed, saving you money when you need it most.

In 2008, it was estimated that 1,880 businesses ceased operation partly due to injury to the owner or a key staff member.

Sovereign paid out $34m in Disability Income Protection Claims in the 12 months ending June 2010.

1 ACC, May 2008
2 Sovereign’s claims statistics June 2009 – June 2010

Are you starting your own business, or still getting your business off the ground? If you’re serious about success, you won’t want to leave anything to chance.
Start-Up Income Protection is designed for the newly self-employed, to give you the assurance you need while your business gets off the ground.

**WHY START-UP INCOME PROTECTION?**

**ELIGIBILITY**

- To be eligible for Start-Up Income Protection you must:
  - Have owned your business for less than three years.
  - Be actively involved in only one business.

  **Why it is important**
  As a new business owner, insurance may not be top of mind. By allowing entry to start-up businesses less than three years old, we do not penalise you if your insurance needs have slipped your mind.

**TRANSFER OPTIONS**

- With appropriate financial accounts, you may be able to upgrade to a more comprehensive personal or business income protection cover, such as TotalCareMax. If, after three years you don’t have the supporting evidence you need, your policy does not need to stop. Cover transfers automatically to an indemnity basis.

  If you have any exclusions or loadings on your existing Start-Up policy, this will also apply to your TotalCareMax Disability Income Protection or your Sovereign Business policy regardless of the benefit payment period you choose.

  If you have had any claims on your current Start-Up policy, this will be excluded on your new or transferred policy. Your adviser can suggest the most appropriate option for you.

  **Why it is important**
  It is important that your cover matches your needs. As your needs change, the transfer options allow you the opportunity to move to a more suitable product.

**CHOICE OF BENEFIT PAYMENT PERIOD**

- 6, 12 or 24 months

  **Why it is important**
  You choose how long you receive a benefit for. The shorter the benefit period, the cheaper your premiums.

**RECURRENT DISABLEMENT**

- Should you suffer a recurrence of the same total disability within six months of your benefit payment ceasing, we will waive the waiting period, if your claim is accepted.

  **Why it is important**
  If you have a relapse and your claim is accepted, you will not be disadvantaged as eligibility for the benefit starts immediately.

**WAIVER OF WAITING PERIOD**

- The benefit is payable only after a waiting period of 4, 8 or 13 weeks.

  **Why it is important**
  The longer you wait, the lower your premium will be. You can choose how long you are prepared to wait.

**WAIVER OF PREMIUM**

- If you are on claim, we will waive your premiums leaving your cover active.

  **Why it is important**
  Your insurance cover remains intact, and you’ll have one less expense to worry about. You will still need to keep your life insurance and other cover going.
WHY SOVEREIGN?

Our passion for service excellence coupled with our proven financial strength makes Sovereign New Zealand’s leading life insurer.

In times of uncertainty, it’s good to know who you can trust. Sovereign has an A.M. Best financial strength rating of A+ (Superior)*, and year on year we pay out more claims than any other New Zealand life insurance provider.

As a values-based company, we believe in putting people first. That means not only our customers but also our staff and the wider community.

We’re building a sustainable long-term business, to ensure we’re there for our customers today, and for generations to come.

So, no matter how life changes, you can depend on Sovereign.

* Given by A.M. Best Inc, an approved insurance rating agency. A copy of the scale, of which this rating forms part of, is available from Sovereign.