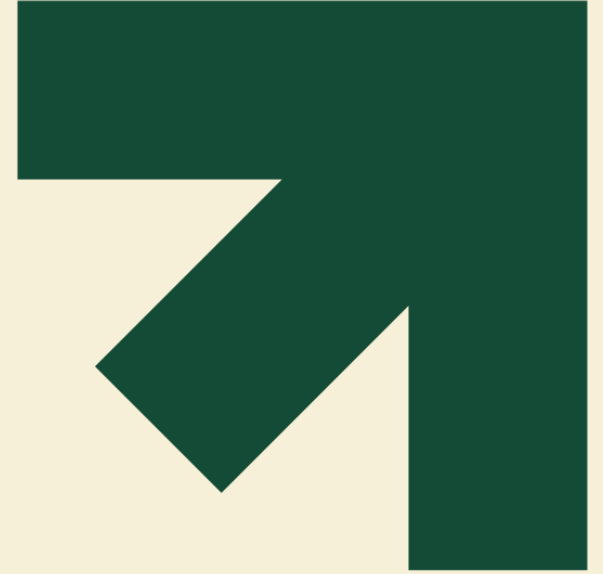


# Life & Living Insurance

in the adviser and group channels





# Background



**Purchase of Kiwi Insurance - completed 30 April 2022, renamed nib nz insurance limited.**

Customer database separation – stand alone life and living insurance customer database, completed 30 April 2023.

**Implemented capabilities to enable advisers to offer:**

- Life & Living Insurance - to individual and couples.  
Pricing identical to product available via Kiwibank and online.
- Group Life & Trauma Insurance – to employers.

**Timing of adviser channel launch:**

- Launch email to advisers – 19 May 2023.
- Advice / selling commences from – 1 June 2023.

# nib's adviser channel Life & Living Insurance

Life, trauma and income protection insurance for  
individuals and couples





# What is nib's Life & Living Insurance?

- Bank assurance featured life and living insurance.
  - Key benefits only
  - Price competitive
  - Lower commission
- Every policy has complimentary Funeral Expenses cover of \$15k
- Modularized benefits - pick and mix allowing you to tailor and recommend the cover your clients need



# What does nib's Life & Living Insurance cover?

- Life cover
- Funeral Expenses cover (Complimentary)
- Serious Illness Trauma cover
- Income Protection Illness cover



# Life Cover



- Sum assured up to \$10 million
- Includes terminal illness if expected to die within 12 months
- Cover ends on policy anniversary after age 100



# Funeral Expenses cover

- Complimentary \$15,000
- Payable on death or terminal illness
- Cover ends when other covers cease



# Serious Illness Trauma cover

- Sum assured up to \$1million
- Stand-alone (not accelerated)
- Low and high severity benefit payments for cancer and cardiovascular conditions
- 20 defined health conditions, including ADL's
- Cover ends on policy anniversary after age 65











# Income Protection Illness cover

- Agreed value up to 55% of gross salary/ income, to max. \$6k p.m.
- 2 or 5 year benefit period
- Lump sum at end of benefit period. (continuously disabled, ADL definition)
- 30 day wait period, then benefit paid in arrears
- Benefit payment if your client is unable to work due to an injury that is not eligible for ACC payments
- Cover ends on anniversary after age 65
- Off-sets: other income (e.g. ACC, sick pay etc)

# nib's Life & Living Insurance versus key competitors

		Age						
<b>Bundled</b> Life \$500,000 Trauma \$100,000 IP \$5,042 per month (agreed value)	M	25	\$95.86	\$103.07	\$111.63	\$96.96	\$102.81	\$131.70
		35	\$106.16	\$102.59	\$116.27	\$103.87	\$117.07	\$128.88
		45	\$181.57	\$189.27	\$203.71	\$196.59	\$216.82	\$229.56
		60	\$794.31	\$804.58	\$880.83	\$832.86	n/a	n/a
	F	25	\$89.52	\$100.65	\$116.38	\$94.35	\$107.97	\$132.64
		35	\$117.51	\$124.81	\$142.22	\$130.05	\$146.09	\$159.72
		45	\$205.21	\$221.33	\$242.02	\$227.16	\$255.32	\$288.77
		60	\$680.75	\$720.64	\$795.00	\$719.88	n/a	n/a
<b>Life Cover (only)</b> \$500,000	M	25	\$39.30	\$48.04	\$42.44	\$43.00	\$45.86	\$46.32
		35	\$35.13	\$38.69	\$37.63	\$36.19	\$37.84	\$39.84
		45	\$63.27	\$66.65	\$66.06	\$65.51	\$67.92	\$68.67
		60	\$297.03	\$344.24	\$346.50	\$346.10	\$363.83	\$361.59
	F	25	\$25.20	\$30.07	\$26.25	\$25.92	\$27.39	\$31.75
		35	\$29.22	\$30.70	\$28.44	\$29.60	\$30.60	\$33.46
		45	\$48.75	\$55.79	\$55.56	\$55.69	\$57.91	\$58.98
		60	\$223.17	\$255.44	\$254.63	\$254.31	\$267.58	\$275.74
<b>Trauma (only)</b> \$100,000	M	25	\$11.29	\$21.67	\$15.40	\$19.46	\$18.82	\$29.36
		35	\$20.20	\$28.01	\$24.55	\$26.57	\$26.59	\$36.44
		45	\$52.85	\$69.10	\$59.15	\$64.96	\$63.29	\$74.50
		60	\$311.99	\$333.17	\$320.77	\$326.83	\$282.83	\$362.64
	F	25	\$14.15	\$20.09	\$14.61	\$19.29	\$15.69	\$28.59
		35	\$18.80	\$28.87	\$24.06	\$28.46	\$27.36	\$40.14
		45	\$51.92	\$62.98	\$53.38	\$59.56	\$56.53	\$77.98
		60	\$165.62	\$208.84	\$200.73	\$199.24	\$154.19	\$233.30
<b>Income Protection (only)</b> \$5,042 per month (agreed value)	M	25	\$53.61	\$68.12	\$61.36	\$54.31	\$51.12	\$78.02
		35	\$59.17	\$70.71	\$63.83	\$61.43	\$65.64	\$74.61
		45	\$73.79	\$102.56	\$93.84	\$93.44	\$98.61	\$108.38
		60	\$193.63	\$322.90	\$255.38	\$235.14	n/a	n/a
	F	25	\$58.51	\$90.43	\$78.14	\$68.76	\$77.89	\$94.30
		35	\$72.95	\$108.06	\$96.35	\$94.29	\$101.13	\$108.12
		45	\$112.88	\$165.22	\$147.45	\$141.52	\$153.88	\$173.79
		60	\$300.30	\$446.82	\$372.59	\$333.02	n/a	n/a

nib's Life & Living Insurance premiums are very competitive.


























They are less than key competitors for many:

- Bundled and individual covers
- Ages
- Genders

**Premium Comparison Source: Quotemonster and Life & Living Insurance Estimator. Premiums as at April 2023**








- Income Protection premiums based on classroom teacher with annual income of \$110,000. 4 week wait period and 2-year benefit period.
- No WOP added.
- Non-smoker premiums.
- Premiums include policy fees and multi-benefit discounts where applicable<sup>1</sup>.

# Product rating comparisons

 <b>Quality Product Research Ltd</b> Find better insurance						
Life	 96%	 98%	 98%	 98%	 98%	 99%
Trauma	 76%	 96%	 95%	 96%	 96%	 100%
Income	 32%	 74%	 72%	 74%	 100%	 80%

Rating Source: **Quality Product Research Ltd**. Rating as at April 2023

# Let's look into the life cover product features and ratings

 <b>Quality Product Research Ltd</b> Find better insurance						
	★★★★☆	★★★★★	★★★★★	★★★★★	★★★★★	★★★★★
	Very Good	Superior	Superior	Excellent	Excellent	Superior
Provided By	nib (Life Cover)	AIA (Life Cover Benefit)	Asteron Life (Life Cover)	Chubb Life (Life Cover)	Fidelity Life (Life Cover)	Partners Life (Life Cover)
Main Benefit And Definition	Superior	Superior	Superior	Superior	Superior	Superior
Inflation Adjustment	Very Good	Very Good	Very Good	Superior	Very Good	Superior
Conversion	Gap	Superior	Superior	Gap	Poor	Fair
Special Events Increase	Gap	Fair	Good	Good	Good	Superior
Cover Suspension And Reinstatement	Gap	Superior	Superior	Superior	Superior	Superior
Upgrade Policy Wording	Superior	Superior	Superior	Superior	Superior	Superior

Source: Quality Product Research Ltd. Rating as at April 2023





# Why would you recommend nib's Life & Living Insurance to some of your clients?



**nib's Life & Living Insurance includes the types of cover that many people want.**

Cheaper (or comparable) premiums to covers of a similar type. Particularly for your older clients.

The benefits / benefit terms may provide the protection that many of your clients want, at a price they can afford.

The complimentary Funeral Expenses cover of \$15k will be well regarded by many clients.

## **Opportunities for you to:**

- Engage with and acquire new clients
- Retain existing clients, particularly those with existing life and living cover when affordability is an issue



## How will you include Life & Living Insurance in your advice process?

- Note your client's age and their premium related concerns
- Verify how important the 'supplementary' / non-core benefits are to your clients
- Ensure Life & Living Insurance is included in your premium and product comparisons e.g. Quotemonster / QPR
- Include Life & Living Insurance in your recommendations as a primary or alternative solution, when appropriate
- Discuss the price and features trade-off




# Changing your Quotemonster

QPR settings to include Life & Living Insurance in your product and premium comparisons



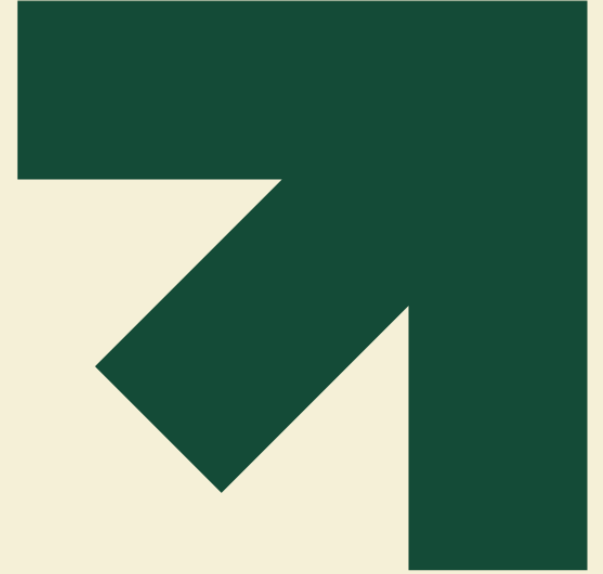
Product Settings

Reset To Default?

Select Provider	Health	Trauma	IP Taxable	IP Non Taxable	Mortgage
<input checked="" type="checkbox"/> 	SmartCare+				
<input checked="" type="checkbox"/> 	Private Health	Critical Conditions	Income Protection Indemnity	Income Protection Agreed Value	Mortgage And Income Protection
AIA Vitality options can be accessed from the Benefit Details screen by clicking on the AIA logo in the Results section.					
<input type="checkbox"/> * 					
<input type="checkbox"/> * 					
<input checked="" type="checkbox"/> 	Nib - Ultimate Health Max	Trauma Cover With Early Trauma Benefit	Loss Of Earnings	Mortgage And Living Cover	Mortgage And Living Cover Plus
<input checked="" type="checkbox"/> 	Select	Trauma	Indemnity	Agreed Value	Mortgage Repayment Cover
<input checked="" type="checkbox"/> 	Nib - Ultimate Health Max	Platinum Plus Trauma	Indemnity Plus Extras	Agreed Value Plus Extras	Mortgage Protection
<input checked="" type="checkbox"/> 	Ultimate Health Max	Serious Illness Trauma		Income Protection Agreed Value	
<input checked="" type="checkbox"/> 	Private Medical	Trauma Cover	Indemnity (LOE)	Agreed Value	Mortgage Protection
<input checked="" type="checkbox"/> 	Wellbeing	Critical Illness			
<input checked="" type="checkbox"/> 	Hospital Select				

# Getting practical

Understanding the application and service processes





# Key principle : Completely separate



## nib Life & Living Insurance

- Application form
- Direct debit
- Welcome pack
- Policy
- Client information / records / lists
- Renewals
- Adviser commission
- Apps, tools and websites
- Claim forms and processes

## nib Health Insurance

- Application form
- Direct debit
- Welcome pack
- Policy
- Client information / records / lists
- Renewals
- Adviser commission
- Apps, tools and websites
- Claim forms and processes



# Understanding how it will work in practice

There are some fundamental differences between health and life insurance products and the processes, and the information required to put policies in place.

The following is intended to illustrate a few of these differences.

It's particularly for advisers who know and love nib's health application and servicing processes and might be expecting the same with nib's Life & Living Insurance.

Details will be included in the Life & Living Insurance training module, which you'll need to complete before you can give your clients advice on Life & Living Insurance.

# Application

## Premium illustration:

- Life & Living Estimator
- Quotemonster
- Iress

## Application form:

- Editable PDF/paper
- 1 or 2 lives
- Email (with premium illustration) to [lifeservice@nib.co.nz](mailto:lifeservice@nib.co.nz)

## Underwriting:

Almost always involves a human underwriter.

Information requirements:

- Health – PMRs usually required
- Income (for income protection cover)

## Offer of terms

(loadings & exclusions):

- Emailed to client, copy to you.
- You phone your client to discuss
- You accept by email (copying the client)

## Welcome pack:

- Posted to client
- One per life insured
- Copy emailed to you (client records not included in nib adviser access)



## When servicing and during policy administration



- Separate to health servicing and policy administration processes (separate comms etc.)
- Premiums increase with age at policy anniversary
- Renewal letter posted to client; copy emailed to you

### Policy enquiries and changes:



Phone:  
0800 555 642



Email:  
[lifeservice@nib.co.nz](mailto:lifeservice@nib.co.nz)





## At claim time

Separate to health claims (separate claim form and processing).

Usual life and living insurance claims processes, e.g:

- **Life cover** - death certificate, terminal prognosis etc
- **Trauma** - specialist's diagnosis etc
- **Income protection** - GP certificate etc

Approved claims paid to policy owner (unless nominated beneficiary specified).



Working  
together -  
you and nib



### **Commission on Life & Living Insurance:**

- Commission rate (of API excl. policy fee) – 20% initial / 20% servicing
- Paid annually in advance
- Claw-back terms – 2 year responsibility period

### **Contractual requirements:**

- Amendment to the current nib Intermediary
- Agreement to provide for you to sell the life and living products

### **Advising and recommending prerequisites:**

- Training - review and understand Life & Living Insurance training module (PDF)
- Complete competency assessment - via nib LMS (Learning Management System)

# Your clients could win some R&R with their L&L

Deluxe R&R packages up for grabs for your clients when you sign them up to any nib Life & Living Insurance policy\*.

\* Terms & conditions apply. Offer available to new Life & Living Insurance customers, with a prize draw every month during the competition. Offer ends 31 Oct 2023.



 nib



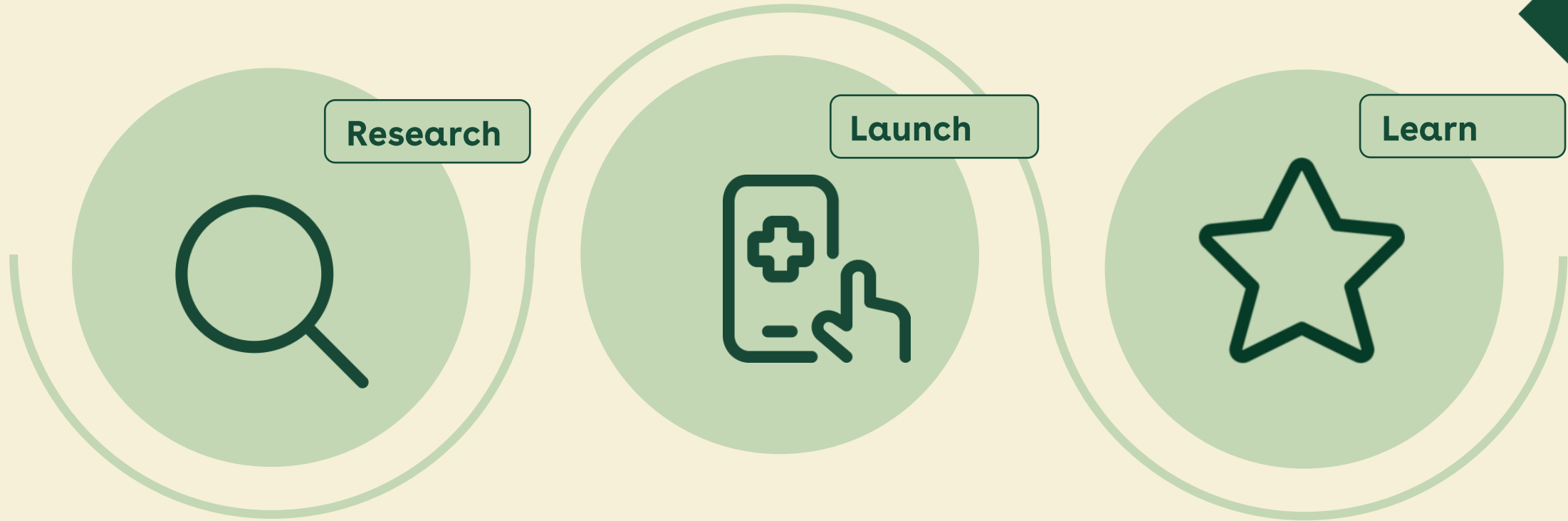
# nib's Group Life & Trauma Insurance

Life and trauma insurance for employers and their employees





# The process



Now we've separated from KB, what is the opportunity?

Adviser feedback

Develop MVP product & process

Client feedback  
Adviser feedback

Inform our future fully integrated group health & life offer



# nib's Group Life & Trauma Insurance for employers and their employees

## Life cover:

2 x Salary Option  
3 x Salary Option

## Trauma Insurance:

\$20k

**Available to organizations of 15 employees or more.**

Competitive Automatic Acceptance Limits, pricing, & commission.

Administered by Melville Jessup Weaver.





# How To Enquire:

**Complete the Group Life Quote request**

Send through to your BDM, APM or to  
[grouphealth@nib.co.nz](mailto:grouphealth@nib.co.nz)

**We need to know:**



D.O.B



Gender



Occupation



Salary



Hours of work



Location