CHUBB®

Assurance Extra

Income Cover



What is Income Cover?

Insurance that pays you a monthly amount to compensate for your lost income if you were to become disabled as a result of illness or injury.

Why do you need Income Cover?

Your ability to earn may be your greatest financial asset and Income Cover is designed to protect it. If you had an accident or became ill and that meant you could no longer work, Income Cover can provide you with a regular monthly income. This allows you to focus on your recovery without worrying about how to pay the bills or maintain your current lifestyle.

The Income Cover type available depends on your occupation class:

Income Cover – Indemnity 1-5

Income Cover – Agreed 1-5

Income Cover – Loss of Earnings 1-4

Income Cover – Loss of Earnings Ultra 1-4

Your occupation class is determined by the work you do. Your financial adviser will be able to help you work out what occupation class will apply to you.

Mandatory cover:
Premium Cover

Income Cover overview

Entry criteria:
Minimum entry **age 16**
Maximum entry **age 55**
(age 60 for Occupation Class 1 and 2)

Cover amount: Up to 75% of your income up to a **maximum of $30,000 per month**
Cover over $30,000 per month considered on an individual basis and limited to a 2 year payment term.

Cover term:
age 65 for payment terms 2 years, 5 years and to age 65
age 70 for payment term to age 70
(only available for Occupation Class 1 and 2)

Waiting period: You can choose a waiting period of: **4, 8, 13, 26, 52 or 104 weeks**

Payment terms:
You can choose one of the following payment terms: **2 years, 5 years, to age 65 or to age 70**

Meaning of total disability

Total disability is dependent on your occupation class and the Income Cover you choose.

For occupation classes 1-4:

Under Agreed Value and Indemnity:
Total disability means because of an illness or injury, you're either:

- unable to continuously perform at least one of your duties needed to produce at least 20% of your pre-disability income from your pre-disability occupation, and you're not working in any occupation.
- unable to work, and aren't working, more than 10 hours a week in your pre-disability occupation, and you're not working in any other occupation.

Under Loss of Earnings and Loss of Earnings Ultra:
Total disability means because of an illness or injury, you're either:

- unable to continuously perform at least one of your duties needed to produce at least 20% of your pre-disability income from your pre-disability occupation.
- unable to work more than 10 hours a week in your pre-disability occupation.

You're not working more than 10 hours a week in your pre-disability occupation or any other occupation.

Your monthly income must be 75% or less of your pre-disability income.

For occupation class 5:

Total disability means because of an illness or injury, you are:

- continuously confined to home or hospital under medical supervision and unable to perform at least two of the activities of daily living (listed below) without the help of another adult.
  - bathing or showering
  - dressing and undressing
  - eating and drinking
  - using a toilet for hygiene purposes
  - moving from place to place by walking, wheelchair or with the assistance of a walking aid.
- continuously unable to perform three normal domestic duties (listed below) without the help of another adult. You must have been doing these duties as your only job for 12 months in a row immediately before the disability.
  - cleaning the home
  - cooking meals
  - doing laundry
  - shopping for groceries
  - taking care of any relative who's a dependant.

Tax Status

The tax status of your cover will depend on the cover you have chosen and your own unique situation - you should seek independent tax advice.

Some facts to think about



In 2023, the average household expenditure in New Zealand was around **$1,598 per week**.

(Household Expenditure Statistics: Year ended June 2023, stats.govt.nz)



In 2026, the Jobseeker Support Benefit is **$373 per week** for a single person 25+, or **$634 per week** for a married civil union, de facto couple (without children), or **$669 per week** (with children).

(Net weekly benefit, workandincome.govt.nz, 2026)

If you're still not sure, ask yourself.

If you had an accident or became very ill and were no longer able to earn an income, could you and your family manage financially?

If 'no', then now is a good time to talk to your financial adviser.

What's not covered?

- Intentional self-harm, including attempted suicide
- Taking part in a criminal activity
- Pregnancy or complications resulting from pregnancy, unless the disability lasts more than 90 days after the pregnancy ends, which means the waiting period starts on the 91st day
- Not following the advice or treatment of, or under the regular care of, a medical practitioner.

Benefit details

Income Cover provides several benefits that are built-in to the cover as well as some benefits you can choose to add at an additional cost, so it's easy to tailor your Income Cover to suit your needs and budget.

Premium details

Minimum policy premium:



$20 per month
(incl. policy fee).

Payment frequency:



Weekly, fortnightly, monthly,
half-yearly, annually.

Payment method:



Direct debit,
credit/debit card.

Premium review periods

There are a number of options available to you regarding how often you choose to have your premiums reviewed. At the end of each premium review period, your premiums will be recalculated based on your sum insured, age-related changes and, if applicable, any changes to Chubb Life's protection premium rates or relevant laws. Your premiums will change if you change your cover. Your adviser will work with you to help you choose the best premium review period to suit your needs.

Under Income Cover any one of the following premium review periods can be selected.

- **1 Year** - Your premiums will be recalculated on each anniversary date.
- **5 Year** - Your premiums will remain at the same level for 5 years and will be recalculated on every 5th anniversary date.

  However, any changes in Chubb Life's protection premium rates can change your premiums and these changes may apply on your policy's next anniversary date. (Not available under Loss of Earnings and Loss of Earnings Ultra).
- **5 Year 5% Stepped** - Your premiums will increase by 5% on each anniversary date for 5 years and will be recalculated on every 5th anniversary date.

  However, any changes in Chubb Life's protection premium rates can change your premiums and these changes may apply on your policy's next anniversary date. (Not available under Loss of Earnings and Loss of Earnings Ultra).
- **10 Year -** Your premiums will remain at the same level for 10 years and will be recalculated on every 10th anniversary date.

  However, any changes in Chubb Life's protection premium rates can change your premiums and these changes may apply on your policy's next anniversary date. (Not available under Loss of Earnings and Loss of Earnings Ultra).

Income Cover - cover options

We offer a suite of Income Covers that allow you to choose the type that best suits your needs.
You can choose from: Agreed Value, Indemnity, Loss of Earnings and Loss of Earnings Ultra.

	Agreed Value	Indemnity	Loss of Earnings	Loss of Earnings Ultra
Total Disability Benefit payable	You won't need to provide evidence of your income at claim time because the monthly sum insured is agreed on at commencement of the cover. Regardless of any change in your income, your claim amount will be the monthly sum insured, less offsets.	You will need to provide evidence of your income at claim time and your claim amount will be calculated based on the lesser of the monthly sum insured or 75% of your pre-disability income, less offsets.	You will need to provide evidence of your income at claim time and your claim amount will be calculated based on the lesser of: › the monthly sum insured or › your pre-disability income less offsets, multiplied by 75%.	You will need to provide evidence of your income at claim time. Your claim amount will be calculated based on the greater of: › the monthly sum insured, less offsets or › your pre-disability income less offsets, multiplied by 75%. The maximum monthly benefit payable is limited to the monthly sum insured.
	Offsets are other streams of income you receive that we take into account in determining (reducing) the monthly benefit you would receive. The way offsets are treated varies with the Income Cover chosen, for example:			
Offsets	The monthly benefit is reduced by any income you earn from working and any other income or benefit from other sources that you may get or can get because of the same disability (this doesn't include any sick leave or welfare payments).	The monthly benefit is reduced by any income you earn from working and any other income or benefit from other sources that you may get or can get because of the same disability (this doesn't include any sick leave or welfare payments).	In the calculation of your monthly benefit, your pre-disability income is reduced by any income you earn from working and any other income or benefit from other sources that you may get or can get because of the same disability (this doesn't include any sick leave or welfare payments).	In the calculation of your monthly benefit, your monthly sum insured or pre-disability income (as applicable) is reduced by any income you earn from working and any other income or benefit from other sources that you may get or can get because of the same disability (this doesn't include any sick leave or welfare payments).

How much of my income can be covered?

The maximum sum insured that we can insure you for is based on your annual income and the Income Cover type you select, as outlined below:

Agreed Value	Indemnity / Loss of Earnings / Loss of Earnings Ultra
62.5% based on annual income of $70,000 or less	
60% based on annual income between $70,001 – $100,000	
55% based on annual income between $100,001 – $320,000	75% based on annual income of $320,000 or less
35% based on annual income between $320,001 – $560,000	50% based on annual income between $320,001 – $560,000
20% based on annual income of $560,001 or more	20% based on annual income of $560,001 or more

Maximum sum insured available for: Agreed value is $30,000 per month, Indemnity $30,000 per month and Loss of Earnings/Loss of Earnings Ultra $25,000 per month.

Built-in benefits

Income Cover provides the following benefits.

Benefit	What is it?	How it works	Why it's important
Total Disability Benefit	A monthly payment if you have a total disability.	If you become totally disabled as a result of an illness or injury, a monthly benefit may be payable. Payments begin at the end of the waiting period.	Compensates for income lost as a result of your disability and helps you meet your financial commitments, assisting you to maintain you and your family's current lifestyle.
Partial Disability Benefit	A monthly payment if you become partially disabled.	If you've been totally disabled or partially disabled during the waiting period, and then return to work with a partial disability where an illness or injury causes you to be unable to earn more than 75% of your pre-disability income from your pre-disability occupation, a monthly benefit may be payable once the waiting period ends.	Making sure that you do not suffer financially while you ease into full-time work.
Increasing Income Benefit	Allows you to increase your sum insured when your income goes up, without assessment of your health.	You can increase the monthly sum insured by the amount your income has gone up by, up to a maximum of 10% each policy year, on top of increases because of inflation. All increases under this benefit can't be more than two times your original monthly Income Cover sum insured. You must be under 55 years old and apply for the Increasing Income Benefit within 90 days of your income increasing, or within 60 days of the anniversary date after your income increased.	Allows you to keep your insurance in line with your actual income, without providing any evidence of your health.
Recurrent Disability Benefit	Waiver of your waiting period if your disability returns within 12 months.	If you become totally or partially disabled again because of the same illness or injury within 12 months of the original claim ending for this cover, your waiting period will be waived and your claim for the same illness or injury will be assessed as a continuing claim on the original Total Disability Benefit or Partial Disability Benefit claim.	If you suffer a recurrence of the same disability you would not have to wait out the waiting period again.
Bed Confinement Benefit	Pays a benefit if you are hospitalised or confined to bed for more than three nights in a row.	If you're confined to bed at home or admitted to a registered hospital for at least three nights in a row and under a medical practitioner's daily supervision, this benefit will pay one thirtieth of the monthly sum insured for each night of bed confinement until the end of the waiting period or until you're no longer confined to bed or hospitalised, whichever happens first.	Provides additional financial support during the waiting period.
Vocational Retraining and Rehabilitation Benefit	Cover for costs of vocational retraining or rehabilitation that will help you recover from your total disability or partial disability.	If you're on claim for a total disability or partial disability, and there's a retraining or rehabilitation that's likely to help you get your pre-disability function back or help you re-enter the workforce, and no longer be totally or partially disabled, this benefit will pay the lesser of the cost of the retraining or rehabilitation or 24 times the monthly sum insured.	We work with you to find the treatment or training programme that you believe will best help you return to work.
Recovery Support Benefit	A reimbursement of up to six times the monthly sum insured for the cost of purchasing specialised equipment.	If you're on claim for a total disability or partial disability, and need to buy specialised equipment to help with your disability, including wheelchairs, artificial limbs, prosthetics, or changes to your house or car, this benefit will reimburse you for the lesser of the cost of the specialised equipment or six times the monthly sum insured.	Helps to meet the added costs of purchasing specialised equipment and devices to aid recovery.
Return to Work Benefit	An extra payment when you return to work after a Total Disability Benefit claim.	If you've been on a Total Disability Benefit claim for more than 12 months in a row, or have been paid a Vocational Retraining and Rehabilitation Benefit, and then return to full-time employment or self-employment, this benefit will pay an extra payment as follows: › an extra payment of the monthly sum insured after you've returned to full-time employment or self-employment for three months in a row › an extra payment of two times the monthly sum insured after you've returned to full-time employment or self-employment for six months in a row. (This benefit is not available if your Income Cover payment term is two years)	We recognise that returning to work full time after a period of disability may be difficult for you and your family.

Built-in benefits cont...

Income Cover provides the following benefits.

Benefit	What is it?	How it works	Why it's important
Total and Permanent Disability Benefit	An extra one-off payment if an illness or injury leaves you totally and permanently disabled.	If you meet any of the definitions for a total and permanent disability, this benefit will pay an extra payment of 12 times the monthly sum insured. The definition of total and permanent disability that needs to be met depends on the situation you're in and your occupation class. Please refer to the Income Cover terms and conditions for full details.	If you are totally and permanently disabled due to illness or injury, this payment helps to compensate for the ongoing financial impact and adjustment of lifestyle.
Return to Home Benefit	Cover for costs to get you back to New Zealand if you become totally disabled while living overseas.	If you have been living outside of New Zealand for more than three months in a row and become totally disabled as a result of an illness or injury, this benefit will pay the lesser of the cost to get you back to New Zealand or three times the monthly sum insured.	Peace of mind knowing that if you suffer a disability while overseas you can get financial assistance to come home.
Special Care Benefit	An extra payment if you need full-time care at home because of your total disability.	If you are totally disabled and need full-time care at home, this benefit will pay the lesser of the cost of care, the monthly sum insured or $2,500 per month. If full-time care is not provided to you for a whole month, this benefit will pay one thirtieth of that amount for each day of care.	Assists with additional costs of full-time care.
Child Care Assistance Benefit	A reimbursement for the extra costs of childcare that you may need because of your total disability.	If you're on claim for a total disability and need help with extra childcare for your children under 14 years old, this benefit will reimburse you for the lesser of the extra childcare costs or $800 for each child per month.	Helps you meet additional childcare costs incurred as a result of your disability.
Emergency Transportation Benefit	Cover for costs of any emergency transport needed for your disability.	If you're on claim for a total disability or partial disability, and a medical practitioner confirms you need emergency transport, this benefit will pay the lesser of the cost of the emergency transport or 3 times the monthly sum insured.	Financial support for the costs of emergency transportation, such as an air and road ambulance, if medically needed.
Complete Disablement Cover Conversion Option	Allows you to convert your Income Cover to Complete Disablement Cover, without assessment of your health.	If your needs change, you can apply to convert your monthly benefit to a lump sum under Complete Disablement Cover. The maximum you can take depends on your existing payment term to a maximum of $500,000. This benefit ends on your 55th birthday.	Gives you the flexibility to change how your cover protects you as your needs evolve, without the need to provide evidence of your health.

Optional benefits

Optional benefits that you can choose to add for an additional premium.

Optional benefit	What is it?	How it works	Why it's important
Optional Dependant Leave Without Pay	Financial support if you need to take time off work to care for a dependant who can't take care of themselves.	If you had to take employer-approved leave without pay to provide full-time care for a dependant, this benefit will pay the lesser of 75% of the monthly sum insured or $3,500 per month. If you don't provide full-time care for a whole month, this benefit will pay one thirtieth of that amount for each day of care.	Helps you meet your financial commitments if you have to take leave from work to look after those who depend on you.
Optional Reduction in Waiting Period	Allows you to reduce the waiting period for future claims in certain circumstances without further assessment of your health.	If you have selected a waiting period longer than four weeks, this benefit allows you to reduce the waiting period for future claims if you meet any of the following situations without further assessment of your health: › your sick leave entitlement reduces by more than 20 days › you lost insurance cover provided by your employer as an employee benefit › you've cancelled another Chubb Life Assurance Extra, Business Assurance or Business Extra disability cover that had a shorter waiting period.	In certain circumstances, you can reduce the amount of time you can afford to wait before you receive a payment without providing any further evidence of your health.

Optional benefits - Income Cover Extra & Loss of Earnings Extra

Optional Income Cover Extra/Loss of Earnings Extra includes the following range of additional benefits for enhanced cover.

Optional benefit	What is it?	How it works	Why it's important
Alternative Total Disability Definition	An enhanced definition to the standard definition of total disability.	If you're unable to work more than 10 hours a week in your pre-disability occupation as a result of an illness or injury, a monthly benefit may be payable at the end of the waiting period. Any income you've earned while working up to a maximum of 10 hours per week will not impact the Total Disability Benefit amount you receive.(only available for occupation class 1-4). This does not apply for Loss of Earnings or Loss of Earnings Ultra.	Ensures that at claim time, you will get the better of the standard definition and the enhanced definition for total disability.
Alternative Partial Payment Calculation	An alternative calculation method for the Partial Disability Benefit.	If you're partially disabled, you will get the greater of the standard calculation of Partial Disability Benefit amount payable or the monthly sum insured minus 75% of your post-disability monthly income.	Ensures that you will get the highest calculated partial payment at time of claim.
Partial Payment Bonus Benefit	An extra payment of 25% on top of the Partial Disability Benefit.	If you've been paid the Total Disability Benefit for at least one month, and then start getting the Partial Disability Benefit for the same illness or injury, this benefit will pay an extra 25% of the amount you get for the Partial Disability Benefit, for up to 12 months. (only available for occupation class 1-4)	An enhanced partial benefit providing further financial assistance during the transition between total disability and resuming full-time work.
Bereavement Support Benefit	A one-off payment if you die or if you're diagnosed as terminally ill.	If you die or are diagnosed with a terminal illness or injury that is likely to result in death within the next 12 months, this benefit will pay a one-off payment that's three times the monthly sum insured.	Financial support with funeral costs in the event of your death.
Severe Illness Benefit	A one-off payment if you meet the criteria for a severe illness condition we cover.	If you meet the full criteria for a covered severe illness condition, this benefit will pay an amount equal to 6 times the monthly sum insured, even if you don't meet any of the definitions for a total disability or partial disability. Severe illness conditions: Aortic Surgery, Cancer*, Chronic Kidney (Renal) Failure, Chronic Liver Failure, Coronary Artery Surgery*, Heart Attack*, Heart Valve Replacement, Major Burns, Major Head Trauma, Multiple Sclerosis, Organ Transplant, Paralysis, Stroke*, Triple Vessel Angioplasty* If we pay this benefit, we won't pay a Total Disability Benefit or Partial Disability Benefit claim for six months. *No claim is payable where you suffer from, are diagnosed with, or have signs or symptoms of, the condition within 90 days immediately after we get your application for this cover.	Helps to minimise the financial impact of suffering a serious illness, allowing you to focus on what's important – your recovery.
Booster Benefit	An extra payment of a third of the Total Disability Benefit or Partial Disability Benefit amount.	If you're on claim for a Total Disability Benefit or Partial Disability Benefit, this benefit will pay an extra third of the monthly amount you're getting for the first three months of your claim.	An enhanced benefit providing further financial support in the first three months after the waiting period.

Optional restriction

Optional restriction that you can choose to reduce your premium.

Restriction	What is it?	How it works	Why it's important
Optional Mental Health Restriction	An optional restriction that limits your payment term to 24 months for claims resulting from a mental illness and you will pay less in premium.	If this restriction applies, you will be paying less in premium for the Income Cover, and the payment term for future Total Disability Benefit or Partial Disability Benefit claims will be limited to 24 months if the claim is a direct or indirect result of either: › a mental illness › complications from treatment for a mental illness.	Ability to discount premiums for affordability.

Talk to your Financial Adviser

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