



Key Person Cover for Farmers

Don't let a disaster for you or one of your team be a disaster for your farm. With Key Person Cover for Farmers, you'll receive a contribution to replace you or a significant staff member in the event of illness or injury which stops you or them from working.

ABOUT KEY PERSON COVER

Key Person Cover for Farmers can contribute towards the cost of replacing you or one of your key employees for up to a year if you or the key employee insured is unable to work due to sickness or injury.

It's one of the measures you can put in place to help keep things running smoothly until you or the key employee get back to running the farm or milking the cows.

The Key Person Cover includes some important benefits at no additional cost as well as an optional benefit that can be included for an additional premium.

KEY FACTS

Ages

- The Key Person Cover can be taken out between age 16 to 59 inclusive.
- The cover ends at age 65.

Premiums

- The premiums are age-rated. This means the premiums for the cover are fixed for one year at a time and will normally increase in line with age.
- You can pay premiums fortnightly, monthly, quarterly, half yearly or yearly.

Cover Amount

- Cover is available up to a maximum benefit of \$5,000 per month.
- Applications are subject to normal medical assessment.

Wait period

- This is the length of time you will wait before claim payments can start.
- Options available are: 2, 4, 8, or 13 weeks.

Benefit payment period

- This is the maximum period Fidelity Life will pay a claim.
- Benefit payment period available: 1 year.

General

- This Key Person Cover is an 'agreed cover' contract. No financial evidence is needed at claim time.
- Available for farmers who are occupational class 1, 2 and certain class 3 farming occupations.
- Cover ends when the insured person is no longer employed on the farm or is no longer a sharemilker or a contract milker.

STANDARD FEATURES

Total disability benefit

If during the waiting period you have been continuously totally or partially disabled and at the end of the waiting period you are totally disabled, a total disability benefit may be payable. The total disability benefit is payable in advance from the end of the waiting period.

Partial disability benefit

If during the waiting period you have been continuously totally or partially disabled, and after:

- the end of the waiting period or
 - a period of total disability after the waiting period,
- you continue to be partially disabled, a partial benefit may be calculated effective from the end of the waiting period. The partial disability benefit is payable in arrears.

If you are partially disabled, it means you can work part-time but there is a reduction in your earnings.

Recurring claim benefit

The wait period is waived on claims which result from a recurrence of the same or related illnesses within 12 months of the claim ending.

Benefit period reset

If a claim was paid for an insured person who then suffers from the same or a related injury or sickness after returning to full time paid work for at least 12 continuous months and they become totally or partially disabled, the benefit period and wait period will start again.

Waiver of waiting period

The wait period for a new unrelated claim is waived in certain circumstances.

OPTIONAL BENEFIT

Indexation option

To help your cover keep pace with inflation, your cover will be increased each year by the greater of 2% or the Consumer Price Index.

OTHER INFORMATION

Who is a key person?

A key person is the farm owner, farm manager, a sharemilker or contract milker.

Who can apply?

The Key Person Cover is available if you or the key person has been farming for at least twelve months and:

- generating a minimum of 20% of the business revenue
- if self-employed, have a direct shareholding in the farm or herd of at least 50%
- is not actively involved in any other business (as a major shareholder or an employee)
- If you have been self-employed for:
 - more than two years, then this Key Person Cover can be taken with Fidelity Life's Rural Key Person Cover or personal income protection cover with a minimum wait period of 52 weeks, or
 - two years or less, then there can be no other income protection or key person type covers in place for you.

Ownership

The Key Person Cover must be owned by the farm entity.

Assessment requirements

- A completed application.
- Information to show:
 - the percentage of farm income generated by you if self-employed
 - your experience as a farmer, farm manager, sharemilker or a contract milker

Impact on a key person

If a key person is insured under both a Key Person Cover and a personal Income Protection type cover, which is not with Fidelity Life then:

- the personal Income Protection Cover payment may be reduced if the key person continues to receive income or profit share from the business.

Payments under Key Person Cover are not reduced by any other benefit or monies received.

WHY CHOOSE FIDELITY LIFE



*Fidelity Life has an A- (Excellent) financial strength rating from A.M. Best. The rating scale that this forms part of is available for inspection at our offices. For more information please visit fidelitylife.co.nz/ about-fidelity-life/our-financial-strength.

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