

Cost Comparisons - Life Insurance - March 2006

The cost of premiums for Life Cover of \$200,000 from a variety of sources is listed below as at March 2006 were:

| Life Insurance Premium Comparison | | | |
|--|-------------------------|----------------|--------------|
| Male | | Non smoker | Non smoker |
| Insurer | Type of Policy | Age 35 | Age 45 |
| Our NZLife. Price | Yearly renewable | 15.00++ | 27.16 |
| AA Life | 3 yr level premiums | 24.75 | 43.16 |
| ASB EasyLife | 5 yr level premiums | 25.55 | 47.95 |
| directLife | 5 yr level premiums | 17.42 | 34.64 |
| KiwiLife and StateLife | 5 yr level premiums | 25.55 | 47.95 |
| Adviser policies average monthly premiums over 5yrs* | Yearly renewable | 21.26 | 38.81 |

| Life Insurance Premium Comparison | | | |
|---|-------------------------|----------------|--------------|
| Female | | Non smoker | Non smoker |
| Insurer | Type of Policy | Age 35 | Age 45 |
| Our NZLife. Price | Yearly renewable | 15.00++ | 22.93 |
| AA Life | 3 yr level premiums | 17.83 | 29.33 |
| ASB EasyLife | 5 yr level premiums | 19.42 | 36.70 |
| directLife | 5 yr level premiums | 15.00 | 32.42 |
| KiwiLife and StateLife | 5 yr level premiums | 19.42 | 36.70 |
| Adviser policies average monthly premiums over 5yrs * | Yearly renewable | 18.61 | 31.72 |
| *AMP, Asteron, AXA, Fidelity, ING Life and Sovereign TotalCare only | | | |

Table and Data sourced from Sunday Star Times article - dated March 2006

Type of Policy:

- Level Premiums. Premiums leveled for 3 or 5 year term. You pay more in first years to benefit from a potentially lower premium later. The increase after the 3/5 year term can be considerable.
- Yearly Renewable. Rates reviewed annually. Pay as you go. NZLife. prefers this option as it reduces immediate cost and as costs increase with age, cover can be reviewed and reduced. In recent years Life Cover rates have been reducing, and those on Yearly Renewable benefit immediately.

Note: Smokers rates are approximately double non-smokers premium rates.

++Minimum premium is \$15.00 which means other cover can be added. E.g. a male/female n/s aged 35 can get \$211,000/\$284,000 of Life cover for \$15 each from Sovereign Essentials.

Last updated 22 March 2006