



Meet the dynamic duo changing Critical Illness

Our Critical Illness package covers even more thanks to our optional Total Disability add-on.

It works by giving customers **extra financial help** if they fall ill, regardless of whether they're in work or not.

Who Total Disability is suitable for

Our Total Disability add-on is an affordable option for people who don't have the budget for both critical illness and income protection. Unlike a traditional income protection plan, we don't always ask customers to tell us how much they earn, making it a great solution for those who can't provide evidence of regular income.

Customers like contractors and freelancers, who may have irregular earnings, can have cost efficient cover for bills if they're injured or too sick to work. Stay at home parents looking after the family and running the home can also get the all-important cover they need.



How it works

The cover pays out for temporary disability. When a customer is too sick to work, we'll draw down from their critical illness cover and pay up to 1% of the sum assured per month, until they either go back to work or they have drawn down all of their sum assured. The maximum amount we'll pay if someone is not working when they make a claim is £1,667. If the customer is working at the time of claim we'll assess them against the 'own occupation' or 'suited occupation' definition depending on their occupation. We'll pay the lower of 1% or 50% of earnings at the point of claim. For all customers, the deferred period to meet our definition of incapacitated is 26 weeks.

Here's an example*

Fiona is a full time mum. Both she and her husband took out separate plans – Fiona's includes cover for Life or Critical Illness, Total Permanent Disability and Total Disability, with a sum assured of £100,000.

She claims on her plan for severe sepsis – this pays out the maximum amount of £35,000. This lump sum payment doesn't reduce the sum assured for the main critical illness cover. A few years later, Fiona has a car accident that leaves her unable to carry out daily activities, and she meets the definition of incapacitated. Unable to do these tasks for a period of 26 weeks, AIG starts to pay her 1% of the sum assured each month – £1,000.

After making a full recovery in 4 months, AIG stops the payments – she is paid £4,000. Her sum assured reduces to £96,000 – the £4,000 allows the family to pay for home support and childcare when Fiona is recovering.

Without selecting Total Disability, Fiona wouldn't get a payment under a traditional critical illness product, as she doesn't meet a critical illness definition and she isn't totally and permanently disabled.

Sadly, she goes on to be diagnosed with invasive cancer, meeting the cancer definition under the main critical illness cover and AIG pays out £96,000.

In total, the plan paid out:

- £35,000 for severe sepsis
- £4,000 for Total Disability
- £96,000 for Critical Illness
- Total – £135,000

A dynamic combination of **Critical Illness** and **Income Protection**



How much does it cost?

In this example, our TD (+ TPD) add-on **costs only £4.92**, compared to the equivalent traditional income protection quote of £11.86.**

Monthly Premium	
Life Insurance + Critical Illness	£29.08
Total Permanent Disability	£0.53
Total Disability	£4.39

The IP quote for £1,000 a month benefit (equivalent to 1% of £100k of the above quote) is £11.86. (For an individual who has a deferred period of 26 weeks, has occupation class 1 and with the payment term to retirement age).

Understanding TD and TPD

Total Disability: This cover protects your customers if they meet our definition of incapacitated for a continuous period longer than 26 weeks, but the incapacity is not permanent and irreversible.

Total Permanent Disability: This cover protects your customers if they are totally and permanently incapacitated.

Talk to the only
provider who offers
this package
– that's us!



You won't find our Total Disability add-on on any quote portals, so to find out more head to our dedicated [Critical Illness webpage](#) or contact our Protection Consultants on:

† 0345 600 6829

e adviser@aiglife.co.uk