



# Mortgage Protector. Life cover.

## Your cover in detail.

### 1. Introduction.

This Life cover provides **you** with a lump sum payment if an **insured person** dies or is diagnosed with a **terminal illness**.

The **policy schedule** will show which **insured person** this Life cover applies to and any Additional options that may apply.

### 2. Built-in benefits.

#### 2.1 Death benefit.

**We** will pay **you** the **sum insured** if an **insured person** dies. Any Trauma cover – accelerated, Trauma multi cover – accelerated, or Total and permanent disability cover – accelerated paid will reduce the Life cover **sum insured**.

#### 2.2 Bereavement benefit.

If an **insured person** dies, **you** may apply for an immediate advance payment of \$25,000. If **their** Life cover **sum insured** is less than \$25,000, **we** will pay the Life cover **sum insured**.

The Life cover **sum insured** will reduce by the amount of Bereavement benefit **we** pay.

#### 2.3 Repatriation benefit.

If an **insured person** dies, **you** may apply for a reimbursement of the **direct cost** of repatriating the **insured person's** body, from the country of death to New Zealand, or from New Zealand to **their home country**, or the country of death to **their home country**.

The total combined payments **we** will reimburse under this benefit, is the lesser of:

- the **direct costs** paid for repatriating the **insured person's** body, or
- 10% of the **insured person's** Life cover **sum insured**, or
- \$20,000.

If the **insured person** is the sole policy owner, **we** will reimburse the person who has paid the **direct cost**. Where more than one person has paid a **direct cost**, **we** will reimburse in the date order **we** receive the invoice and payment documents until the total combined payments **we** will reimburse, is reached. All requests for payment of a **direct cost** will be totalled when determining the maximum combined reimbursement, **we** pay. A **direct cost** can only be claimed once.

This Repatriation benefit is an additional payment to the **insured person's** Life cover and the Bereavement benefit. The Repatriation benefit is not deducted from the Life cover **sum insured**.

This Repatriation benefit will be paid once for an **insured person**, regardless of the number of separate life covers **they** have with **us** with a Repatriation benefit.

**We** will not pay **direct costs** which can be, or have been claimed, reimbursed, or paid for, under any of the following:

- a travel insurance policy
- any other insurance policy
- government aid or assistance
- any other source

This Repatriation benefit does not cover any of the following costs:

- a. the **insured person's**:
  - funeral, or
  - cremation, or the transportation of **their** ashes, or
  - burial, or
- b. the transportation or accommodation cost for a person to accompany the coffin or casket for repatriation, or
- c. the transportation of the coffin or casket following its arrival in New Zealand or **their home country**, or
- d. any other cost which is not a **direct cost**.

#### 2.4 Terminal illness benefit.

If an **insured person** is diagnosed with a **terminal illness**, **you** may apply for an advance payment of the Life cover **sum insured**.

The Life cover and any accelerated covers linked to the Life cover will end when this Terminal illness benefit is paid.

## 2.5 Terminal illness partial benefit.

You may apply for an early payment of the terminal illness benefit for the lesser of:

- 30% of the **sum insured**, or
- \$250,000,

if the **insured person** is unequivocally diagnosed by an appropriate **specialist medical practitioner** with one of the following conditions:

- Motor neurone disease
- Stage 3 or 4 exocrine pancreatic cancer
- Stage 4 non-small cell lung cancer
- Stage 4 distal oesophageal cancer
- Stage 4 liver cancer
- Stage 4 stomach cancer
- Class 4 congestive heart failure which is unresponsive to treatment.

As the Terminal illness partial payment is an early payment of the Terminal illness benefit, payment of this benefit will result in a reduction of the Life cover **sum insured** and the **sum insured** on any Trauma cover – accelerated, Trauma multi cover – accelerated, or Total and permanent disability cover – accelerated.

## 2.6 Child's funeral benefit.

The Child's funeral benefit will be payable if:

- **we** receive written notification of a **child** aged between 2 and 20 years (inclusive) has died, and
- the death doesn't directly result from a **known congenital condition**, or any **child pre-existing condition**, and
- the death hasn't occurred within three months of the **start date** or reinstatement of their **parent's** Life cover.

The maximum **we** will pay **you** per **child** is as follows:

- \$15,000 if the **child** is aged between 10 and 20 years (inclusive) at the date of death, and
- \$2,000 less any other amounts payable in respect of the death of that **child** under the terms of the Life Insurance Act 1908 if the child is under the age of 10 years.

A maximum of one Child's funeral benefit will be paid irrespective of the number of covers the **parent(s)** has with **us** with Child's funeral benefit. The Child's funeral benefit isn't deducted from the **parent's** Life cover **sum insured**.

This Child's funeral benefit ends for a **child** on the earliest of the date:

- a. The **child's parents** no longer have any cover with **us** that provides this Child's funeral benefit, or
- b. Of that **child's** 21st birthday.

## 2.7 Grief counselling benefit.

If we pay a lump sum benefit to a **policy owner** under this cover, **we** will reimburse **you**, up to a maximum of \$2,500 towards the actual cost of grief counselling, for the **insured person**, their spouse, de facto partner or Civil Union partner or **child**, from an accredited counsellor, psychologist or psychiatrist approved by us.

The following conditions apply:

- The consultation and/or counselling must be invoiced within 12 months following the payment of the lump sum benefit by **us**.
- **We** must be provided with a receipt for the consultation and/or counselling being claimed

This benefit is payable for one event only, once per **insured person** regardless of the number of policies and covers that may provide similar benefits for **them**. This is in addition to the **sum insured**.

Where there is more than one **policy owner** the Grief counselling benefit will be divided equally between those **policy owners** who each receive a lump sum benefit.

## 2.8 Financial planning and legal advice benefit.

If **we** pay a lump sum benefit to a **policy owner** under this cover, **we** will reimburse **you**, up to a maximum of \$2,500 towards the actual cost of:

- a fully documented financial plan prepared by a financial advice provider providing a financial planning service for the **policy owner**, or
- legal advice the **policy owner** receives from a lawyer.

Where there is more than one **policy owner** the Financial planning and legal advice benefit will be divided equally between those **policy owners** who each receive a lump sum benefit.

The reimbursement must be claimed within 12 months of receiving the lump sum benefit and will be payable only once in respect of all policies with **us** covering the same **insured person**.

If the reimbursement request is in relation to financial advice, **we** will require evidence to show that the financial plan has been provided, the qualifications of the financial adviser and the costs charged by the financial advice provider.

If the reimbursement request is in relation to legal advice, **we** will require evidence of the fees charged by the lawyer. This benefit does not cover the legal fees for any advice or guidance given in relation to the administration and/or distribution of an estate.

The financial plan or legal advice received must be in relation to a lump sum benefit paid by **us** under this cover.

## 2.9 Special events.

**You** can increase an **insured person's sum insured** once in any 12-month period before **their** 55<sup>th</sup> birthday without providing additional health information if one of the circumstances shown below occurs.

- a. **You** can increase **their sum insured** by up to the lesser of \$250,000 or 50% of **their sum insured** at the **start date** of the cover if any of the following events apply to **them**:
- marriage, civil union, divorce or being subject to a separation agreement or order, or
  - either, pregnancy at 28 weeks gestation or birth of a **child**, or
  - adoption of a **child**, or
  - dependent **child** starting secondary school, or
  - financially supporting a dependent **child** through a first course of full-time tertiary education, or
  - reaching ages 25, 30, 35, 40 or 45, or
  - either, death or terminal illness (diagnosed by an appropriately qualified **medical practitioner**, confirming a prognosis of less than 12 months to live) of a spouse, de facto partner, **child** or civil union partner, or
  - **they** permanently stop work to provide full time physical care for the first time for a dependent **relative**.
- b. If **they** increase a mortgage on **their** own home or take out a mortgage for **their** own home, investment property, vacation home, or residential block of land, **you** can increase **their sum insured** by up to the lesser of:
- 50% of the **sum insured** at the **start date**, or
  - the increase in the value of the existing mortgage or the amount of a new mortgage, or
  - \$250,000.
- c. If **they** co-sign on a new mortgage for a **child**, **you** can increase **their sum insured** by up to the lesser of:
- 50% of the **sum insured** at the **start date**, or
  - the amount of the mortgage of the **child**, or

- \$250,000.
- d. If **they** have a **salary** increase of at least \$5,000 or a **salary** increase of at least 10% of **their salary**, **you** can increase **their sum insured** by up the lesser of:
- 25% of the **sum insured** at the **start date**, or
  - five times the increase in **their salary**, or
  - \$250,000.

**Conditions.**

- a. **You** must exercise a Special events increase in writing with supporting evidence within the later of either:
- six months following the event, or
  - 30 days of the following **policy anniversary**.
- b. An increase under Special events isn't available for:
- both the pregnancy and birth of the same **child**.
  - both the terminal illness (diagnosed by an appropriately qualified **medical practitioner**, confirming a prognosis of less than 12 months to live) and death of the same person.
- c. An increase under Special events isn't available if:
- The cover resulted from **you** exercising a Buy back option.
  - The **insured person** has either had a claim paid or is entitled to be paid a claim under any policy with **us** or any other insurance company.
  - The premiums aren't up to date or are being waived for any reason.
  - The cover resulted from a Special events increase.
- d. Any special terms and loadings that applied to the **sum insured** at the **start date** will also apply to the increase on that cover.
- e. **Your** premiums will increase in line with the increased **sum insured**. **We** will calculate **your** premium for the increase using the **insured person's** age at the date **you** exercise a Special events increase. The increased **sum insured** applies from the date **we** confirm the new **sum insured** to **you**, subject to payment of the additional premium.
- f. The maximum increase for an **insured person** for all events is the lesser of:
- \$1,000,000, or
  - the **sum insured** at the **start date**.



## 2.10 Special event additional cover benefit.

On a special event occurring for an **insured person** (as listed under 2.9(a)-(d)), **you** can choose to increase your existing accelerated Trauma cover or Total and permanent disability cover (insuring the same **insured person** as the Life cover), or add any one of the following to **your** Mortgage Protector policy which has in\_force Life cover, without providing further medical evidence:

- An accelerated Trauma cover insuring the same **insured person** as the Life cover.
- An accelerated Total and permanent disability cover insuring the same **insured person** as the Life cover.

This option can be exercised in addition to the Special events benefit described in 2.9.

**You** must exercise this option in writing with supporting evidence within the later of either:

- Six months following the event, or
- 30 days of the following policy anniversary.

### Conditions.

- a. The option can be exercised once per **insured person** in respect of all Life Cover and/or similar benefits for that **insured person** across all Fidelity Life policies.
- b. The option must be exercised before the **insured person's** 50<sup>th</sup> birthday.
- c. For events 2.9 (a)-(c), the maximum **sum insured** will be the lower of:
  - 50% of the Life cover **sum insured** at the **start date** for the **insured person**, or
  - the increase in the value of the existing mortgage (if applicable), or the amount of a new mortgage for the **insured person** or their **child** (if applicable), or
  - \$100,000.
- d. For event 2.9(d), the maximum **sum insured** will be the lower of:
  - 25% of the Life cover **sum insured** at the **start date** for the **insured person**, or
  - five times the increase in **their** salary, or
  - \$100,000.
- e. The **sum insured** for the Trauma cover or Total and permanent disability cover cannot exceed the **sum insured** for the Life cover.
- f. This option cannot be exercised if the Life cover currently has any special terms, such as loadings or exclusions.

- g. This option cannot be exercised if Trauma cover or Total and permanent disability cover (or similar benefits), have previously been applied for with any insurer in respect of the **insured person** and the decision was to defer cover or to offer cover with special terms (such as loadings or exclusions).
- h. This option cannot be exercised if the **insured person** has either had a claim paid or is entitled to be paid a claim under any policy with **us** or any other insurance company.
- i. The **insured person** must meet all standard eligibility criteria for the cover being added, as at the date the option is exercised (and, for the addition of Total and permanent disability cover, will have **their** occupation assessed to determine the premium rates that apply, if eligible).
- g. If the accelerated cover taken is Trauma cover, the total cover when added to all other trauma type covers with any insurer after an increase can't exceed \$2,000,000.
- h. If the accelerated cover taken is Total and permanent disability cover, the total cover when added to all other total and permanent disability type covers with any insurer after an increase can't exceed \$5,000,000.

**Your** Policy premiums will increase in line with the additional cover. **We** will calculate your premium for the additional cover using the **insured person's** age at the date **you** exercise this option. The **start date** of the additional cover is the date **we** confirm **our** acceptance of the application to **you**, subject to the payment of the additional premium.

#### **Exclusions.**

**We** will not pay a benefit under the added Trauma cover or Total and permanent disability cover if, at any time before the cover was added, or within six months of it being added, the **insured person**:

- Suffers any claim event for anything other than an accident;
- Has any signs or symptoms leading to a claim event (whether or not a **specialist medical practitioner** has been consulted) that may result in a claim for anything other than an accident under the benefit.

#### **2.11 Premium holiday option.**

**You** can apply to **us** in writing once to ask **us** to suspend this Life cover and the premiums for up to 12 consecutive months. The Premium holiday option is only available for the following reasons: redundancy, bankruptcy, tertiary studies or overseas travel.

**You** must advise **us** how long **you** want the cover and the premiums suspended. In applying for the Premium holiday option **you** acknowledge that reinstating this Life cover within the 12-month period is **your** sole responsibility. **You** can exercise this Premium holiday option during the days of grace by writing to **us** advising the reason why premium payments have stopped.



**Conditions.**

- a. **We** will acknowledge the request, suspend this cover confirming that the Premium holiday option has been activated if a valid reason is given. **We** may require evidence of the reason for the suspension.
- b. The maximum **sum insured** under this Premium holiday option is \$500,000.
- c. **You** can reinstate this Life cover without providing the **insured person's** health information.
- d. From the date **you** reinstate this Life cover, premiums are payable on the same terms that applied before the premium holiday. **We** will base the premium on the **insured person's** current age and the premium rates that apply at that time.

**2.12 Conversion option.**

**You** can convert this Life cover **sum insured** for an **insured person** to another policy which includes Life cover on the terms applying at the time provided that:

- a. this Life cover is in force in its original form, and
- b. all premiums have been paid, and
- c. the maximum cover without medical evidence is the Life cover **sum insured** shown in the **policy schedule**.

Any special terms and conditions which apply to an **insured person's** Life cover will also apply to the converted cover.

**3. Additional options.**

**3.1 CPI option.**

If this option is included in this cover, the **policy schedule** will show which **insured person** this applies to.

How **we** apply the CPI option is set out in section 7 of the Policy terms and conditions.

The last increase under this CPI option for an **insured person** under the Life cover will be applied on the **policy anniversary** before **their** 65<sup>th</sup> birthday.

**4. Claims.**

**4.1 Notice.**

**You** must notify **us** in writing immediately or as soon as practically possible after **you** become aware of any claim or potential claim under this Life cover.

**We** will advise **you** of the requirements **we** need to assess **your** claim.

## 4.2 Obligations.

You must:

- Complete **our** claim form (if required) in full and send it to **us** as soon as reasonably possible.
- Supply **us** with all relevant medical evidence **we** reasonably require in connection with the claim.
- Authorise the disclosure to **us** of the **insured person's** or **your** personal information in connection with the claim held by any other party.
- Authorise the disclosure of the **insured person's** or **your** personal information held by **us** to another party to evaluate the claim.
- Provide **us** with any other relevant information **we** reasonably require.

For the Repatriation benefit, **we** will require **you** to provide the following:

- Confirmation whether the **insured person's** body is being repatriated to New Zealand, or from New Zealand to **their home country**, or the country of death to **their home country**.
- A copy of the:
  - a. Death Certificate, and
  - b. **insured person's** most recent passport, birth certificate, or other proof reasonably acceptable to **us**, and
  - c. invoices, who paid the costs, together with the payment receipts for the **direct costs**.
- The name and contact details of the person who will be paid the claim and **their** account details.
- Full details of any:
  - a. travel insurance policy in place at the date the **insured person** died
  - b. Government assistance
  - c. other insurance policy the **insured person** had at the date of death

which may apply where the **direct costs** could be, or have been, claimed, recovered, or reimbursed.
- Any other information or document **we** may reasonably require.

Where a document in support of a claim requires translation into English, the translation must be completed by an approved certified translation service.

For Terminal illness benefit and Terminal illness partial benefit claims the **insured person** must:

- Provide a signed report from an appropriate **specialist medical practitioner** confirming the diagnosis, prognosis and supporting medical evidence of the **terminal illness** or condition.

- Undergo one or more medical examinations if **we** reasonably request **them** at **our** expense. This may include blood tests and medical testing.

**You** must pay any expenses incurred in proving **your** claim.

## 5. Exclusions.

**We** will cancel the cover, or the increased portion of cover, and retain any premiums paid if an **insured person**, whether sane or insane, dies by **their** own hand within 13 months of:

- the **start date** or the date of reinstatement, or
- the date of any increases in the **sum insured**, excluding increases due to the CPI option.

This exclusion won't apply if the **insured person** had similar life cover with another insurance company and this cover replaced that cover up to the **sum insured** under the replaced cover provided:

- the previous cover had been in force for at least 13 months before the **start date**, and
- **you** provide **us** proof of the existence and cancellation of that previous policy at the time of claim.

## 6. When this cover ends.

This Life cover ends for an **insured person** on the earliest of the date:

- you** cancel **their** Life cover, or
- this Policy ends for any reason, or
- we** pay a claim for **their terminal illness**, or
- we** pay **you** the Trauma cover – accelerated, Trauma multi cover – accelerated, or Total and permanent disability cover – accelerated if any of these are included on the **policy schedule** and there is no remaining Life cover, or
- they** die.

## 7. General definitions.

The definitions shown below apply to all derivatives of the words defined.

### Child pre-existing condition.

Any illness, sickness, disease, injury or medical condition existing that:

- the **parent** or **child** was aware of, or
- the **child** had signs or symptoms of, or
- the **child** had investigations or sought medical advice for, or

- a reasonable person or **parent** in the circumstances would seek diagnosis, care or treatment for,

on or before the date the Child's funeral benefit starts for a **child**.

### Direct cost/Direct costs.

The following cost(s):

- professional fees to arrange repatriation
- embalming where this is a requirement for repatriation
- the casket or coffin needed to meet repatriation requirements
- preparing the casket or coffin for transportation
- the transportation of the casket or coffin for repatriation
- other repatriation costs directly required to comply with country specific regulations, which if not paid, would prevent the **insured person's** body from being repatriated.

**Home country.**

The country where the **insured person** was born, or **their** country of permanent residence, or the country in which **they** have spent a significant portion of **their** life.

**Known congenital condition.**

A health anomaly, medical condition or defect which is present at birth which is known by the **parent** or **child** at the date the Child's funeral benefit starts for a **child**.

**Terminal illness.**

An illness where, after considering the current or future treatment the **insured person** would be reasonably expected to receive, **they** are likely to die within 12 months. The **specialist medical practitioner** treating **their** condition must certify the diagnosis and prognosis of the **terminal illness**. Another **specialist medical practitioner** nominated by **us** must confirm the diagnosis and prognosis.

