

MORTGAGE REPAYMENT COVER

To cover mortgage repayments or a portion of the lost income in the event of your client's total or partial disability.

Clients can have Mortgage Repayment Cover irrespective of their actual mortgage repayments and irrespective of any mortgage debt. Maximum sum insured they can apply for is the greater of either:

- 45% of their pre-tax income (if their actual mortgage repayments are less than 45% of their income and also if they have no mortgage).
- Their actual mortgage repayments (even if this is more than 45% of their income).

Premium Review Periods	Minimum Entry Age	Maximum Entry Age	Expiry Age	Payment Term Options	Minimum Sum Insured	Maximum Sum Insured	GST	Taxation of Premium and Benefit
<ul style="list-style-type: none"> • Yearly Stepped • Level to Age 65 Non Guaranteed • Level to Age 70 Non Guaranteed 	16	<ul style="list-style-type: none"> • 57 for to age 65 • 62 for to age 70 (reduced commission required after age 55) 	<ul style="list-style-type: none"> • 65 • 70 	<ul style="list-style-type: none"> • To age 65 or 70 • 2 or 5 years • 3, 6 or 12 months 	\$100 per month; or \$1,200 per annum	\$40,000 per month* ; or \$480,000 per annum *Class 5 limited to \$2,500 per month / \$30,000 per annum	Applies to premiums, claims and commissions	It is our understanding that benefit payments are not taxable as income and premiums are not tax deductible

Worldwide Cover	Paid in Advance	Offsets	Financial Underwriting	Unemployment and Leave Without Pay	Inflation Adjustment and Claims Escalation
Yes	Yes	None	Proof of mortgage required at application, but asked for at claim time. Proof of income required at application time if mortgage repayment cover is based on income	If longer than 12 months, reverts to occupation class 5, with maximum benefit amount of \$2,500	Automatically applied annually; actual inflation % or minimum 5% as selected at application. Nil Indexing Option available with level premium review period options. Claims escalation does not apply to level premium review periods with no indexing.

Exclusions

- Self-inflicted harm
- Participating in criminal activity
- Non-compliance with medical treatment
- Pregnancy complications unless continued 90 days post-delivery
- Refusal to provide claims information or undergo requested examinations or tests

Occupation Class	Pre-Disability Income Calculation (required for partial disability only)		Total Disability Benefit		Wait Period
	Employed	Self-employed	Definition	Benefit Calculation	
Classes 1-4	Greater of <ul style="list-style-type: none"> • Average monthly income in any 12 month period over last 3 years, or • Monthly income immediately preceding disability 	Highest average monthly income in any 12 month period over last 3 years	<ul style="list-style-type: none"> • Unable to work more than 10 hours per week; or • Unable to perform at least 75% of key tasks and responsibilities 	Sum insured	4, 8, 13, 26, 52 & 104 weeks
Class 5	-	-	<ul style="list-style-type: none"> • Home/Hospital bound, unable to perform 2 Activities of Daily Living (ADL's); or • Unable to perform 3 Normal Domestic Duties (NDD's) 	Lesser of <ul style="list-style-type: none"> • Sum insured or • \$2,500 	13, 26, 52 & 104 weeks

Occupation Class	Partial Disability Benefit		TPD Benefit		Wait Period
	Definition	Benefit Calculation	Criteria	Calculation	
Classes 1-4	<ul style="list-style-type: none"> Earns less than 75% of pre-disability income; or Unable to work more than 75% pre-disability hours; or Unable to perform 25% of key tasks and responsibilities 	Greater of $A \times ((B - C) \div B)$ where: (A) = monthly sum insured, (B) = pre-disability income, (C) = post-disability income or $A \times ((D - E) \div D)$ where: (A) = monthly sum insured, (D) = normal working hours, (E) = post-disability hours	<ul style="list-style-type: none"> Total disability claim for 12 months and unlikely to ever return to own occupation; or Permanent cognitive impairment; or Blindness; or Loss of use of hands, feet, or 1 hand and 1 foot; or Loss of sight in 1 eye and use of 1 hand or foot; or Unable to perform 2 Activities of Daily Living (ADL's); 	24 × sum insured (reduced for payment terms less than 2 years)	4, 8, 13, 26, 52 & 104 weeks
Class 5	No Benefit payable	No Benefit payable	<ul style="list-style-type: none"> Permanent cognitive impairment; or Blindness; or Loss of use of hands, feet, or 1 hand and 1 foot; or Loss of sight in 1 eye and use of 1 hand or foot; or Unable to perform 2 Activities of Daily Living (ADL's); or Unable to perform 3 Normal Domestic Duties (NDD's) 		13, 26, 52 & 104 weeks

Activities of Daily Living (ADL)	Normal Domestic Duties (NDD)
<ul style="list-style-type: none"> Bathing and showering Dressing and undressing Eating and drinking Using the toilet to maintain personal hygiene Moving from place to place by walking, wheelchair or with the assistance of a walking aid 	<ul style="list-style-type: none"> Cleaning of the home Shopping for the family's groceries Cooking of meals for the family Taking care of any dependent relatives Doing the family laundry

Base Benefits	Criteria	Benefit	Limitations or Conditions
Partial Disability Bonus	Minimum of 1 month's total disability benefit paid and receiving Partial Disability Benefit	An additional 25% of the Partial Disability Benefit	Ends at the earlier of 12 months, or the earlier of either the cover or payment term ending, or when client is no longer partially disabled
Bed Confinement Benefit	Confined to hospital or bed under regular medical supervision for minimum of 3 nights, during wait period	1/30th of monthly sum insured per day, paid during wait period	Until end of waiting period or until no longer hospitalised or confined to bed
Childcare Assistance Benefit	Additional childcare costs incurred as a direct result of disability	Reimburses actual costs	Maximum of \$800 per month per dependent child under 14 , for a maximum of 6 months, or to the end of either the cover or payment terms, or when client is no longer disabled
Death Benefit	Death of life assured while cover is in force	3 × monthly sum insured	-

Base Benefits	Criteria	Benefit	Limitations or Conditions
Waiver of Waiting Period	New or recurrent disability suffered within 12 months of previous claim ending, and disability lasts more than 30 days. Clients suffering a new disability can choose not to exercise this option	-	For payment terms other than to age 65 or to age 70, where waiting period is waived, a new claim will be considered a continuation of the previous claim for payment term purposes
Recovery Support Benefit	Receiving monthly benefit and purchased specialised equipment, e.g. mobility devices or home modifications	Reimburses actual costs	Maximum 6 × monthly sum insured payment terms > 12 months Maximum 3 × monthly sum insured payment terms = 12 months Maximum 1 × monthly sum insured payment terms < 12 months
Return to Home Benefit	Working overseas for minimum 3 months prior to disability	Reimburses actual costs	Maximum \$10,000 over the life of the policy
Vocational Retraining and Rehabilitation Benefit	Training/Rehabilitation program must help to improve capacity to return to work	Reimburses actual costs	Maximum 24 × monthly sum insured Not available for payment terms less than 2 years
Return to Work Benefit	Received Vocational Retraining and Rehabilitation Benefit and subsequently returns to full-time work	After 3 months 1 × monthly sum insured After 6 months 2 × monthly sum insured	-
Special Care Benefit	On claim and requiring full-time care	Lesser of monthly sum insured , actual cost of professional carer, 75% of family member's after tax income, or \$2,500	Maximum 6 months , or to the end of either the cover or payment term, or when client is no longer totally disabled
Total and Permanent Disability Benefit	Own occupation definition classes 1-4 <i>Refer to 'TPD Benefit' previous page for more detail</i>	Lump sum of 24 × monthly sum insured	24 × monthly sum insured payment terms > 12 months 12 × monthly sum insured payment terms = 12 months 3 × monthly sum insured payment terms < 12 months
Emergency Transportation Benefit	Emergency transport recommended by medical doctor or specialist	Reimburses actual costs	Maximum 3 × monthly sum insured once per 12 months
Increasing Mortgage Benefit	Increase in mortgage debt prior to age 55	Increase in sum insured limited to actual increase or \$1,500 with no further medical underwriting	Total of all increases limited to 100% of original sum insured , capped at monthly benefit of \$12,000
Increasing Interest Rate Benefit	OCR increases by at least 1% in 12 months, prior to age 55	Increase in sum insured to lesser of actual increase or \$1,500 per month with no further medical underwriting	Total of all increases limited to 100% of original sum insured ; capped at monthly benefit of \$12,000
Mortgage Restructure Benefit	Mortgage restructure resulting in increased mortgage repayments, prior to age 55	Increase in sum insured to lesser of actual increase or \$1,500 per month with no further medical underwriting	Total of all increases limited to 100% of original sum insured ; capped at monthly benefit of \$12,000
Household Expenses Conversion Benefit	Property sold, then client rents a home	Convert some or all of Mortgage Repayment Cover to Household Expenses Cover No further medical underwriting	Maximum sum converted limited to amount of household expenses
Fixed Payment Term Reset Benefit	New or recurrent disabilities	Resets shorter Payment Terms	After returning to work for 12 months

Specific Injury and Critical Illness Benefits						
<p>If your client suffers one of the listed injuries or illnesses, we will pay the sum insured for the lesser of the payment term and either the specified payment period (Specific Injury Benefit) or six months (Critical Illness Benefit) irrespective of whether they are totally or partially disabled</p> <p>No offsets apply</p> <p>Both benefits pay monthly in advance from the date of injury</p> <p>If disability lasts longer than the payment period the total or partial disability benefit will commence at the end of the wait period</p>	Specific Injury Benefit – Specified Injuries				Critical Illness Benefit Covered Conditions	
	Fractured:	• Collarbone	• Jaw	30 days	<ul style="list-style-type: none">• Aortic Surgery• Cancer• Chronic kidney failure• Chronic liver failure• Chronic lung failure• Coronary artery surgery• Heart attack• Major burns• Major head trauma• Multiple sclerosis• Stroke	
		• Forearm	• Skull			
		• Wrist		45 days		
		• Ankle	• Kneecap	• Upper arm		60 days
		• Elbow	• Leg below knee	• Vertebrae		
		• Heel	• Shoulder			
	Loss of:	• Leg above knee	• Pelvis	90 days		
		• Thumb and index finger		6 months		
		• Foot or hand	• Sight in one eye	12 months		
		• Whole arm or leg		18 months		
		• Any two hands, feet, eyes, or combination thereof		24 months		
	Paralysis	i.e. diplegia, hemiplegia, paraplegia, or quadriplegia		60 months		

Options	Criteria	Benefit	Limitations or Conditions
Reduction in Waiting Period Option	Any change in occupational circumstances justifying a reduction in wait period	Allows reduction in waiting period with no further medical underwriting	New waiting period must be justifiable Request within 90 days of change in occupational circumstances
Dependent Caregiver Option	Parent, child, sibling, grandparent, grandchild, mother-in-law, father-in-law, spouse, de facto partner, or civil union partner; under age 55 when first disabled	Lesser of 75% of monthly sum insured or \$3,500 per month	Maximum 6 months Must use all leave entitlements first Pre-existing conditions of dependent relative specifically excluded
Retirement Protection Option (KiwiSaver)	Be a member of KiwiSaver	Monthly sum insured × 2%, 4% or 6%	Benefit is paid directly to client's KiwiSaver fund
Redundancy Cover Option	Involuntary redundancy	Monthly benefit	Maximum 6 months Not available for payment terms less than 6 months. A 90 day stand down period will apply following the commencement of this redundancy cover option or reinstatement
Total and Permanent Disability Booster Option	A Total and Permanent Disability Benefit has been paid	Monthly benefit increases to monthly sum insured plus additional third. (No offsets apply)	Not available for payment terms 12 months or less