Policy

The Insurer will insure the Insured for the Benefits described in the Schedule in accordance with this Policy.

1. PART 1 – TERMS AND CONDITIONS WHICH APPLY TO ALL PARTS

1.1 In this Policy, unless the context otherwise requires:

(a) “Term” means the date on which cover provided by this Policy commences and, where the amount of the Benefit is increased or a new Benefit is added, means (in relation to the increase or the new Benefit) the date referred to as the commencement date for that increase or the new Benefit.

(b) “Coverage” means any one of the benefits set out in Part 2 to Part 6 of this Policy.

(c) “Commencement Date” means the date specified in the Schedule under which cover provided by this Policy commences and, where the amount of a Benefit is increased or a new Benefit is added, means (in relation to the increase or the new Benefit) the date referred to as the commencement date for that increase or the new Benefit.

(d) “Cover” means the Benefits that the Insurer agrees to insure to the Insured in accordance with this Policy.

(e) “Critical Condition Benefit” means the Benefit for the amount calculated in accordance with clause 1.3 and provided under Part 4 of this Policy, subject to the Insured meeting the definition in clause 4.1.

(f) “Anniversary Date” means the date on which the Policy commences (and, where the amount of a Benefit is increased or a new Benefit is added, means: (i) the date on which cover provided by this Policy (and, where the amount of the Benefit is increased or a new Benefit is added, means (in relation to the increase or the new Benefit) the date referred to in clause 1.6(a) and the Insurer has not received the premium due, the Insurer subject to the claim requirements and any statutory requirements having been met, may deduct the unpaid premium from the Benefit.

(g) “Inflation Adjustment” means the increase(s) or reduction(s) to the premium loading agreed to by both the Policy Owner and the Insurer.

(h) “Death Benefit” means the amount shown in the Schedule or any increased or reduced amount in accordance with this Policy and provided under Part 3 of this Policy.

(i) “Insured” means the person to whom the Cover relates.

(j) “Insurer” means BNZ Life Insurance Limited.

(k) “Permanent Disability Benefit” means the Benefit for the amount shown on the Schedule and provided under Part 3 of this Policy, subject to the Insured meeting the definition in clause 6.2.

(l) “Policy” means this policy and the Schedule.

(m) “Policy Owner” means the owner(s) of this Policy.

(n) “Schedule” means the schedule attached to this Policy (and, where the amount of a Benefit is increased or a new Benefit is added, means: (i) the schedule as a consequence (direct or indirect) of a pre-existing condition, being an illness or injury

1.2 Payment of Premium

The Policy Owner must pay the premium to the Insurer on the due date for payment in the manner specified by the Insurer.

1.3 Premium

The Insurer will calculate the premium on each Anniversary Date based on the amount of the Benefits, the premium term selected (in the case of the Permanent Disability Benefit and the Temporary Disability Benefit, which have a premium term of one year), the Insured’s age and smoking status, any additional premium loading agreed to by both the Policy Owner and the Insurer and the Insurer’s table of premiums and policy fees currently in force. The initial premium is shown in the Schedule.

1.4 Term

(a) This policy is for the specified term of:

(i) the policy, if a premium period has been selected by the Policy Owner; or

(ii) one year, if no premium period has been selected by the Policy Owner.

(b) Following the expiry of the initial term, this Policy will renew automatically for successive terms of one year, and otherwise on the same terms and conditions as were applicable in this Policy, on payment by the Policy Owner of the premium calculated as provided in clause 1.3.

1.5 Non-Surrender Value

This Policy does not have a cash surrender value.

1.6 Lapse upon Non Payment and Reinstatement

(a) The Cover will lapse if the Policy Owner fails to pay a premium within 30 days of the due date for payment. The Cover cannot be reinstated without the prior written consent of the Insurer.

(b) If a claim is pending, the premium will be reinstated subject to the Insured meeting the claim requirements of this Policy, on payment by the Policy Owner of the premium calculated as provided in clause 1.3.

Terminal Illness Benefit

(b) If a Terminal Illness Benefit claim is made and all the claim requirements are met, the Insurer will pay the Terminal Illness Benefit less any claims already accepted for a Critical Condition Benefit or Permanent Disability Benefit. Once the claim has been accepted by the Insurer no further claims will be paid under this Policy and the Policy will cease.

1.7 Inflation Adjustment

(a) The Insurer will offer to increase the Death Benefit and the Terminal Illness Benefit on the Anniversary Date. However, an increase will not be offered:

(i) if the claim is made on or before the date of policy no. 01,000,000; or

(ii) if a claim has been accepted under the Critical Condition Benefit; or

(iii) if the Policy Owner has declined the offer.

(b) The Insurer will calculate the amount of any increase using the Consumer Price Index (All Groups) other satisfying by Statistics New Zealand, or using such index of consumer prices as may replace the present index.

(c) Any offer will be made by letter to the Policy Owner. Unless the offer is declined in writing before the Anniversary Date, the Benefits will be increased in accordance with the offer and the premiums for that Benefit will be adjusted to reflect the new amount of the Benefit.

(d) An offer will expire if it is not accepted by payment of the increased premium within 30 days of the Anniversary Date.

1.8 Variation of Benefits

(a) The Policy Owner may from time to time, with the prior written consent of the Insurer, vary the death, Terminal Illness, Permanent Disability or Critical Condition Benefit(s) selected by the Policy Owner.

(b) Any such variation of the Cover shall be evidenced by the completion of a new Schedule. The Benefits will be varied with effect from the date(s) specified in, and in accordance with, the new Schedule and the premium will be adjusted to reflect the new Benefits and/or the new amount(s) of the Benefits.

1.9 Claims

(a) The Insurer’s claim requirements will be met by lodgement of the following documents at the Insurer’s Registered Office:

(i) a BNZ Life Insurance Limited claim form completed in a manner satisfactory to the Insurer;

(ii) this Policy;

(iii) such medical reports as shall be required by the Insurer or other satisfactory proof as may be required by the Insurer.

(b) Payment will be made when the Insurer has received all the claim requirements and the Insurer has accepted the claim.

(c) All Benefits will be paid to the Policy Owner unless otherwise agreed by the Policy Owner and the Insurer.

1.10 Amount of Benefits

The Cover under this Policy will be for the Benefits selected by the Policy Owner and agreed to by the Insurer.

Death Benefit

(a) If the Insured dies while this Policy is in force, and all the claim requirements are met, the Insurer will pay the Death Benefit less any claims already accepted for a Critical Condition Benefit or Permanent Disability Benefit. Once the claim has been accepted by the Insurer no further claims will be paid under this Policy and the Policy will cease.

(b) If a Terminal Illness Benefit claim is made and all the claim requirements are met, the Insurer will pay the Terminal Illness Benefit less any claims already accepted for a Critical Condition Benefit or Permanent Disability Benefit. Once the claim has been accepted by the Insurer no further claims will be paid under this Policy and the Policy will cease.

(c) If a Critical Condition Benefit claim is made and all the claim requirements are met, the Insurer will pay 25% of the amount of the Death Benefit or 25% of the amount of the Terminal Illness Benefit once the claim has been accepted for a Permanent Disability Benefit. The Critical Condition Benefit claim will be paid once only.

(d) On payment of the Critical Condition Benefit, this Policy will continue in force for:

(i) the reduced Death and Terminal Illness Benefit until the next Anniversary Date following the Insured’s 65th birthday, or

(ii) the remaining years of the Policy term selected by the Policy Owner, whichever is the later.

(f) If a claim is pending, the premium will be paid of the reduced Benefit.

(h) On payment of the Permanent Disability Benefit, this Benefit will cease on the date of the Insurer informing the Insurer that the Insured will no longer be able to work. The Insurer will calculate the amount of any increase using the Consumer Price Index (All Groups) which is published by Statistics New Zealand, or using such index of consumer prices as may replace that index.

1.11 Circumstances when the Cover will not be reinsured

(a) This Policy will not operate and Benefits will not be payable if:

(i) the Insured issued this Policy or reinstated it on the basis of a material statement by the Insured or the Policy Owner that was substantially incorrect and:

(1) which the Insurer knew to be incorrect, or in which the Insurer should have known to be incorrect, or

(2) was made within 3 years of the Insured informing the Insurer of the material incorrect statement.

(b) If a claim is pending, the premium will be paid of the reduced Benefit.

(c) If the Insured dies while this Policy is in force, and all the claim requirements are met, the Insurer will pay the Death Benefit less any claims already accepted for a Critical Condition Benefit or Permanent Disability Benefit. Once the claim has been accepted by the Insurer no further claims will be paid under this Policy and the Policy will cease.

(d) If a Terminal Illness Benefit claim is made and all the claim requirements are met, the Insurer will pay the Terminal Illness Benefit less any claims already accepted for a Critical Condition Benefit or Permanent Disability Benefit. Once the claim has been accepted by the Insurer no further claims will be paid under this Policy and the Policy will cease.

(e) If a Critical Condition Benefit claim is made and all the claim requirements are met, the Insurer will pay 25% of the amount of the Death Benefit or 25% of the amount of the Terminal Illness Benefit once the claim has been accepted for a Permanent Disability Benefit. The Critical Condition Benefit claim will be paid once only.

(f) During the period of payment of the Temporary Disability Benefit, the premiums for that Benefit and the Permanent Disability Benefit will cease and any existing Benefit will be waived and will recommence when the period of the claim has finished. The Policy Owner must continue to pay all other applicable premiums throughout the period of the claim.

(g) If a Permanent Disability claim is made and all the claim requirements are met, the Insurer will pay the Permanent Disability Benefit less any claims already accepted for a Critical Condition Benefit. The Permanent Disability Benefit will be paid once only.

(h) On payment of the Permanent Disability Benefit, this Policy will continue in force for the reduced Death, Terminal Illness and Critical Condition Benefits. These Benefits will be reduced by the amount of the Permanent Disability claim payment, and the premiums will be adjusted for these reduced Benefits.

(i) The Temporary Disability Benefit will cease on payment of the Permanent Disability Benefit.

(j) If the Insured issued this Policy or reinstated it on the basis of a material statement by the Insured or the Policy Owner that was substantially incorrect and:

(1) which the Insurer knew to be incorrect, or in which the Insurer should have known to be incorrect, or

(2) was made within 3 years of the Insured informing the Insurer of the material incorrect statement.

(k) If a claim is pending, the premium will be paid of the reduced Benefit.

(l) If the Insured dies while this Policy is in force, and all the claim requirements are met, the Insurer will pay the Death Benefit less any claims already accepted for a Critical Condition Benefit or Permanent Disability Benefit. Once the claim has been accepted by the Insurer no further claims will be paid under this Policy and the Policy will cease.

(m) If a Terminal Illness Benefit claim is made and all the claim requirements are met, the Insurer will pay the Terminal Illness Benefit less any claims already accepted for a Critical Condition Benefit or Permanent Disability Benefit. Once the claim has been accepted by the Insurer no further claims will be paid under this Policy and the Policy will cease.

(n) If a Critical Condition Benefit claim is made and all the claim requirements are met, the Insurer will pay 25% of the amount of the Death Benefit or 25% of the amount of the Terminal Illness Benefit once the claim has been accepted for a Permanent Disability Benefit. The Critical Condition Benefit claim will be paid once only.
3.2 Exclusion
(a) This Policy complies with the Investment Savings
1.16 Notices
1.15 Applicable Law and Jurisdiction
1.14 Transfer
(a) within 30 days of the Commencement Date, in
(b) If an application for Cover contains a
Reinstatement.
1.13 Cancellation of Cover
The Court under this Policy ceases when the
Death Benefit or the Terminal Illness Benefit is
paid or on the date of the occurrence of any
other matters specified in this Policy which give
rise to the cessation of Cover.
4. PART 4 – CRITICAL CONDITION BENEFIT
4.1 Risk covered
If a Critical Condition Benefit is selected under
this Policy, the Critical Condition Benefit is payable
if proof satisfactory to the Insurer is provided that
the Insured was suffering as suffering, for
the first time ever and at a date not earlier than 3
months after the Commencement Date or the Date of
Reinstatement (whichever is the later) from one or more of the following events:
(a) Paralysis – Total and permanent loss of the use
of two or more arms or legs (through paralysis or
dismemberment).
(b) Heart Attack – Acute myocardial infarction, being
the death of a portion of the heart muscle
resulting from inadequate blood supply of the
coronary arteries with diagnosis based on:
(i) a history of prolonged chest pain;
(ii) new electrocardiographic changes;
(iii) elevation of cardiac enzymes above standard
laboratory levels of normal.
(c) Coronary Artery Disease Surgery – The actual
undergoing of coronary artery bypass surgery
for the treatment of coronary artery
disease. Non-surgical techniques such as
angioplasty intra-arterial procedure or laser relief
of an obstruction are excluded, as well as any
other inter-arterial procedure.
(d) Stroke – Any incident or incident producing
neurological sequelae lasting more than
24 hours and including:
(i) infarction of brain tissue;
(ii) intracranial or subarachnoid haemorrhage;
(iii) embolism from extracranial source.
(e) Cancer – The manifestation of a malignant tumour (a
tumour which can spread) and has
traits and properties to infiltrate and cause metastases
characterised by the uncontrolled growth and the
spread of malignant cells and the invasion of tissue.
The diagnosis of an existing or newly discovered
malignant cells and the invasion of tissue.
The diagnosis of an existing or newly discovered
malignant cells and the invasion of tissue.
(f) Organ Transplant – Any transplant surgery
resulting in the replacement of a
organ. The transplanted organ must be
recommended by a medical practitioner.
(g) Major Organ Transplant – The actual undergoing of
a human organ transplant from a donor to
the Insured of one or more of the following organs:
(i) heart;
(ii) lung;
(iii) liver;
(iv) pancreas;
(vi) kidney;
(vii) bone marrow.
4.2 Maximum Payable
(a) A claim is only payable for one of the events in
clause 4.1(a) to (g). On payment of this claim, the
Cover under this Benefit will cease.
(b) If a claim arises because of the date of an
increase in the amount of the Benefit, other than
the increases described in clause 1.7, the claim
will be limited to 25% of the Death Benefit prior
to the increase.
4.3 Condition
A claim is only payable if all the requirements for
a Critical Condition claim have been met prior to
the Anniversary Date following the Insured’s
65th birthday.
4.4 Exclusions
No Critical Condition Benefit will be paid for any
consequence (direct or indirect) of:
(a) an intentional self inflicted injury.
(b) participation in war (whether war is declared or
not), insurrection or civil commotion;
(c) HIV or sexually transmitted diseases;
(d) alcohol or drug abuse.
5. PART 5 – TEMPORARY DISABILITY BENEFIT
5.1 Payment of Benefit
During any period the Insured is Temporarily
Disabled as defined in clause 5.2, and due to this
disability is unable to work for more than 20
hours per week, in each case upon proof
satisfactory to the Insurer of the validity of the claim, the Insurer will pay the Temporary
Disability Benefit on a monthly basis.
5.2 Definition
“Temporary Disability” and “Temporarily Disabled” mean
the inability of an Insured by reason of illness or
injury to carry out his or her usual occupation for
a continuous period of 30 days. An Insured will
not be Temporarily Disabled if, in the Insurer’s
reasonable opinion, the Insured would have
been able to be engaged, for more than 20
hours per week, in any occupation for which
he or she would be reasonably fitted by his or her
knowledge, training or previous work experience.
5.3 Conditions
The Temporary Disability Benefit is subject to the following
conditions:
(a) The Insured must become Temporarily Disabled prior to the Anniversary Date following the
Insured’s 60th birthday.
(b) The Benefit will only be paid for a maximum of 24
months in aggregate for any one condition or any
substantially related condition.
(c) There is no payment for the first continuous
period of 30 days that the Insured is unable by
reason of illness or injury to carry out his or her
usual occupation.
(d) If the Insured has a relapse of the same condition
which resulted in the payment of a Temporary
Disability Benefit, within 6 months of the
Temporary Disability Benefit payment under this
claim, then:
(i) the subsequent period of disablement will be
determined for purposes of maximum
period limitation set out in clause 5.3(b),
and
(ii) the Insurer is entitled to advise and was not
disclosed as referred to in 1.11(a)(iii).!
(iii) materially relevant to the
Insurer at its discretion decides, the Insurer
to any additional Benefit, in case which
cases permanent premiums permitted
by section 7 of the Insurance Law Reform
1.2 Cessation of Cover
The Policy Owner may cancel the Cover by notice
to the Policy Owner’s last known address.
1.1 General
(a) This Policy complies with the Investment Savings
Insurance Association of New Zealand Inc.
Manual of Practice Standards. The Insurer is a
BNZ Life Insurance Ltd
BNZ is a trading name of the Bank of New Zealand Ltd group of companies. The obligations of BNZ Life are not guaranteed by National Australia Bank Limited, Bank of New Zealand or any
other parties. Bank of New Zealand Receives commission for arranging LifeCare. Registered Office: PO Box 12399, 50 Mannners Street, Wellington.
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