

Changes to your Business LifeCare Policy



Addendum to Business LifeCare General Terms and Conditions

The terms and conditions applying to your Business LifeCare policy have been amended to make your cover more flexible and to provide greater assistance when you'll need it most.

The changes to the wording of your policy are highlighted in the shaded sections and apply to your policy from 6 April 2009.

Important:

This Addendum, which contains all the information you need to know about the changes including the new policy wording in respect of those sections and clauses that have been amended, forms part of your policy contract. It should be read in conjunction with the General Terms and Conditions sent to you when your Business LifeCare policy was first issued and the most recently dated Policy Schedule.

We recommend that you keep all these documents together in a safe place for future reference. The full wording of the amended General Terms and Conditions of the Business LifeCare policy are available:

- on the BNZ web site www.bnz.co.nz
- from BNZ Life by calling 0800 808 648, Monday to Friday, between 8.30am and 5.00pm.

2. Terminal illness definition extended from 6 to 12 months (refer to clauses 1.1 and 3)

Explanation

Currently your policy pays the Death Benefit sum insured if the Insured is diagnosed with a terminal illness that is likely to result in death within 6 months.

We have extended this period to 12 months meaning that a terminal illness claim can now be paid earlier – giving more time to sort out financial affairs during a difficult period.

Amended policy wording:

The definition of Terminal Illness in Clause 1.1 of the policy has been changed to:

“Terminal Illness Benefit” means the Benefit for 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 subject to BNZ Life being satisfied, based on the medical evidence it has received and the opinion(s) of consultant medical or surgical specialists(s), that the Insured has an advanced or rapidly progressing, incurable, disabling terminal illness and is not expected to live for more than 12 months.

3. Change to Permanent Disability Benefit (refer to clause 5 if your policy includes this benefit)

Explanation

Permanent Disability is optional cover which pays a lump sum if the Insured suffers from an injury or illness and BNZ Life agrees that he/she won't ever be able to work again.

We've made 2 changes to the Permanent Disability section of the policy wording:

- The loss of limb condition now means “loss of the use of” instead of the stricter interpretation of “loss by physical separation”
- The residency clause which required the Insured to be living in New Zealand or Australia for a claim to be considered has been widened to include European Union Member States, USA and Canada.

Amended policy wording:

Clause 5.2(a) of the policy has been changed to:

- an Insured suffering the total and permanent loss of use of:
 - (i) two limbs; or
 - (ii) the sight of both eyes; or
 - (iii) both one limb and the sight of one eye,where “limb” means at least an entire hand or an entire foot;

Clause 5.3(b) has been changed to:

Unless otherwise agreed by the Insurer, the Permanent Disability Benefit will not be paid if the Insured is residing outside New Zealand, Australia, European Member States, United States of America or Canada.

Check your Policy Schedule to see if Permanent Disability cover is included in your policy and contact your Business Insurance Specialist or call us on 0800 808 648 if you'd like to know more.

4. Change in smoker status - improved rules

Explanation

Smokers pay a higher premium for their LifeCare cover than non-smokers.

Although it is not included in the General Terms and Conditions of the policy, BNZ Life has previously considered applications to move to the lower non-smoker rates if the Insured has given up smoking for 3 consecutive years.

We have now reduced this qualifying period to 12 consecutive months.

Call BNZ Life if you'd like more information

If there's anything we can help you with please contact your Business Insurance Specialist or call our Customer Service team on 0800 808 648, Monday to Friday, between 8.30am and 5.00pm. We'll be happy to help.

BNZ Life Insurance Limited:

Business LifeCare is underwritten by BNZ Life Insurance Limited (“BNZ Life”). Business LifeCare is not an obligation of Bank of New Zealand (“BNZ”). The obligations of BNZ Life are not guaranteed by its related companies, including National Australia Bank Limited and BNZ, or any other parties. BNZ arranges Business LifeCare as an agent for BNZ Life and receives commission on any policies it arranges. BNZ Life is a member of the Investments, Savings and Insurance Association of New Zealand Inc. and complies with the Manual of Practice Standards for Life Insurance Companies. A copy of BNZ Life's latest financial statements is available from the company's head office on Level 18, 1 Willis Street (PO Box 1299, Manners Street, Wellington 6140). BNZ Life is entitled to elect, and has elected, not to have a current rating under the Insurance Companies (Ratings and Inspections) Act 1994.

