

## Policy Addendum

# Business LifeCare

1 May 2020

## Important updates to your Business LifeCare General Terms and Conditions

This Addendum includes amendments for Business LifeCare customers who have a Permanent Disability Benefit; and for those who have selected to have their cover inflation adjusted each year. We consider that these amendments are of benefit to you. However, if you would like to discuss how these amendments affect your policy, or you would prefer that we do not apply these amendments to your policy, please let us know. All other terms and conditions remain unchanged.

### Changes at a glance

In summary:

- We have amended section 1.9 (d) (ii) to show that the Permanent Disability Benefit expires on the Anniversary Date following the Insured's 65th birthday.
- For Permanent Disability cover that started before August 2014 we have amended section 5.3 (a) to show that a Permanent Disability Benefit is subject to the Insured becoming Permanently Disabled before the Anniversary following the Insured's 65th birthday.
- For all customers we have also removed the inflation adjustment restriction 1.7 (a) (i) which says inflation adjustment will not be offered if the Core Benefit exceeds \$1,000,000.

Full details of all changes are provided below.

### Who do the changes apply to?

The changes outlined in this document will apply to all Business LifeCare policy holders with the relevant benefit types.

If you have any additional exclusions noted on your Policy Document that relate specifically to the Insured, those additional exclusions will still apply to your policy after these amendments.

### Permanent Disability Benefit expiry

If you have selected Permanent Disability cover this will be shown in your Policy Document.

For all customers we have amended 1.9 (d) (ii). This section is relevant if a customer receives a claim payment for a Critical Condition Benefit and has Permanent Disability Cover. It shows

that if the payment does not bring their Permanent Disability cover to an end, that this cover will continue and expire on the Anniversary Date following the Insured's 65th birthday, not their 60th birthday.

### 1.9 Benefits Covered

Otherwise, this Policy will continue in force for:

- (d) (ii) the Permanent Disability Benefit (if applicable) until the Anniversary Date following the Insured's 65th birthday. The Permanent Disability Benefit will be reduced by the amount of the Critical Condition claim payment, and the Policy Owner will pay adjusted premiums for this reduced Benefit.

For customers with Permanent Disability cover that started before August 2014 an amendment has also been made to section 5.3 (a). It shows that the Benefit is subject to the Insured becoming Permanently Disabled before the Anniversary Date following their 65th birthday, not their 60th birthday.

### 5.3 Conditions

The Permanent Disability Benefit is subject to the following conditions:

- (a) The Insured must become Permanently Disabled prior to the Anniversary Date following the Insured's 65th birthday.

### Inflation Adjustment

For all customers the Core Benefit inflation adjustment restriction clause 1.7 (a) (i) has been removed from the policy.

### 1.7 Inflation Adjustment

- (a) The Insurer may offer to increase the Benefits selected by the Policy Owner on each Anniversary Date. However, an increase will not be offered if the Policy Owner has declined the increase in two successive years.
  - (i) if the Core Benefit exceeds \$1,000,000.

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