

Life Insurance Cover

Insurance
Module



Contents

Introduction	3
Life Insurance cover	3
– Life Insurance benefit	
– Terminal illness benefit	
– Advanced Assistance benefit	
– Special events increase benefit	
– Future Life Insurance option	
Exclusions for Life Insurance cover	6
When Life Insurance cover ends	6
Making a Life Insurance cover claim	7
Definitions and key terms for Life Insurance cover	7

UNDERSTANDING THIS LIFE INSURANCE COVER MODULE

This *insurance module* applies if you have selected Life Insurance cover for an *insured person* under your *policy* and this is shown on your current *schedule*.

The terms and conditions of your *policy document* are divided into three parts:

- the *policy module* sets out the general terms and conditions that apply to all *insurance modules* selected under it; and
- this *insurance module* describes the *cover* you have elected to attach to your *policy*. You may have more than one *insurance module*; and
- the *schedule* sets out your details, as well as details of any *insured person* and details of the *cover* provided under your *policy*.

You must read these three parts together as one document.

1. Introduction

The *insurance module* applies to you if you have selected Life Insurance cover and this is shown in your *schedule*. You should read this *insurance module* in conjunction with the *schedule* and *policy module*, as together these set out the terms and conditions relating to this *cover*.

2. Life Insurance cover

The benefits included under your Life Insurance cover are:

- Life Insurance benefit; and
- Terminal illness benefit; and
- Advanced assistance benefit; and
- Special events increase benefit.

You may also add a Future Life Insurance option to your Life Insurance cover for an *insured person*.

2.1 Life Insurance benefit

If an *insured person* with Life Insurance cover dies, we will pay the Life Insurance *sum insured* as stated in the *schedule* for that *insured person*, as at their *date of death*, less any Advanced assistance benefit payment.

When we pay the full amount of the *sum insured* under this benefit for an *insured person*, all *cover* under this *policy* for that *insured person* will end. We will adjust the premium to reflect the removal of the *insured person* from this *policy*. If this is the only *cover* under the *policy*, the *policy* will end.

2.2 Terminal illness benefit

If an *insured person* with Life Insurance cover is diagnosed as *terminally ill*, we will pay the lesser of:

- the Life Insurance *sum insured* for that *insured person* at the date they were diagnosed as *terminally ill*; or
- \$1,000,000.

If an *insured person* has multiple MAS policies with Life Insurance cover, the maximum combined Terminal illness benefit payable across all policies will be \$1,000,000.

When we pay a Terminal illness benefit, the Life Insurance *sum insured* for that *insured person* will reduce by the amount of our payment. If our payment is for the full amount of the *insured person's* Life Insurance *sum insured*, the Life Insurance cover will end.

If this payment is for a portion of the *sum insured*, the Life Insurance cover will continue with this reduced level of *sum insured*. We will adjust the premium to reflect the reduction of the *sum insured* under this cover.

This benefit shall not be payable if the date you *communicate* written notice of the claim is less than 12 months before the *risk cease date* for the Life Insurance cover.

2.3 Advanced assistance benefit

If an *insured person* with Life Insurance cover dies, we may make an advance payment of the Life Insurance *sum insured* equal to the lesser of:

- \$15,000; or
- the Life Insurance *sum insured* for the *insured person*.

If an *insured person* has multiple MAS policies with Life Insurance cover, the maximum combined Advanced assistance benefit payable across all policies will be \$20,000.

The Advanced assistance benefit will be payable at our discretion to:

- the personal legal representatives of the *insured person*; or
- the nominated beneficiary of the *insured person*; or
- the spouse or *partner* of the *insured person*, if no nomination of a beneficiary has been received by us in a form satisfactory to us.

2.3.1 Conditions applying to the Advanced assistance benefit

Payment of the Advanced assistance benefit is subject to the following conditions:

- we must receive written evidence, acceptable to us, of the death of the *insured person*; and
- when we pay an Advanced assistance benefit the Life Insurance *sum insured* for that *insured person* will reduce by the amount of our payment; and
- payment of this benefit does not constitute an admission of our liability in respect of the full Life Insurance cover claim for the *insured person*. We may recover the amount of this payment if the Life Insurance cover claim is subsequently declined.

2.4 Special events increase benefit

If one or more *special event(s)* occur in respect of an *insured person* with Life Insurance cover under this *policy*, prior to their 60th birthday, you can apply to increase their Life Insurance *sum insured* without the need to provide any medical evidence.

2.4.1 Amount of Special events increase benefit

The maximum increase in the Life Insurance *sum insured* per Special events increase is the lesser of:

- 50% of the total of the *underwritten cover* components of the Life Insurance *sum insured*; or

- the amount of the new mortgage or increase in existing mortgage (if applicable); or
- the amount of debt or liability incurred in entering or increasing your shareholding in a private practice, partnership, or company (if applicable).

The minimum increase in the Life Insurance *sum insured* per Special events increase, for an *insured person*, is \$25,000.

Where the Life Insurance *sum insured* has been increased by way of *underwritten cover*, the Special events increase benefit is available separately in respect of the original *sum insured* and each such increase.

The total of all Special events increases in the Life Insurance *sum insured* under this benefit is the lesser of:

- the total of the *underwritten cover* components of the Life Insurance *sum insured*; or
- \$1,000,000.

If an *insured person* has multiple MAS policies with Life Insurance cover, the maximum combined total of all Special events increases across all policies will be \$1,000,000.

2.4.2 Conditions applying to the Special events increase benefit

Any increase in the Life Insurance *sum insured* under this benefit is subject to the following conditions:

- we must receive a request from you in writing to increase the *sum insured* within:
 - 180 days after the *special event* occurring; or
 - 30 days either side of the *policy anniversary date* following the *special event* occurring; and
- you must provide evidence acceptable to us regarding the *special event* that has occurred; and
- you can make only one Special events increase under this *insurance module* in respect of an *insured person* in any 12-month period; and
- when a Special events increase is exercised we will increase your existing premium to reflect the increase in the Life Insurance *sum insured*, using our then current premium rates; and
- the increase will be provided on the same terms and conditions that apply to the *underwritten cover* to which the Special events increase relates; and
- the increase will apply from the date we *communicate* our acceptance to you; and

- for the first six months from the *risk commencement date* of the increase, the amount of the increase in the *sum insured* is only payable on the *accidental death* of the *insured person*.

2.4.3 When a Special events increase is not available

A Special events increase is not available for an *insured person* when:

- you are entitled to make a claim under this *policy* in respect of that *insured person*, regardless of whether a claim has been made; or
- a Future Life Insurance option has been effected on the *insured person* with the 12 months prior to making a claim; or
- we have previously paid a Terminal illness benefit in respect of that *insured person* under this or any other *MAS policy*; or
- premiums in relation to that *insured person* are being paid by us under a Waiver of Premium benefit. Eligibility for a Special events increase will resume upon your first payment of the premium following the conclusion of the Waiver of Premium benefit claim. The *insured person* will not be subsequently eligible for a Special events increase in respect of any *special event* that occurred while we were paying the *insured person's* premium under this *policy*.

In addition, Special events increase will not be available on any Life Insurance cover which has been reinstated under the Life Insurance cover buy-back benefit.

2.4.4 When the Special events increase benefit ends

The Special events increase benefit ends on the earlier of:

- the Life Insurance *sum insured* in respect of the *insured person* being reduced to nil; or
- the *policy anniversary date* following the *insured person's* 60th birthday; or
- the total of all Special events increases in the Life Insurance *sum insured* under this benefit equalling the total of the *underwritten cover* components of the Life Insurance *sum insured* or \$1,000,000, whichever occurs first; or
- Life Insurance cover ending as stated in section 4.

2.5 Future Life Insurance option

If this option is shown in the *schedule* in respect of an *insured person*, on every third *policy anniversary date* prior to their 55th birthday the *insured person's* Life Insurance *sum insured* will be increased without the need for further medical evidence.

2.5.1 Amount of Future Life Insurance option

Each increase under the Future Life Insurance option is limited to the lesser of:

- \$250,000; or
- the Future Life Insurance option *sum insured*, as shown in the *schedule*.

2.5.2 Conditions applying to the Future Life Insurance option

The exercise of each Future Life Insurance option will be subject to the following conditions:

- we will *communicate* to you our intention to increase the *insured person's* Life Insurance under the Future Life Insurance option before each third *policy anniversary date* that occurs prior to the *insured person's* 55th birthday; and
- on each third *policy anniversary date* that occurs prior to the *insured person's* 55th birthday we will automatically increase the Life Insurance *sum insured* by the lesser of \$250,000 or the Future Life Insurance *sum insured* as shown in the *schedule*; and
- we will automatically increase your existing premium to reflect the increase in the Life Insurance *sum insured*, using our then current premium rates; and
- if you wish to increase the *insured person's* Life Insurance *sum insured* by a lesser amount, or if you do not wish to take up this option, you must *communicate* this to us within 60 days of the receipt of our *communication*. Any declined option will be forfeited and cannot be carried forward to a future date; and
- the increased Life Insurance *sum insured* will be provided on the same terms and conditions that apply to the *underwritten cover* to which the Future Life Insurance option relates.

2.5.3 When a Future Life Insurance increase is not available

A Future Life Insurance increase will not be available for an *insured person* if they have received a Special events increase under this *policy* within the previous 12 months prior to the exercise of the Future Life Insurance option becoming available.

2.5.4 When the Future Life Insurance option ends

The Future Life Insurance option ends on the earlier of:

- the Future Life Insurance option being cancelled by you; or
- the 55th birthday of the *insured person*; or
- the completion of our fourth consecutive offer of the Future Life Insurance option for an *insured person*; or
- Life Insurance cover ending as stated in section 4.

3. Exclusions for Life Insurance cover

No benefit will be payable for any *sum insured* under this Life Insurance cover for an *insured person* if they die or become *terminally ill* as a direct or indirect result of:

- an intentional self-inflicted act (whether sane or insane) within 13 months of:
 - the applicable *risk commencement date* of the Life Insurance cover; or
 - the *risk commencement date* of any reinstatement of the Life Insurance cover; or
- any condition or circumstance excluded in the *schedule*; or
- for an *underwritten cover*, and any covers arising from the exercise of an entitlement under this *policy* in respect of that *underwritten cover*, any *pre-existing condition*, which exists or occurs before the *risk commencement date* of that *underwritten cover* unless disclosed to and accepted by us.

4. When Life Insurance cover ends

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

- the death of the *insured person*; or
- the first *policy anniversary date* following the *insured person* attaining age 99; or
- Life Insurance cover for the *insured person* being cancelled by you; or
- Life Insurance cover being ended by us in accordance with section 1.4 of the *policy module*; or
- payment of the full amount of the Life Insurance *sum insured* for an *insured person*; or
- the value of the *insured person's sum insured* being reduced to nil owing to payments of a Terminal illness benefit, Advanced assistance benefit, Recovery Insurance accelerated benefit or Total and Permanent Disablement accelerated benefit.

5. Making a Life Insurance cover claim

A claim for Life Insurance cover under this *policy* must include:

- written notice of the claim, to be received by us no later than 12 months from the *date of death* of the *insured person*; and
- any medical or other evidence required by us, to be received by us within 90 days of our request being *communicated* to you; and
- where a claim is made under the Terminal illness benefit, medical verification of the *terminal illness*.

6. Definitions and key terms for Life Insurance cover

Accidental death

Means an external or internal bodily *injury* caused solely and directly by violent, external and visible means and that is caused independently of all other causes.

Close relative

Means an immediate family member of an *insured person*, including a spouse, *partner*, parent, parent-in-law, stepparent, grandparent, *child*, child-in-law, *step-child*, grandchild, or sibling, and the spouses of any of the preceding people.

Date of death

Means the date of death of the *insured person* stated in their official legal death certificate or other document acceptable to us. Our preference is for a death overseas to be registered in New Zealand so that a New Zealand death certificate can be obtained.

Nature of marriage

Means a relationship where two people reside together as a couple where evidence of its duration is available to our satisfaction and which would satisfy the definition of de facto relationship within the meaning of section 2D of the Property (Relationships) Act 1976.

Partner

Means a person living in the *nature of marriage* with an *insured person*.

Primary residence

Means the residential address of the dwelling where an *insured person* considers themselves to usually reside.

Special event

Means:

- marriage or civil union or living together in the *nature of marriage*; or
- divorce, dissolution of a civil union or separation of a relationship similar to the *nature of marriage*; or
- adoption or birth of a child for whom the *insured person* is a primary caregiver; or
- becoming a full-time carer, for the first time, of a *close relative*; or
- death of a spouse, civil union partner or person the *insured person* is in a relationship with similar to the *nature of marriage*; or
- effecting a mortgage of more than \$25,000 or increasing an existing mortgage by more than \$25,000, secured against a *primary residence*; or
- incurring debts or liabilities of more than \$25,000, related to entering or increasing your shareholding in a private practice, partnership, or company.

Terminal illness

Means that we are satisfied, based on evidence we have received, including the opinion of a *suitably qualified registered medical practitioner* or, if we require, the opinion of one of our approved *suitably qualified registered medical practitioners*, that the *insured person's* life expectancy is less than 12 months, regardless of any treatment available. **Terminally ill** has the same meaning.



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