

CIGNA Income Protection

1. About your Policy
2. Definitions
3. What you are insured for
4. Other terms and conditions
5. Exclusions
6. How to make a claim

Your Policy – important

This document contains the terms and conditions that apply to your **CIGNA Income Protection** Policy.

Together with your original application form and your Policy Schedule, it forms the basis of the contract between you (as the insured person) and the insurer, CIGNA Life Insurance New Zealand Limited (CIGNA).

Please make sure that this Policy meets your requirements and if you have any questions or want further information do not hesitate to contact CIGNA directly.

We rely on your information to issue your Policy and pay any claim. If you're not absolutely truthful or if you fail to disclose all Material Information to us we may turn down a claim or cancel your Policy.

If you decide that you do not wish to continue your Policy you must notify CIGNA within 30 days of receiving it. Any premiums that you have paid will be refunded and CIGNA will confirm in writing to you that your Policy has been cancelled.

If you cancel outside this 30 day period there will be no refund of premiums.

1. About your Policy

Your Policy is designed to pay you a monthly income when you cannot work as the result of an Illness or Accident.

Providing you continue to pay the premiums, your Policy will continue until you reach the age of 65.

Your Policy is underwritten by CIGNA Life Insurance New Zealand Limited (CIGNA) who will be responsible for all claims and other matters relating to your Policy. CIGNA's contact details are on the back page of this document.

All correspondence to you will be sent to the most recent address that CIGNA holds on record for you. If you change your address it is your responsibility to notify CIGNA.

Meanings of important and frequently used words and terms are set out in section 2.

2. Definitions

The following words and terms appear in your Policy Schedule and in the Policy Wording. They are defined as:

Accident means any bodily injury, occurring after the Cover Start Date, which is caused by violent, accidental, external and visible means.

Anniversary Date means the date 12 months after the Cover Start Date and the same date every year after that.

Cover Start Date is shown on your Policy Schedule and means the date that your cover began.

Expiry Date is shown on your Policy Schedule and means the date that cover under your Policy will automatically end.

Illness means any sickness or disease which occurs after the Cover Start Date.

Material Information means all relevant information that CIGNA needed when it decided the terms

relating to your Policy. It includes, but is not limited to, information about your health, medical history, and occupation.

Monthly Benefit is shown on your Policy Schedule and is the amount that you will be paid each month if you are Unable to Work. If you are off work for part of a month the benefit will be calculated on a daily basis.

Paid Employment means you are in paid work for a minimum of 25 hours per week, either in Self Employment or for another employer.

Policy means the terms and conditions applying to this insurance, as described in the Policy Wording and your Policy Schedule.

Premium Start Date is shown on your Policy Schedule and means the date that your first premium is due.

Self Employment means you are employed by a business where you or your immediate family have direct or indirect control, or you work for yourself as a self-employed contractor, sole trader, partner in a partnership, or otherwise for remuneration for a minimum of 25 hours a week.

Terrorism means the use or threatened use of force or violence against human life or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in any connection with any organisation, government power, authority or military force, when the intent is to intimidate, coerce or harm a government, civilian population or any segment thereof, or to disrupt any segment of the economy.

Unable to Work means that solely because of your Illness or Accident, you have been entirely prevented from working for 30 consecutive days and are unable to work in any occupation for which you are reasonably suited by reason of your education, training or experience. CIGNA's medical adviser must agree that you are Unable to Work.

War means any war whether declared or not, or any warlike activities including the use of military force by any sovereign nation to achieve economic, geographic, nationalistic, political, racial or religious ends.

Wait Period means the first 30 days during which you are Unable to Work. No Monthly Benefit is payable in respect of this period.

3. What you are insured for

CIGNA's Insurance Promise

Providing the terms and conditions are met and the premiums are up to date, CIGNA will pay you the Monthly Benefit if, while in Paid Employment, you are Unable to Work due to an Illness or Accident.

Once the Wait Period has passed you will be paid the Monthly Benefit, in arrears, for each month that you remain Unable to Work and these payments will continue until:

- you no longer meet the definition of being Unable to Work; or
- you have received the maximum number of monthly payments, as specified in your Policy Schedule, for one or more claims due to the same Illness or Accident, or a related cause; or
- you leave New Zealand for more than 90 days.

You need to provide CIGNA with evidence each month that you remain Unable to Work or CIGNA may stop your payments.

If you are covered under more than one Income Protection policy underwritten by CIGNA, we will only pay a claim under the first policy issued and will refund all premiums paid for the other policy.

Can I claim more than once?

If you suffer a relapse of the same Illness or Accident and are Unable to Work, CIGNA will treat this as a continuation of the original claim.

If the relapse occurs within 6 months of the original claim ending, no Wait Period will apply.

The maximum number of payments that CIGNA will make is shown on your Policy Schedule.

You can make a new claim after you have returned to Paid Employment for a continuous period of at least 6 months. The Wait Period will apply to the new claim.

Can I claim while I am overseas?

You are covered for any Illness or Accident which occurs while you are outside of New Zealand however, you must return to New Zealand if claim payments are to extend past 3 months. This requirement may be waived where CIGNA, at its sole discretion, accepts that such a return is impractical.

Please refer to the policy exclusions for further information in regards to travel to certain countries.

Rehabilitation/vocational training

CIGNA, at its sole discretion, may require you to undertake rehabilitation or vocational retraining as a condition of continued payments of the Monthly Benefit.

This will only be required if CIGNA reasonably believes that it will assist in your rehabilitation and return to work.

CIGNA will only meet the cost of rehabilitation or vocational training that is required as a condition of ongoing claim payments.

Refund of premiums

CIGNA will refund all premiums that you pay during a period you are on claim and receiving a Monthly Benefit.

4. Other terms and conditions

Indexation

To help keep your cover up to date with inflation, CIGNA may offer you a yearly increase of 3% on each Anniversary Date.

You do not have to accept an increase but no further increases will be offered once you have:

- declined three indexation offers; or
- reached the age of 60.

If while on claim your cover increases due to indexation the amount CIGNA will pay will be the Monthly Benefit that applied at the date you became Unable to Work.

Your premiums

The initial premium payable is shown on your Policy Schedule. The same premium rate will apply until the Anniversary Date after your 45th birthday.

From the Anniversary Date after your 45th birthday the premium rate will adjust each year until your Policy stops.

Your premium is based on the sum insured. Therefore, if your cover has increased as a result of indexation, your premium will increase accordingly.

CIGNA will write to you each year, prior to the Anniversary Date, to advise you of the premium and sum insured that will apply to your Policy for the following year.

You can apply at any time to change the method and frequency of your premium payments.

Premium changes

CIGNA may review and adjust the premium rates at any time.

If the rates are changed they will apply to all policies, not just yours. CIGNA will write to you at least 90 days before the new rates apply to advise you of your new premium.

When your Policy stops

Your Policy will stop when any one of the following happens:

- if a premium remains unpaid for 3 months, in which case cover will end on the date the last premium was paid up to;
- you request CIGNA to cancel your Policy;
- CIGNA cancels all policies and gives you 90 days notice in writing;
- in CIGNA's opinion you stop living in New Zealand;
- the Expiry Date is reached;
- you die.

Policy reinstatement

If your Policy is stopped due to unpaid premiums, you can apply to CIGNA for it to be reinstated. You will need to provide CIGNA with any information it requires about your health, lifestyle and occupation and reinstatement is at CIGNA's discretion.

The terms and conditions applying to the reinstated cover may be different to those applying to your Policy before it was stopped and you will be issued with a new Policy Schedule.

Policy changes

CIGNA may change any of the conditions and exclusions applying to your Policy at any time. Any such change will apply to all policies not just yours. CIGNA will write to you at least 30 days before the change applies.

Disputes

If you have a complaint, in the first instance you should contact CIGNA to discuss it. Refer to the Contacts section for the details. This will initiate CIGNA's internal complaints resolution process.

CIGNA is a member of the Insurance and Savings Ombudsman scheme which is a free, independent service which can help settle any unresolved disputes you may have.

Any dispute or action relating to your Policy will be determined in accordance with New Zealand law.

Surrender value

Your Policy does not have any surrender or cash value.

There will be no refund of premiums unless you advise CIGNA within 30 days of receiving your Policy that you wish to cancel it.

Policy ownership

You, as the insured person, are the policy owner and ownership cannot be transferred to any other person, entity or organisation.

5. Exclusions

CIGNA will not pay a Monthly Benefit if you:

- did not completely and truthfully answer the questions asked of you when your Policy was issued, upgraded or reinstated. In this event CIGNA reserves the right to cancel your Policy immediately and to keep any of the premiums you have paid; or
 - failed to provide CIGNA with any Material Information before your Policy was issued, upgraded or reinstated. In this event CIGNA reserves the right to cancel your Policy immediately and to keep any of the premiums you have paid; or
 - have already received the maximum number of monthly payments, as specified in your Policy Schedule, for a specific Illness or Accident or related cause; or
 - do not comply with the treatment prescribed by a registered medical practitioner that you have consulted regarding the Illness or Accident that you are claiming for; or
 - do not comply with CIGNA's requirement to undertake rehabilitation or vocational retraining.
- Additionally, CIGNA will not pay a Monthly Benefit if you are Unable to Work as a direct or indirect result of any of the following circumstances:
- any psychiatric, psychosomatic, mental or nervous disorder including but not limited to anxiety, stress and stress related conditions or depression and depression related conditions;
 - Fibromyalgia or Polymyalgia;
 - any disorders related to fatigue including but not limited to Chronic Fatigue Syndrome;
 - any medical treatment or surgical procedure which is not essential for medical reasons and is requested by you for psychological, personal or cosmetic reasons;
 - pregnancy, termination of pregnancy or complications arising from childbirth;
 - any intentional self inflicted injury;
 - alcohol or drugs taken by you (unless prescribed and taken as prescribed by a registered medical practitioner);
 - driving a motor vehicle with a blood alcohol level in excess of the legal limit;
 - War or any act of War, invasion, act of foreign enemy, hostilities (whether War be declared or not), strike, riot and/or civil commotion, civil war, rebellion, revolution, insurrection or military or usurped power;
 - Terrorism;
 - engaging in aerial activities unless you are a fare-paying passenger on a recognised commercial airline;
 - engaging in a hazardous activity that is not carried out under the supervision of a qualified guide including, but not limited to, mountaineering, rock climbing, scuba diving, trans ocean racing, parachuting, sky-diving, bungee jumping or hang-gliding;

- racing any motor propelled conveyance;
- Illness or Accident occurring in any country that is classified by the Ministry of Foreign Affairs and Trade (or its equivalent if they change) as High Risk or Extreme Risk. (A full explanation of these classifications can be found at www.safetravel.govt.nz).

6. How to make a claim

If you need to make a claim against your Policy, you should contact CIGNA as soon as possible to request a claim form. The claim form will be sent out to you within 24 hours of your request.

You must complete the claim form and return it to CIGNA together with any supporting documents that CIGNA may reasonably require.

Any medical information required to support your claim must be:

- provided by appropriately qualified medical practitioners registered in New Zealand or Australia (or any other country approved by CIGNA); and
- paid for by you.

If CIGNA requires you to undergo any further examination or tests to confirm that you are disabled then these costs will be met by CIGNA.

About CIGNA

CIGNA Corporation, based in Philadelphia USA, is one of the world's largest life and health insurance companies. CIGNA operates in 27 countries, employs 27,000 people and has invested assets of USD\$17.8 billion.

The company originally started over 200 years ago and has been operating in New Zealand since 1968, with a strong presence in the Asia Pacific Region.

CIGNA now insures over 275,000 Kiwis, many through the relationships it has developed with banks and finance companies.

Contact CIGNA

By phone
0800 888 420

By fax
04 470 9152

By e-mail
contactus.nz@cigna.com
for general information about your Policy including premiums, address changes etc.

complaintsandquality.nz@cigna.com
to register a complaint

claims.nz@cigna.com
to request a claim form or ask any questions related to a claim

By letter
CIGNA Life Insurance
PO Box 24031
Wellington, 6142

A copy of CIGNA's latest financial statements is available on request.