



MORTGAGE & RENT SAFE INSURANCE

Policy Wording

Together, all the way.



Mortgage and Rent Safe Insurance Policy Wording

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MORTGAGE AND RENT SAFE INSURANCE



0800 900 047



www.cigna.co.nz



contactus.nz@cigna.com



1. Introducing your Policy

Mortgage and Rent Safe Insurance from Cigna is designed to help you pay your mortgage repayments or rent if you can't work because of an Illness or Injury, or if you are made Redundant.

This Policy is underwritten by Cigna Life Insurance New Zealand Limited (Cigna) who will be responsible for all claims and other matters relating to this Policy.

All correspondence to you will be sent to the most recent address that we hold for you. If you change your address, it is your responsibility to notify us of your new address so we can continue to send you important information about your Policy.

Please read all your policy documents including your Policy Summary, this document and your application form carefully. These documents describe the terms and conditions that apply to your Policy and form the basis of the contract between you and Cigna. Meanings of important words and terms are given in Section seven. If you have any questions, please contact us.

We offer a 30 day Free Look Period so you have time to make sure you are happy with your insurance. If for any reason you want to cancel this Policy, please call us. Any premiums that have been paid will be refunded and we will confirm in writing that the Policy has been cancelled. If you cancel outside this 30 day period, there will be no refund of premiums.

All payments made in respect of this Policy are in New Zealand currency.

This Policy does not have any surrender or cash value.

Your responsibility to be open and honest

We rely on the information you give us to provide this cover for you and pay any claims.

If you haven't given us all the information we ask for or any other Material Information we may decline your claim, cancel your Policy from the Cover Start Date, and/or retain all or some of your premiums.

We may decline your claim and/or cancel your Policy if you provide false or incorrect information in support of a claim.

Limitation of cover

If you were not a Permanent Resident of New Zealand at the time that this Policy started, Cigna may cancel this Policy and refund any premiums paid.

If at the time this Policy started you had a Policy that had ended as a result of receiving the Illness and Injury benefit and the Redundancy benefit for the full benefit payment periods, Cigna may cancel this Policy and refund any premiums paid.

2. What you're covered for

Monthly Benefit

For the Illness or Injury benefit we will pay you the Benefit Amount shown on your Policy Summary, and for the Redundancy benefit we will pay you 50% of the Benefit Amount shown on your Policy Summary and as described here, providing the terms and conditions of this Policy are met and the premiums are up to date. Once your claim is accepted, your Benefit Amount will be paid monthly starting 30 days after any Wait Period ends.

We will continue to pay the Benefit Amount as long as you can provide Income evidence. We will only ask for Income evidence if you claim. Income evidence will need to be provided as at the Income Evidence Date and will need to show a Monthly Income greater than 2.5 times your Benefit Amount. If you cannot show this we will pay you a Revised Benefit Amount based on the evidence provided:

- for the Illness and Injury benefit and the Loss of Ability to Live Independently, this will be the monthly equivalent of 40% of your Income or
- for the Redundancy benefit this will be the monthly equivalent of 20% of your Income.

We will subtract from the Benefit Amount (or Revised Benefit Amount) any payments in respect of any mortgage or income/bill protection benefit that you or your mortgage provider receive or are entitled to receive in connection with your being Unable to Work, or being made Redundant. However we will not deduct any ACC benefits you receive or are entitled to receive, or any unemployment benefit paid by Work and Income New Zealand (WINZ) or equivalent. If you have mortgage or income/bill protection type cover with any other insurer, you must claim on it.

Premium payment and premium waiver

You need to continue to pay premiums during your Wait Period but if you have any premiums that become overdue during that time,

we may deduct them from your Benefit Amount. While you are receiving an Illness or Injury benefit or Redundancy benefit we will waive your premiums for this Policy.

One off payment for Loss of Ability to Live Independently

If we agree that you have suffered the Loss of Ability to Live Independently whilst:

- you are receiving an Illness or Injury benefit and
- before the Anniversary Date following your 60th birthday

we will pay you 36 times the Benefit Amount (or Revised Benefit Amount). This amount will be paid as a single lump sum.

Illness or Injury benefit

How it works

If, for 25 hours or more per week, you are in paid employment or are Self-employed immediately prior to being Unable to Work, we will pay you an Illness or Injury benefit once your Wait Period has ended. Your Illness and Injury benefit will continue until:

- you no longer meet the definition of being Unable to Work or
- you have been paid for the maximum Benefit Term.

You will be unable to make a claim for an illness which first occurs within the first three months after the Cover Start Date. You will be unable to make a claim due to an Illness or Injury that is caused or contributed by an excluded condition or pastime.

Multiple claims

You can claim more than once for Illnesses and Injuries. However, once a total of 24 months' payments has been made for Illness or Injury benefits under this Policy, across all claims, cover under the Illness or Injury benefit will end.

If you suffer a recurrence of the same or a related Illness or Injury and are Unable to Work, and this recurrence is within six months of the original claim ending, we will treat this as a continuation of the original claim and no Wait Period will apply.

Rehabilitation/vocational retraining

We'll consult with you on the appropriate rehabilitation or vocational retraining options for your individual circumstances.

If you decide not to carry out the rehabilitation or vocational retraining we require you to do, we may stop your claim.

We'll pay the cost of any rehabilitation or vocational training that we require you to do.

Worldwide cover

You're covered for any Illness or Injury that happens almost anywhere in the world but you have to be living and working in New Zealand to buy this cover. You'll also need to return to New Zealand after three months on claim to be eligible for any further claim payments. Please see Section 3 for countries that are not covered.

Benefit ending

You will no longer be able to make a claim against this benefit when you have received a total of 24 months' payments.

Redundancy benefit

How it works

If you are made Redundant from your Usual Occupation and are not working in any other occupation/s, after a 30 day wait, we will pay you a Redundancy benefit if:

- you were not Self-employed and
- you were made Redundant at least six months after the Cover Start Date and
- you were not aware of, nor should you reasonably ought to have known of, the likelihood of being made Redundant prior to the Cover Start Date and
- you have not already received six months' of redundancy benefit payments under any other Cigna Mortgage and Rent Safe Insurance policy.

Once your claim is accepted, your Benefit Amount will be paid monthly starting 30 days after the Wait Period.

Your Redundancy benefit will continue until:

- you return to work or
- you have received the Redundancy benefit for six months or
- the Anniversary Date following your 65th birthday.

You'll need to let us know when you return to work.

Benefit ending

You will no longer be able to make a claim against this benefit once you have received a total of six months' payments.

3. What you're not covered for

Illness or Injury benefit, or Loss of Ability to Live Independently

We will not pay a benefit for an Illness or Injury claim, or Loss of Ability to Live Independently claim which was directly or indirectly contributed to or caused by:

- an illness which first occurs within the first three months after the Cover Start Date
- a Pre-existing Medical Condition
- a Mental Illness
- backache and related conditions causing disability unless there is a radiologically proven medical abnormality
- any intentional self-inflicted injury, whether sane or insane
- pregnancy, giving birth, miscarriage or having a pregnancy terminated, unless you have been Unable to Work for more than three months after the pregnancy ends, in which case benefits will be assessed from this point on
- participation in, or training for, speed contests or any professional sport

- engaging in, preparing for or travelling to and from the site where the activity is to take place for any of the following activities – aerial activities other than as a fare paying passenger in an aircraft licensed to carry passengers on a recognised and regular airline, base jumping, black water rafting, boxing, bungee jumping, canyoning, caving or pot holing, diving, mountaineering, outdoor climbing, hunting, motor sports (all types on land or water), trans ocean racing, volunteering as a firefighter, lifeguard, surf life saver or search and rescue worker
- drug use (unless the drugs were prescribed and taken as prescribed by a Registered Doctor)
- your participation in a criminal or illegal act (which includes driving with excess blood alcohol levels)
- your travel to a country which is classed as extreme risk (meaning it is classified as a 'Do Not Travel' country) by the New Zealand Ministry of Foreign Affairs and Trade or its successor, during the time you are in that country (a full explanation of these classifications and a list of countries can be found at www.safetravel.co.nz).

Redundancy benefit

We will not pay a Redundancy benefit claim if:

- you are made Redundant in the first six months of the Policy
- you received written or verbal notice of your Redundancy in the first six months of the Policy
- you are not working at least 25 hours per week for the employer to which your Redundancy relates
- you are made Redundant and had been with the same employer for less than six months
- your Redundancy relates to a strike or labour dispute in which you or your employer are involved
- your Redundancy occurs while you are engaged in temporary, seasonal, part-time, relief work or on a fixed term employment contract

- Redundancy is caused by your voluntary resignation, voluntary redundancy or retirement
- you are dismissed
- you close or sell your own business
- you are a Director in the business
- you are still working in any paid employment
- you are receiving an Illness or Injury benefit or have received a benefit for Loss of Ability to Live Independently.

4. Changing your cover

It's important to review your insurance regularly to make sure you have the right amount of cover you need. If your mortgage or rent changes, you may want to review your Benefit Amount. You can apply to change your Benefit Amount, Benefit Term, Wait Period and how you pay your premiums at any time, simply contact us to discuss your options. Any health, occupational or financial changes that occur after your Policy starts may affect the terms of your cover if you apply to change it – we'll make sure you know about any impacts.

Cancelling your Policy

You can cancel your Policy any time. There is no cash value for this Policy if you cancel it unless you cancel during our 30 day Free Look Period, then we'll refund any premiums paid.

Reinstating your cover

You can apply to reinstate your cover if your Policy has been cancelled because of unpaid premiums. We'll reinstate your Policy at our discretion and the terms and conditions of your reinstated Policy may be different to those that applied before it was cancelled.

5. What you can expect from us

Guaranteed renewal of your cover

We'll automatically renew your Policy on each Anniversary Date and cover will continue if you do not cancel the Policy and premiums continue to be paid. The last renewal of your Policy will be for the 12 months starting on the Anniversary Date before your 65th birthday.

Changes to your premium

Your initial premium is on your Policy Summary and is based on your Benefit Amount and other factors including your Benefit Term, Wait Period, age, gender, occupation and whether you smoke or not.

Your premium will increase each year on each Anniversary Date as you get older. As with any change to your Policy, we'll advise you in writing of any changes to your premium for the coming year.

Premium changes to all policies

We may change the premiums charged for all Mortgage and Rent Safe Insurance policies. If we do, we'll give you 30 days' written notice of any change.

Tax

If there is a change in government policy and we are required to pay any tax, duty or government charge or levy relating to any amount payable to you under this Policy, we may reduce the amount we pay to you by the amount of that tax, duty or government charge or levy.

Under current tax laws the premiums for this Policy include Goods and Services Tax (GST). If the GST rate changes we will adjust your premium and advise you in writing of the new premium.

When your Policy will end

Your Policy will end when any of the following happen:

- your premium remains unpaid for three months. If this happens your cover will end on the date the last premium was paid up to
- on the Anniversary Date following your 65th birthday
- if you provide false or incorrect information in support of a claim
- you have received the maximum number of payments under each benefit across all Cigna Mortgage and Rent Safe Insurance policies
- if you misrepresent or do not disclose Material Information during your application period (from when you complete your application up until the date the Policy is issued), when you change your Benefit Amount, Wait Period, Benefit Term or reinstate your Policy
- we pay you a Loss of Ability to Live Independently benefit.

6. How to make a claim

If you need to make a claim, contact us as soon as possible and we'll guide you through the process. You'll need to complete a claim form and return it to us together with Income evidence and any information we ask for to assess your claim.

We may reduce the amount we pay or refuse to pay the claim if we are unreasonably disadvantaged by the late notification of a claim for the Illness and Injury benefit, Loss of Ability to Live Independently benefit and the Redundancy benefit.

Illness or Injury benefit

Making a claim

We'll need details of the condition that has caused you to be Unable to Work and the names and contact information of all Registered Doctors that have treated you. We'll also need financial evidence of your Income and any other Income you are receiving. During your claim, you will need to provide on-going medical and financial evidence satisfactory to us. The cost of obtaining this information will need to be met by you. You'll also need to let us know when you return to work.

Providing medical evidence while you're Unable to Work

You will need to provide medical evidence satisfactory to us each month that you remain Unable to Work otherwise we may stop your payments. If you don't comply with the treatment prescribed by a Registered Doctor that you have consulted for your Illness or Injury we may not pay your claim.

Redundancy benefit

Making a claim

You'll need to provide Cigna with adequate ongoing proof each month that you are actively seeking paid employment. We'll also need confirmation of your Redundancy from your previous employer. If you are offered and refuse employment for which you are Reasonably Suited, Cigna reserves the right to end your claim.

7. Some terms defined

The following words and terms appear in the Policy Summary and/or in the Policy Wording.

Activities of Daily Living means:

- dressing/undressing, which is the ability to put on and fasten and take off and unfasten all necessary clothing, braces, artificial limbs or surgical appliances

- washing/bathing, which is the ability to wash in the shower or bath so that an adequate level of personal hygiene can be maintained. This includes being able to get in and out of the shower or bath
- toileting, which is the ability to manage bowel and bladder functions so that an adequate level of personal hygiene can be maintained. Toileting includes the ability to get on and off a toilet or commode
- eating and drinking, which is the ability to feed oneself once food and drink have been prepared and made available
- moving from place to place (with or without a wheelchair, prosthetic device or an aid), which is the ability to move indoors from one room to another on a level surface in your home.

Anniversary Date means the date 12 months after the Premium Start Date and the same date each year after that.

Annual Income is shown on the Policy Summary. This amount was provided when you took out the policy. Evidence of this Income will be needed should you make a claim.

Benefit Amount is shown on the Policy Summary and means the amount of money paid monthly should you meet the terms and conditions for a claim under the relevant benefit. For the Redundancy benefit the amount is 50% of the Benefit Amount shown on your Policy Summary.

Benefit Term means the maximum period of time shown on the Policy Summary, that you can receive the Benefit Amount for any one claim. If you have changed your Benefit Term we will apply the term that was in place when you suffered the Injury or first consulted your doctor for the symptoms of the Illness that caused you to then become Unable to Work.

Cigna (we, us) means Cigna Life Insurance New Zealand Limited, the underwriter of this Policy.

Cover Start Date means:

- the date your cover began or
- the date your cover was reinstated.

If you increase your Benefit Amount the Cover Start Date for the increase is the day cover began for the increased Benefit Amount.

Free Look Period means the 30 day period you have to review your Policy. It starts from the date we send your Policy documents.

Illness means any sickness or disease that happens after the Cover Start Date that is not a Pre-existing Medical Condition, and first occurred at least three months after the Cover Start Date.

Income means:

- if you are an employee, your highest average gross taxable income earned over any continuous 12 month period in the 24 months preceding the Income Evidence Date. Any income from redundancy payments is excluded from this calculation.
- if you are Self-employed or a working director, the highest average gross taxable income you earned from your business/es or occupation/s (after business or professional expenses) and as reported to the IRD (or the overseas equivalent) over any continuous 12 month period in the 24 months preceding the Income Evidence Date.

If you are, and have been, on parental or other unpaid leave for a period of less than six months when you become Unable to Work, your Income will be calculated as the highest average gross income earned in a continuous 12 month period in the 24 months preceding the Income Evidence Date.

Income Evidence Date means the date from which Income can be calculated. It is the Cover Start Date, but as a substitute we will allow you to use the date of claim.

Injury means bodily injury caused by violent, accidental, external and visible means which occurs after the Cover Start Date.

Loss of Ability to Live Independently means that you are permanently and irreversibly unable to perform, independently, at least two of the Activities of Daily Living, where such loss of capacity has lasted for a period of at least six months after the Cover Start Date. If the six month period commences before the Anniversary Date following your 60th birthday you are still eligible for the benefit.

Material Information means all relevant information that we needed in order to decide the terms of your Policy. It includes, but is not limited to, information about your age, health, occupation and income.

Mental Illness means any psychiatric, psychosomatic, mental or nervous condition including, but not limited to:

- stress (including post traumatic stress disorder)
- physical symptoms of a psychiatric illness
- anxiety
- depression or depression related conditions
- psychoneurosis
- psychotic, personality, emotional or behavioural disorders or
- disorders related to substance abuse and dependency which includes alcohol, drugs or chemical dependency.

Monthly Income is calculated as your Income divided by 12.

Permanent Resident of New Zealand means a New Zealand citizen or a person in possession of a permanent resident's visa.

Policy means this document being the Policy Wording, the Policy Summary (and accompanying letter) and your application details.

Policy Summary means the summary sent to you with this document that shows the details specific to your Policy, or any replacement summary.

Policy Wording means this document.

Premium Start Date means the date that the first premium is due as shown on the letter accompanying the Policy Summary.

Pre-existing Medical Condition means any illness, injury or medical condition which:

- you were being treated for at the Cover Start Date, or for which you had been treated and/or sought advice in the two years prior to the Cover Start Date or
- you were aware you had, or had signs or symptoms of, in the two years prior to the Cover Start Date or for which a reasonable person would have sought medical advice or treatment.

Reasonably Suited means the type of work you would reasonably be expected to do because of your education, training or experience.

Redundant or Redundancy means that your position has been disestablished by your employer and that you have been unemployed as a result of your redundancy, for at least 30 consecutive days.

Registered Doctor means a doctor registered in New Zealand or Australia who is appropriately qualified to assess your medical condition. The doctor cannot be you, your business partner or related to you.

If you are in another country, the doctor must have qualifications and registration satisfactory to us and equivalent to New Zealand or Australian standards.

Revised Benefit Amount means:

- for the Illness or Injury benefit and the Loss of Ability to Live Independently the monthly equivalent of 40% of your Income based on the evidence provided.
- for the Redundancy benefit the monthly equivalent of 20% of your Income based on the evidence provided.

Self-employed means you are employed by a company of which you or your immediate family have direct or indirect control, or you work for yourself in the capacity of a self-employed contractor, sole trader or otherwise, for remuneration for 25 hours or more per week.

Unable to Work means that solely due to an Illness or Injury occurring after the Cover Start Date you are:

- confirmed by a Registered Doctor as being unable to perform the duties of your Usual Occupation for more than 10 hours per week and
- you have consulted with and are following the advice of a Registered Doctor in relation to the Illness or Injury for which you are claiming and
- you are not engaged in your Usual Occupation or any other paid occupation at all.

The medical information provided must be acceptable to Cigna and Cigna's medical adviser must agree that you are Unable to Work.

Cigna reserves the right to arrange any further medical assessments necessary to assess your medical condition and ability to work.

Usual Occupation means the occupation or occupations you are employed in and receiving an income from, at the time you become Unable to Work.

If, at the time you become Unable to Work, you have been unemployed, are on parental or unpaid leave for a period of six months or less, we will consider your occupation immediately prior to becoming unemployed or going on unpaid leave, your Usual Occupation.

If, at the time you become Unable to Work you have been unemployed, on parental or any unpaid leave for more than six months, you will be considered to have no Usual Occupation and will not be entitled to claim.

Wait Period means the period of time (selected by you and shown on your Policy Summary) you must have been continuously Unable to Work, before you become eligible to receive an Income benefit. The Wait Period starts the day you are, in Cigna's opinion, first Unable to Work or the day you first saw a Registered Doctor and were medically certified as Unable to Work, whichever is earlier. If you have changed your Wait Period we will apply the period that was in place when you suffered the Injury or first consulted your doctor for the symptoms of the Illness that caused you to then become Unable to Work.

8. If you need to make a complaint

If you have a complaint we are happy to discuss it. Please contact us in the first instance, our Customer Service team will do their best to resolve your issue straight away. However, if they can't sort out the issue, our dedicated Customer Resolution Manager will personally take on your case.

We are a member of the Insurance and Financial Services Ombudsman (IFSO) scheme, a free, independent service which can help settle any dispute you are unable to resolve with us.

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

IFSO contact details

Post **PO Box 10 845, Wellington 6143**

Phone **0800 888 202**

Email **info@ifso.nz**

Website **www.ifso.nz**

9. About Cigna

Cigna New Zealand is a leading specialist provider of insurance products and services including life insurance, funeral insurance, income protection insurance, accidental death insurance, serious illness insurance and travel insurance.

We've been operating in New Zealand for nearly a century, and protect more than 295,000 New Zealanders with our insurance policies.

We are part of Cigna Corporation, a Fortune 500 company and one of the world's largest publicly-owned companies.

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

Statutory Fund

Like all New Zealand life insurers, we were required under the Insurance (Prudential Supervision) Act 2010 to establish a statutory fund. The statutory fund relevant to your policy is Cigna's Statutory Fund Number One.

Privacy

Any details you provide will be held securely by Cigna for the purpose of providing you with quotations and information about Cigna products and services. Your details will never be disclosed to third parties, except for purposes of setting up and administering any policy you wish to take out. From time to time, Cigna may contact you with information about products and services, which it feels may be of interest to you. Under the Privacy Act 1993 you have the right of access to and correction of personal information provided by you.

For more information on our Privacy Policy please refer to our full Privacy Statement at www.cigna.co.nz/privacy or contact us on **0800 900 047**.

10. Our Financial Strength

We have an A- (Excellent) financial strength rating which was given by A.M. Best Company Inc.

The rating scale is:

Secure			Vulnerable		
A++	A+	Superior	B	B-	Fair
A	A-	Excellent	C++	C+	Marginal
B++	B+	Good	C	C-	Weak
			D		Poor
			E		Under regulatory Supervision
			F		In Liquidation
			S		Suspended

For more rating information visit

www.ambest.com/ratings/guide.pdf

11. Contact us

By phone **0800 900 047**

By email **contactus.nz@cigna.com** for general information about your Policy such as premiums and address changes

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

Manners Street

Wellington 6142

By fax **04 470 9152**



Together, all the way.

