

Partners Protection Plan

Policy Document

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1. Policy Document

This policy document details the terms of the contract between **Partners Life** and the Policy Owner(s) ("you", "your" or "yours") named in the **Policy Schedule**.

The Policy consists of:

- The application form together with any declaration and statements which are incorporated in it; and
- Any supplementary questionnaire with any declaration and statements which are incorporated in it; and
- Any other disclosures made in relation to the application for cover under this policy which are confirmed as received by **Partners Life**; and
- Any offer and acceptance of special terms for the cover which override anything else in your policy which might be inconsistent with them; and
- These policy terms and conditions; and
- The **Policy Schedule**; and
- Any anniversary, arrears or lapse correspondence issued by **Partners Life**; and
- Any correspondence issued by **Partners Life** confirming changes to the policy.

Nothing else forms part of this policy.

2. About your Partners Protection Plan

Your Partners Protection Plan allows you to select any combination of **Protection Benefits** to meet your needs. Your Partners Protection Plan also gives you the ability to change individual **Protection Benefits** within the policy without having to replace the whole policy making it adaptable to changes in your life so that it can continue to be of real value to you, providing a flexible solution to protecting your future.

3. Protection Benefits

3.1 Cover

The people who are insured under this policy (called the lives assured), the **Protection Benefits** they are insured for and the amounts they are insured for (called the sums insured) are detailed in the **Policy Schedule**.

This cover under the **Protection Benefits** starts on the commencement date(s) detailed in the **Policy Schedule**. The term of this policy is until the date on which the last remaining **Protection Benefit** provided under this policy ends. The policy will remain in effect for its entire term subject to Clause 5.2 Non-Disclosure, Misstatement and Fraudulent/False Claims and Clause 8.3 Missed Premiums which are contained within this policy document.

3.2 Changing Benefits

You can request changes to this policy at any time. Some of those changes will require the agreement of **Partners Life** before they can be made, such as adding new lives assured, adding new **Protection Benefits** or increasing existing **Protection Benefits**. Any changes made to the policy after the issue of this policy document will be detailed in **Endorsement Schedules**, replacement **Policy Schedules** or confirmation letters that will be sent to you by **Partners Life** immediately following the acceptance of these changes by **Partners Life**.

Partners Life recommends that these documents be kept together with this policy document to ensure that you hold an accurate record of your policy at any given time.

Changing your **Protection Benefits** may require a change in your **Protection Premium**. **Partners Life** will advise you of the new **Protection Premium** based upon the underlying **Protection Premium** rates applicable for the life assured.

3.3 Inflation Adjustments

Partners Life will apply adjustments for **Inflation** to the sums insured for all **Protection Benefits** other than Private Medical Cover.

The **Inflation** adjustment will apply at each **Policy Anniversary Date** (immediately following any age related premium recalculation as detailed in Clause 6.2 Premium Rate Changes).

If you have elected the 5% increase option and it is shown on the **Policy Schedule** then the annual rate the sum insured will increase by will be 5% or **Inflation**, whichever is the greater.

When these adjustments happen, the **Protection Premiums** payable for those adjusted **Protection Benefits** will also increase by the same percentage on the same day. If the **Inflation** rate is negative in any year, then your **Protection Benefits** and **Protection Premiums** will not change for that year.

You may decline an adjustment on any **Policy Anniversary Date** upon written notification to **Partners Life**. If you decline an adjustment, the sum insured will not increase by **Inflation** on that **Policy Anniversary Date**. If you do decline an adjustment on any **Policy Anniversary Date**, the next adjustment will occur on the following **Policy Anniversary Date**.

3.3.1 Claims Escalation

If on a **Policy Anniversary Date**, you are receiving a regular claim amount under any **Protection Benefit** to which an **Inflation** adjustment would apply, including Life Income Cover, then **Partners Life** will also increase the regular claim amount by **Inflation** on that **Policy Anniversary Date**.

3.4 Claims

The first step in any claims procedure is to notify your adviser and **Partners Life** immediately when an event occurs that might result in a claim against one of the **Protection Benefits** provided under this policy. **Partners Life** will then let you know what information is required to progress your claim, and the process for the assessment and acceptance of the claim.

The information that may be required for each different type of claim is detailed in the Protection Benefit Sheets contained at the back of this policy document.

Sometimes to progress your claim **Partners Life** may require information from another person or organisation. If this happens, we may ask you to help us obtain what is required.

Partners Life undertakes to manage your claim with empathy and the utmost respect for the difficult circumstances that generally accompany any claim.

Partners Life will endeavour to obtain the required evidence to enable it to complete its assessment of a claim as quickly as possible and once this evidence has been received, to complete its assessment as quickly as possible thereafter.

Where the evidence received supports the acceptance of a claim **Partners Life** undertakes to make the applicable claim payments as quickly as possible.

Where the evidence received results in a claim being declined, **Partners Life** will undertake to communicate the decision as quickly and with as detailed an explanation as possible to enable the decision to be understood and, where applicable, challenged.

Where the evidence received does not clearly identify to **Partners Life** whether a claim should and/or could be accepted or declined, and where no further clarifying evidence is able to be obtained (provided access to such information has not, in **Partners Life's** sole opinion, been prevented by the actions of you or the life assured) **Partners Life** undertakes to accept the claim.

4. Customer Loyalty

We are very pleased that you have chosen **Partners Life** as your insurance partner, to provide insurance which protects you in your time of need. To recognise the partnership, we make the following commitments to you:

4.1 Premium Discount

We will discount all of your **Protection Premiums** starting from the 2nd **Policy Anniversary Date**. Your **Protection Premiums** will be discounted on an increasing basis as detailed below. This loyalty discount will result in lower **Protection Premiums** than would be paid by a new customer to **Partners Life** who shares the exact same demographics as the life assured and is provided with the exact same mix of **Protection Benefits** and sums insured as are provided under this policy.

<u>Policy Anniversary Date</u>	<u>Discount applied to Protection Premiums</u>
2nd	1%
3rd	2%
4th	3%
5th	4%
6th	5%
7th	6%
8th	7%
9th	8%
10th	9%
11th onwards	10%

4.2 Guaranteed Upgrade of Future Benefits

Partners Life will automatically add any future improvements we make to any of the **Protection Benefits** you have chosen under this policy to your policy, as long as they do not require an increase in the **Protection Premium** for those **Protection Benefits**. Any improvements will then apply to future claims against those **Protection Benefits**. The improvements will not apply to current claims or to any future claims arising from medical conditions which, in **Partners Life**'s sole opinion, could have resulted in an acceptable claim prior to the improvements coming into effect, but for which you did not claim (for whatever reason).

This clause is included for your sole benefit to ensure that your policy will be better off as a result of the guaranteed upgrade. If you or the life assured is inadvertently disadvantaged in any way, then the previous, Protection Benefit Sheet wording will apply. If certain exclusions were noted on your **Policy Schedule** previously, these continue to apply.

5. Information and Non-Disclosure

Partners Life relies on the information you provide to decide whether we are able to offer insurance to you, and on what terms. The principle of utmost good faith means that you must inform **Partners Life** about any facts, which may be material to the insurance, such as previous claims history, medical advice, treatment, medication, and any pre-existing health conditions or symptoms. This is referred to as the "duty of disclosure". Information is "material" and must be disclosed, if it would influence **Partners Life** in deciding whether or not to accept an application for insurance and, if so, on what terms.

5.1 Duty of Disclosure

You and the life assured are under a duty to disclose all material facts to **Partners Life** when submitting an application for insurance, requesting an increase to a **Protection Benefit** which requires assessment by **Partners Life**, reinstating a policy, or any other time we tell you that you need to disclose information.

If the circumstances of the person to be insured change materially after you apply for **Protection Benefits** but before **Partners Life** notify you in writing that they have accepted the application; or if you know that **Partners Life** do not have all the material facts required to assess an application; you must notify **Partners Life** immediately when you become aware of this.

5.2 Non-Disclosure, Misstatement and Fraudulent/False Claims

If you or the life assured:

- Failed to disclose all material facts to **Partners Life**; or

- Made a statement in the Application, Personal Statement or any other document, on the basis of which insurance under this policy was granted or reinstated, which was:
 - a) Substantially incorrect; and
 - b) Material; or
- Made a statement in relation to Life Cover or Life Income Cover which was fraudulent or was made within the three years immediately before the date on which **Partners Life** seeks to decline a claim or cancel or avoid the life assured, whichever is the earlier; or
- Make a claim under the policy that is false or fraudulent in any respect;

Then

Partners Life may, at its sole discretion, take one or more of the following actions:

- Avoid from inception any **Protection Benefit** provided under the policy or the entire policy (this means the **Protection Benefit** or policy will be deemed to have never existed and no claims will be paid by **Partners Life**); and/or
- Cancel a **Protection Benefit** or the entire policy from the date that **Partners Life** notify you of the cancellation; and/or
- Decline and not pay a claim; and/or
- Alter the terms upon which **Protection Benefits** are provided under this policy. **Partners Life** can choose to do so from the commencement date or some later date at its sole discretion; and/or
- Recover from you any claims that have previously been paid; and/or
- Recover from you all costs and expenses incurred by **Partners Life** in connection with the policy and/or the claim (which may include but are not limited to retaining premiums paid); and/or
- Remove the life assured from the policy.

Notwithstanding the available remedies in the event of the discovery of non-disclosure or misstatement, **Partners Life** will undertake to adopt what it considers to be a fair and reasonable approach (as detailed below) but only if **Partners Life**, in its sole opinion, believes you or the life assured has not attempted to intentionally mislead or defraud the company.

Fair and Reasonable

If at any time material non-disclosure or misstatement is discovered, **Partners Life** will firstly obtain any information it requires to enable it to reassess any applications for **Protection Benefits** for which the original assessments had been impacted by the non-disclosure or misstatement. Once this information has been obtained, **Partners Life** will reassess the application(s) as if that information had been known to it at the application date.

This means that if you have had a change of circumstances occur after that application date and to which the non-disclosure or misstatement would not be relevant, we will not take those changes into account when reassessing your **Protection Benefits**.

If the reassessment indicates that **Partners Life** would have declined the application for the applicable **Protection Benefit** then **Partners Life** will apply one of the remedies listed above.

If the reassessment indicates that **Partners Life** would have accepted the application for the applicable **Protection Benefit** on the same acceptance terms as were actually applied to that **Protection Benefit** then **Partners Life** will continue with the policy and any current claim assessment as if the non-disclosure or misstatement had not occurred.

If the reassessment indicates that **Partners Life** would have accepted the **Protection Benefits** on different acceptance terms than those that were actually applied to those **Protection Benefits** then **Partners Life** will offer you the option to agree to apply the new acceptance terms to the **Protection Benefits** with effect from the original application acceptance date. If you agree to these terms (and pay any outstanding **Protection Premium** which is due as a result) then **Partners Life** will alter the policy accordingly and then assess any current claims on that basis. If you do not agree to the amended acceptance terms and/or you do not pay any outstanding **Protection Premium** then **Partners Life** will apply one of the remedies listed above.

So it is important you and the lives assured, and anyone else giving information on your or their behalf, tell **Partners Life** and your adviser about everything you and they know (or ought to know) which might influence **Partners Life's** assessment and acceptance of your application or claim. **Partners Life** and your adviser also need to be told if there are any changes to this information before the commencement date or before any change to the policy takes effect.

6. Protection Premiums

6.1 Premium Payments

You are required to pay the **Protection Premiums** set out in the **Policy Schedule** for the duration of the **Cover Terms** set out in the **Policy Schedule**. All payments to **Partners Life** under this policy must be made in New Zealand Dollars.

6.2 Premium Rate Changes

Partners Life calculates the **Protection Premium** for each of your **Protection Benefits** based on the demographics of the **Life Assured**, the type of **Protection Benefit** selected, the sum insured, the **Cover Term** and the applicable **Special Acceptance Terms**. **Protection Premiums** can be structured in the following ways:

- Yearly stepped premium
- 5% stepped, 10 year guaranteed premiums
- Level to age 65
- Level to age 80

The **Protection Premium** types you have selected are shown in the **Policy Schedule**. How this affects the **Protection Premiums** you pay is explained below:

- Where yearly stepped premium has been selected, your **Protection Premium** will automatically change on each **Policy Anniversary Date** based on the life assured's age, the sum insured, the level of loyalty discount applicable and the underlying **Protection Premium** rates applicable at that time. Your **Protection Premium** will also change any time you alter the **Protection Benefits** or sums insured and will be based on the changes you have made and the underlying **Protection Premium** rates applicable at that time.
- Where 5% stepped, 10 year guaranteed premiums have been selected your **Protection Premium** will only change by the fixed 5% step, the level of loyalty discount and any **Inflation** adjustment applicable on each **Policy Anniversary Date** during each 10 (ten) year period. This means the **Protection Premium** will not change if **Partners Life** changes its underlying premium rates. At the end of each 10 (ten) year period, the **Protection Premium** will be recalculated based on the life assured's attained age, the benefit sums assured and the underlying premium rates applicable at that time. The recalculated **Protection Premium** will then apply for the following 10 (ten) year period as described above.
- Where premium types level to age 65 or to age 80 have been selected your **Protection Premium** will only change by the level of loyalty discount and **Inflation** adjustment applicable on each **Policy Anniversary Date** during the selected period. This means the **Protection Premium** will not change if **Partners Life** changes its underlying premium rates. At the end of the selected period, the **Protection Premium** type will revert to yearly stepped premium as detailed above.

6.3 Premium Holiday and Policy Suspension

Partners Life, at its sole discretion, may allow you to stop paying the total premium payable under your policy, by either taking a premium holiday or a policy suspension. Valid reasons for a premium holiday and policy suspension are listed below:

Premium Holiday or Policy Suspension:

1. **Redundancy**; or
1. **Bankruptcy**; or
2. Leaving paid employment to become a full-time caregiver for a spouse, defacto partner or **Civil Union** partner who for the first time requires such care as a result of an **Illness or Injury**; or
3. Leaving paid employment to become a full-time caregiver for a **Dependent Child** who for the first time requires such care as a result of an **Illness or Injury**; or
4. Death of a spouse, partner or child
5. Any other event which **Partners Life** agrees to, at it's sole discretion.

Policy Suspension only:

1. Employer approved leave without pay; or
2. Overseas travel; or
3. Employer approved parental leave; or
4. **Tertiary Education.**

You can apply by completing a Premium Holiday/Policy Suspension Form available from **Partners Life** or your adviser and by providing **Partners Life** with any proof it requests to verify your reason for applying. There are certain criteria that need to be met before the application can be approved by **Partners Life**:

1. The policy must be current and must not be in arrears at the time the application is submitted; and
2. Policy suspensions cannot be back-dated; and
3. The combined total premium holiday and/or policy suspension periods that can be exercised during the term of this policy is twelve (12) months.

Partners Life recognises that circumstances can change rapidly and may, therefore, at their sole discretion, allow a premium holiday to be backdated.

Premium Holiday – If the application is successful, **Partners Life** will send you a letter setting out the period of premium holiday agreed to. You can apply for a maximum premium holiday of six (6) months.

Where you have applied for and been granted a premium holiday the following will apply:

- You will continue to be covered by your policy and will be able to make claims during the premium holiday period; and
- Your **Protection Benefits** will not need to be re-assessed when the premium holiday period ends; and
- Changes to premium rates, sums insured (including **Inflation**), or policy fees will not be applied to the policy during the period of premium holiday; and
- No changes can be made to the **Protection Benefits**, lives assured or the **Protection Premium** structure during the period of the premium holiday; and
- Total premium payments will automatically resume upon the expiry of premium holiday; and
- We will send you a letter one month before the expiry date of your premium holiday, letting you know that the premium holiday is over and you will be required to recommence paying the total premium on the policy at your chosen frequency; and
- If you do not recommence paying your total premium immediately the premium holiday period ends your policy will automatically lapse and no further cover will be provided.

Policy Suspension – If the application is successful, **Partners Life** will send you a letter setting out the period of policy suspension agreed to. The maximum policy suspension period you can apply for is twelve (12) months.

Where you have applied for and been granted a policy suspension the following will apply:

- You will not be covered by your policy and therefore will not be able to make claims against any **Protection Benefits** during the premium suspension period; and
- You will not be covered by your policy even after the end of the policy suspension period for any events that would have given rise to an acceptable claim, in **Partners Life's** sole opinion, had the policy not been in a period of policy suspension at the time;
- Changes to premium rates, sums insured (including **Inflation**), or policy fees will not be applied to the policy during the period of policy suspension; and
- No changes can be made to the **Protection Benefits**, lives assured or the **Protection Premium** structure during the period of the policy suspension; and
- Total premium payments will automatically resume upon the expiry of policy suspension; and
- We will send you a letter one month before the expiry date of your policy suspension, letting you know that the policy suspension is over and you will be required to recommence paying the total premium on the policy at your chosen frequency; and
- If you do not recommence paying your total premium immediately the policy suspension period ends your policy will automatically lapse and no further cover will be provided.

To reactivate your policy you will need to:

- Write to **Partners Life** requesting reactivation of your policy; and
- Provide a new payment authority.

7. Policy Fee

Partners Life charges you a policy fee, which forms part of your total premium. We use the policy fee for the on-going administration costs of your policy. The policy fee payable under this policy is outlined in the **Policy Schedule**.

Partners Life may change this policy fee from time to time. If this occurs, **Partners Life** will notify you of the new policy fee payable under this policy. Your total premium will be adjusted accordingly with effect from the **Policy Anniversary** or the date from which **Protection Benefits** under your policy are amended, whichever is the earlier.

8. Your Total Premium

8.1 Amount and Frequency

The total premium payable is the sum of your **Protection Premiums** and your policy fee. The due date of the first total premium payment and the frequency at which total premiums are to be paid are detailed in the **Policy Schedule**.

8.2 Method of Paying Premium

Partners Life prefers you to pay all regular total premiums into **Partners Life's** nominated bank account either by direct debit or by credit card transfer. If you do wish to pay any premium by cheque then the cheque must be made out to Partners Life Limited, marked 'not negotiable' and 'account payee only', and must be received by **Partners Life** at its head office.

8.3 Missed Premiums

If your total premium is not paid by the premium due date, and all or part of it remains unpaid for 31 days or more, your policy will automatically lapse meaning all cover will cease immediately. **Partners Life** will write to you at your last known address and advise you of this. Any total premiums (or part thereof) paid on the policy will be applied to satisfy the oldest outstanding total premiums first.

The cancellation of the policy is effective, whether or not you receive notification, from the premium due date immediately following your last total premium payment. **Partners Life** will retain any premiums that have already been paid by you on the policy.

Partners Life will automatically deduct any premiums that are unpaid from any claim payments due under this policy.

If you wish to restart the policy once it has lapsed, you must write to **Partners Life**. Your adviser can assist you with this process. **Partners Life** has the right to accept or decline any application to restart a policy.

9. Policy Ownership

9.1 Claim Payments

Any claim benefits paid under the policy will be paid to you as the policy owner, or to any other persons nominated as recipients by you at the time of the claim.

9.2 Death of a Policy Owner

If you are an individual then in the event of your death ownership of this policy will pass to your estate. If you are a group of individuals then on the death of any one of you, ownership of this policy will pass to the survivors as joint tenants. On the death of the last one of your group, ownership of this policy will pass to that person's estate.

9.3 Policy Alterations

Any policy alterations you request, including changes to the **Protection Benefits** or alterations to the total premium, will not be processed unless you have authorised the changes in writing. If you are a group of individuals then written authorisation is required from all of you. It is particularly important to note that in the event of an estrangement of joint policy owners, the written consent of all of the policy owners will still be required to effect any policy alteration.

9.4 Changing Ownership

To change ownership of this policy you must complete a Memorandum of Transfer in the form prescribed by law (a copy is available by contacting our head office). All current policy owners must authorise the change of ownership and the new policy owner(s) must agree to this transfer before the change of ownership can be processed.

Partners Life will not recognise any change of ownership of this policy until the correctly completed Memorandum of Transfer is received and registered by **Partners Life** at its head office.

10. Cancelling this Policy

If for any reason you are not happy with this policy, you may return it to us along with a written request to cancel the policy. **Partners Life** recommends that you discuss your decision with your adviser first.

10.1 Inside the Free Look Period

If **Partners Life** receives your written notification within 30 days of the date that **Partners Life** sent the policy document to you, then the policy will be cancelled from outset and all premiums paid by you will be refunded by direct credit into your bank account.

From the date **Partners Life** receives notification of cancellation of the policy, you will not be entitled to any **Protection Benefits** under the policy.

10.2 Outside the Free Look Period

Upon receiving your written notification, **Partners Life** will cancel the policy and the **Protection Benefits** will immediately cease.

If you have elected to pay premiums less frequently than monthly (e.g. half-yearly or yearly), **Partners Life** will refund any part of the total premium already paid for this policy which covers any period greater than one month beyond the date **Partners Life** receives the cancellation notice. Otherwise, **Partners Life** do not have to refund any total premiums or part premiums already paid.

From the date **Partners Life** receives notification of cancellation of the policy, you will not be entitled to any **Protection Benefits** under the policy.

Partners Life may cancel this policy without your consent if you or the lives assured have not disclosed or have misrepresented any information, which would have been material to **Partners Life's** acceptance of your application for this policy or the **Protection Benefits** provided under this policy. What will happen in these circumstances is outlined in Clause 5.2 Non-Disclosure, Misstatement and Fraudulent/False Claims contained within this policy document.

Partners Life is also entitled to cancel this policy under Clause 8.3 Missed Premiums contained within this policy document.

Partners Life will notify you of any such cancellation by written notification sent to your last notified address.

11. Miscellaneous

11.1 Law

The laws of New Zealand govern this policy.

If changes in the law or its interpretation occur after the commencement date which affect **Partners Life's** liability for tax or the way in which the terms of this policy may be interpreted, then **Partners Life**

reserves the right to change any of the provisions of the policy that it considers necessary by notice in writing to you.

All **Protection Benefits** with the exception of Private Medical Cover are included in the **Partners Life** Statutory Fund.

11.2 Non-Participating Policy

This Policy is non-participating, meaning that you are not entitled to benefit from **Partners Life's** profits.

11.3 Correspondence

All notifications to **Partners Life** regarding this policy must be in writing and signed by you.

The postal address for these notifications is:

Partners Life Limited
Private Bag 300995
Albany
Auckland 0752

Partners Life will send all correspondence to you in writing at the last notified postal or email address provided by you. If your address changes you should notify **Partners Life** as soon as possible.

11.4 If You Have a Problem

Partners Life values that you have chosen **Partners Life** to provide your insurance needs and therefore your feedback is important. We have a complaints procedure to assist you to resolve any problems quickly and fairly. All complaints will initially be handled internally through our complaints procedure. If your complaint cannot be resolved through this procedure, you can refer it to the Insurance & Savings Ombudsman (ISO) who may be able to help.

If you have any questions or complaints about your policy or **Partners Life's** complaints procedure, please phone **Partners Life** during office hours on 0800 145433. If this does not resolve your problem, you should write to the:

Complaints Manager
Partners Life Limited
Private Bag 300995
Albany
Auckland 0752

11.5 World Wide Cover

This policy is valid anywhere in the world you may reside or be temporarily located although some **Protection Benefits**, such as Medical Cover, only provide protection in specified countries. You should refer to the Protection Benefit Sheets relating to the **Protection Benefits** you have chosen for any restrictions to this worldwide cover provision.

All payments **Partners Life** makes under this policy will be in New Zealand dollars.

11.6 Policy Information

Shortly before each **Policy Anniversary**, **Partners Life** will send you confirmation of the total premium payable and the **Protection Benefits** provided.

You may request information about your policy on any business day by contacting your adviser or **Partners Life**.

12. Definitions

ACC	Means the Accident Compensation Corporation, a Crown entity set up by the New Zealand Government to provide comprehensive, 24-hour, no-fault personal injury cover for all New Zealand residents and visitors to New Zealand.
Accident	Means a violent, external and visible event that results in physical Injury .
Activities of Daily Living	Means: <ul style="list-style-type: none">• Bathing and showering; and• Dressing and undressing; and• Eating and drinking; and• Using a toilet to maintain personal hygiene; and• Moving from place to place by walking, wheelchair, or with the assistance of a walking aid.
Adoption	Means Adoption as defined in the Adoption Act 1955, or any subsequent Act.
Approved Financial Adviser	Means a current financial adviser who is a member of a financial services industry body and who has been approved by Partners Life .
Bankruptcy/Bankrupt	Means a situation where the person, being self-employed, is adjudged Bankrupt in Australia or New Zealand.
Cardiovascular	Means the heart (cardio) and the blood vessels (vascular). The Cardiovascular system includes arteries, veins, arterioles, venules, and capillaries.
Care Provider	Means an employee whether indirectly or directly employed by a Private or Public Hospital .
Civil Union	Means a Civil Union as defined in the Civil Union Act 2004.
Congenital	Means a non-acute medical condition that is recognised at birth, or diagnosed within four (4) months of birth, whether it is inherited, or due to external factors such as drugs or alcohol.
Cover Term	Means the period during which coverage is provided under a Protection Benefit as detailed in the Policy Schedule . The Protection Benefit will cease when the end of the Cover Term is reached and the premium payable for that Protection Benefit will also cease.
Criminal Act	Means participation in an action that constitutes an offence under the Crimes Act 1961, (or its equivalent in the country that the crime was committed if that country is not New Zealand), whether or not that action results in a conviction on indictment or on summary conviction.
Dependent Child	Means a child up to and including the age of eighteen (18) who is the son or daughter of the life assured by way of birth or Adoption or is under the legal guardianship of the life assured at the time of claim, and is either: <ul style="list-style-type: none">• Living with the life assured at the time of claim; or

- Receiving financial support from the life assured at the time of claim.

Diagnostic Procedures	Means investigative procedures ordered by a Specialist to diagnose a medical condition.
Earned	Means income received or entitled to be received by the life assured as a direct result of the life assured's physical or mental endeavours in their job.
Endorsement Schedules	Means documents included in the policy document or issued subsequently by Partners Life which amend the terms and conditions of this policy.
Full Time	Means to work all morning and all afternoon (or at least seven and a half (7.5) hours per day) for five (5) days per week, or the equivalent amount of time in the case of shift workers – less than this being regarded as "part-time".
Full Time Care	Means having primary responsibility and actively undertaking, whether shared or alone, the Full Time day-to-day care of persons who cannot safely take care of themselves without supervision.
Hospice	Means a healthcare facility providing palliative care services for terminally ill patients that holds regular or associate service membership with Hospice New Zealand (or the Australian equivalent).
Hospital	Means a Licensed Hospital, which is in New Zealand, as defined in the Hospitals Act 1957 or any substituted Act or the Australian equivalent.
Illness	Means any sickness or disease, which has not been caused by an Accident .
Income	<p>Means:</p> <p><u>Non Self-Employed</u></p> <p>The total monthly value of the life assured's before tax remuneration in respect of the performance of the life assured's regular occupation including:</p> <ul style="list-style-type: none"> • Salary • Fees • Commission • Bonuses • Motor vehicle allowances • Fringe benefits (as that term is defined in the Income Tax Act 2007) <p><u>Self-Employed</u></p> <p>The life assured's share of before tax business revenue less the life assured's share of the necessarily incurred business expenses and costs for that business or professional practice, calculated on a monthly basis.</p> <p>Partners Life does not include unearned Income such as interest, investment returns, rental income, royalties or renewal commission or Income Earned prior to the date of disability which is paid during the period of disability in its calculation of Income.</p>

Inflation	Means the Consumer Price Index (all groups) issued by the government statistician for the most recent previous year ending 30 September.
Injury	Means a physical impairment which has been caused by an Accident .
Lawyer	Means a Lawyer who holds a current practising certificate in New Zealand as a barrister or a barrister and solicitor.
Major Treatment	Means chemotherapy, radiotherapy or biological response modifiers.
Medical Doctor	<p>Means any medical practitioner registered with the New Zealand Medical Council as being able to practice medicine in New Zealand, holds a current practising certificate, and is working within the New Zealand Medical Council stated scope of practice (or the Australian equivalent). That person must not be:</p> <ul style="list-style-type: none"> • You, your business partner, or a member of your immediate family; or • The life assured, the life assured's business partner, or a member of that life assured's immediate family. <p>In the event that Partners Life does not approve of a Medical Doctor from whom you have obtained the diagnosis of the condition on which your claim is based, Partners Life can require that you obtain a second diagnosis from another Specialist or Medical Doctor approved by Partners Life. Partners Life will not withhold its approval unreasonably in these circumstances.</p>
Medsafe	Means the New Zealand Medicines and Medical Devices Safety Authority. It is a business unit of the Ministry of Health and is the authority responsible for the regulation of therapeutic products in New Zealand.
Medical Treatment	Means a course of prescribed medicine or a therapeutic procedure required to treat, arrest or cure a medical condition.
Monthly Benefit	<p>Means the calculated amount payable taking into account the sums insured and any deductions or offsets under the following Protection Benefits:</p> <ul style="list-style-type: none"> • Income Cover Agreed Value; or • Income Cover Indemnity; or • Premium Cover; or • Mortgage Repayment Cover; or • Redundancy Benefit; or • Household Expenses Cover.
Monthly Household Expenses	<p>Means the average, over the three months immediately preceding the period of total or partial disability, of the monthly expenses listed below, which are for domestic purposes and/or for services supplied to the primary place of residence (home) of the life assured:</p> <ul style="list-style-type: none"> • Electricity; and • Gas; and • Water; and • Phone; and • Rent; and • Rates; and • Television; and • Internet.

Normal Domestic Duties

Means the tasks performed by the life assured whose **Full time** occupation is to maintain the family home. These tasks include:

- Cleaning of the home; and/or
- Cooking of meals for their family; and/or
- Doing the family laundry; and/or
- Shopping for the family's groceries; and/or
- Taking care of any dependant relative (where applicable).

Normal Domestic Duties does not include duties outside the person's home for salary, reward or profit.

Offsets

Means:

- Before tax **Income Earned** (or able to be **Earned** if the life assured was working to their medically certified work capacity), by the life assured from their **Usual Occupation** whilst they are totally or partially disabled, or **Earned** (or able to be **Earned** if the life assured was working to their medically certified work capacity) from any new occupation commenced whilst they are totally or partially disabled; and
- Any before tax benefits received or entitled to be received from any government or support agency (including **ACC**), for the same disability. This does not include any lump sum payments for pain and suffering as a result of the **Accident, Illness, or Injury** giving rise to the claim unless this is received on a monthly basis; and
- Any monthly benefits received or entitled to be received from any other insurance company in respect of the same disability unless the total monthly sum insured provided by all insurance companies in respect of the same disability does not exceed:
 - 55% of the life assured's before tax pre-disability **Income** where the insurance benefits are not taxable as income;
 - or 75% of the before tax **Income** where the insurance benefits are taxable as income.

In these circumstances **Partners Life** will not include these additional insurance benefits in its calculation of Offsets.

Oral Surgeon

Means a person registered with the Dental Council of New Zealand and who holds an Annual Practising Certificate qualified in this surgical specialty (or the Australian equivalent).

Outstanding Mortgage Debt

Means the sum of the principal and interest amounts owed by the life assured to Lending Institutions which were advanced by the Lending Institutions for the sole purpose of one (1) or more of the following:

- Taking out or increasing a residential mortgage; or
- Purchasing a vacation home; or
- Purchasing a bare block of land zoned as residential; or
- Taking out or increasing a residential investment property mortgage.

If the debt facility is considered by **Partners Life**, at its sole discretion, to be a revolving credit mortgage (headroom) and if, at the date of total or partial disability, the mortgage facility has headroom which is available to be drawn down by the life assured, the **Outstanding Mortgage Debt** will be considered to be the sum of the principal and

interest owed at the date of total or partial disability plus the amount of headroom available at that date.

Partners Life

Means Partners Life Limited and includes its successors in title, permitted assigns and permitted transferees.

Payment Term

Means the maximum period over which any one (1) claim for a **Protection Benefit** will be paid as detailed in the **Policy Schedule**.

Pharmac

Means the Pharmaceutical Management Agency of New Zealand which manages funding of community pharmaceuticals on behalf of the District Health Boards. The Pharmaceutical Management Agency being a Crown entity established by the New Zealand Public Health and Disability Act 2000 or its successor under any subsequent legislation.

Policy Anniversary Date

Means the annual anniversary of the policy commencement date assuming all premiums due have been paid to date. Where premiums are outstanding or where premium holidays or policy suspensions have previously been taken, the **Policy Anniversary Date** will not occur until all the outstanding premiums have been paid or until all the premiums that would have been due had the premium holiday or policy suspension not been taken, have been paid to date.

Policy Owner

Means the party detailed on the **Policy Schedule**, that possesses the exclusive right to hold, use, benefit-from, enjoy, convey, transfer, amend and otherwise dispose of this policy including the **Protection Benefits**.

Policy Schedule

Means the schedule at the front of this policy document which outlines the policy details plus any **Endorsement Schedules** included in this policy document which outline any **Special Acceptance Terms** that apply to the **Protection Benefits**. Where additional **Endorsement Schedules** and/or replacement **Policy Schedules** are subsequently issued these also form part of the **Policy Schedule** and override anything on previously issued **Policy Schedules** and **Endorsement Schedules** which might be inconsistent with them.

Pre-existing Condition

Means any illness, sickness, disease, injury or medical condition existing prior to the commencement date of a **Protection Benefit** that:

- The life assured, dependant relative or child was aware of; or
- The life assured, dependant relative or child had signs or symptoms of; or
- The life assured, dependant relative or child had investigated or sought medical advice for; or
- A reasonable person in the circumstances would seek diagnosis, care or treatment for.

Private Hospital

Means any registered hospital not administered, operated, controlled, or funded by any District Health Board established by or under Section 19 of the New Zealand Public Health and Disability Act 2000 or any subsidiary of such a District Health Board (or the Australian equivalent).

Protection Benefit

Means the type of cover provided by the policy as specified in the **Policy Schedule** which is subject to the terms and conditions of this policy document and the applicable Protection Benefit Sheet included in this policy document.

Protection Premium	Means the amount you must pay for the Protection Benefits you have chosen to include in this policy as detailed in the Policy Schedule .
Public Hospital	Means any registered hospital administered, operated, controlled, or funded by any District Health Board established by or under Section 19 of the New Zealand Public Health and Disability Act 2000 or any subsidiary of such a District Health Board (or the Australian equivalent).
Radical Surgery	<p>Means surgery to remove an entire diseased:</p> <ul style="list-style-type: none"> • Organ; or • Hand; or • Foot; or • Breast; or • Testicle; or • Penis; or • Vulva; or • Nose; or • Lip; or • Eye; or • Ear; or • Tongue. <p>The procedure used must be performed specifically to arrest the spread of malignancy and be considered the appropriate and necessary treatment.</p>
Redundancy/Redundant	<p>Means a situation where employment is terminated by the employer due to the fact that the position held is, or will become, unnecessary to the employer. Redundancy does not include situations involving:</p> <ul style="list-style-type: none"> • A seasonal lay-off; or • The completion of a fixed-term agreement; or • Voluntary redundancy; or • Where employment is terminated due to the employee not performing to the employer's satisfaction; or • The employer is owned or controlled directly or indirectly by the redundant employee or their spouse, Civil Union partner, defacto partner, parents, siblings or children; or • Where the redundant employee was on a period of leave without pay which has or is intended to last longer than three (3) months, at the time he or she was made redundant.
Retirement	Means the life assured has ceased full time paid work with the intention of never returning to full time paid work again, in Partners Life sole opinion.
Special Acceptance Terms	Means any special or additional acceptance terms which will apply to the cover provided under the Protection Benefits . These acceptance terms override anything else in this policy document, which might be inconsistent with them.
Specialist	Means any health provider who is a Member or Fellow of an appropriately recognised Specialist college and has Medical Council of New Zealand vocational registration in the speciality that directly relates to the medical condition suffered by the life assured, in Partners Life sole opinion (or the Australian equivalent). That person must not be:

- You, your business partner, or a member of your immediate family; or
- The life assured, the life assured's business partner, or a member of that life assured's immediate family.

In the event that **Partners Life** does not approve of a **Specialist** from whom you have obtained the diagnosis of the condition on which your claim is based, **Partners Life** can require that you obtain a second diagnosis from another **Specialist** approved by **Partners Life**. **Partners Life** will not withhold its approval unreasonably in these circumstances.

Tertiary Education

Means an education course that must be of at least twelve (12) months duration. The course must directly lead to a qualification that is approved by the New Zealand Ministry of Education.

Usual Occupation

Means the last full time job you had before becoming totally disabled. If you have been on an employer approved period of leave without pay for less than twelve (12) months or you have been unemployed for less than twelve (12) months immediately prior to becoming totally disabled then your **Usual Occupation** will be the last full time job you had before becoming unemployed or going on the period of leave without pay.

Waiting Period

Means the period that must pass after a disability first occurs before a **Protection Benefit** can be paid. Should a disability last beyond the waiting period, no claim payments will be made in respect to the waiting period.

Whole Person Impairment

Means the evaluation of whole person function is derived from the American Medical Association's book Guides to the Evaluation of Permanent Impairment Guides (5th) edition or most recent addition.