

Mortgage Repayment Cover

What is Mortgage Repayment Cover?

Mortgage Repayment Cover is an insurance that pays you monthly amounts to cover your mortgage, rent or to compensate you for lost income if you become disabled as a result of illness or injury.

Why do you need Mortgage Repayment Cover?

Making sure your mortgage repayments or rental obligations are protected makes sense. Mortgage Repayment Cover helps relieve the financial responsibility of having to pay your mortgage or rent if you become totally disabled and can no longer earn an income.

How does it work?

You can choose to cover up to 115% of your mortgage or rent, or up to 45% of your income. This means that your cover will not only pay your mortgage or rent, but can help cover additional expenses such as:

- home and contents insurance
- rates

If the sum insured is greater than \$7,500, any other benefits received (or entitled to be received) as a result of the same disability will be deducted from the amount paid.

Mortgage Repayment Cover overview

Entry criteria:



Minimum entry **age 16**
Maximum entry **age 55**

Cover amount:



Up to 115% of your mortgage repayments or rent, or up to 45% of your income (**maximum of \$20,000 per month**)

Cover term:



To **age 65** even if you no longer have a mortgage.

Waiting period:



You can choose a waiting period of: **4, 8, 13, 26, 52 or 104 weeks**

Payment terms:



You can choose one of the following payment terms: **2 years, 5 years or age 65**

Occupation classes: 1- 5

Your occupation class is determined by the work you do. Your financial adviser will be able to help you work out what occupation class will apply to you.

Mandatory cover: Premium Cover

Built-in benefits

Mortgage Repayment Cover provides the following benefits that are built-in:

Benefit	What is it?	How it works	Why it's important
Total Disability Benefit	A monthly payment to help cover your regular mortgage repayments or rent.	A monthly sum insured payment may be payable if you're totally disabled. Payments begin at the end of the waiting period.	Helps you meet your mortgage repayment commitments or rental obligations ensuring your home is secure if your ability to earn an income is seriously affected.
Partial Disability Benefit	A partial payment if you are only able to work in a reduced capacity, due to illness or injury.	If you have been totally disabled for 7 days or more and then return to work in a reduced capacity (the hours worked per week are 75% or less of the hours worked per week prior to becoming totally disabled), a Partial Disability Benefit may be payable once the waiting period is over.	Allows you to ease back into full-time work by making sure that you do not suffer financially.
Life Events Benefit	Ability to increase your cover by up to \$1,500 per month after certain 'life events' without providing any further evidence of your health.	These events include increasing the amount borrowed under an existing residential mortgage, an increase in rent, purchasing a new residential home, purchasing a holiday home, purchasing a bare residential block of land, meeting any increase in monthly mortgage repayment as a result of your interest rate rising. For full details of events covered, please refer to the policy wordings. The maximum increases under the Life Events Benefit during the duration of your contract is limited to 75% of the original Mortgage Repayment Cover sum insured. You must apply for the Life Events Benefit within 180 days of the event occurring, or within 60 days of the policy anniversary date after the event occurring. This benefit expires on your 55th birthday.	Allows you to keep your insurance up to date with your changing lifestyle, without providing any further evidence of your health.
Recurrent Disability Benefit	Waiver of your waiting period if your disability recurs within 12 months (or 6 months in certain circumstances) of going off claim.	If you suffer a recurrence of a disability within 12 months of the end of a claim for the same disability, the waiting period will be waived for the new claim. For the shorter payment terms (e.g. 2 years and 5 years), the recurrence must occur within 6 months of going off claim. Both the original and recurrent claims will be added together for the purposes of calculating the duration of the payment term.	If you suffer a recurrence of the same disability you are not unfairly penalised by having to wait out the waiting period again.

Optional benefits

Optional benefits that you can choose to add for an additional premium:

Optional benefit	What is it?	How it works	Why it's important
Optional Reduction in Waiting Period	The ability to reduce your waiting period in the future in certain circumstances.	If you have selected a waiting period other than 4 weeks and your circumstances change, you can apply for your waiting period to be reduced, without any further evidence of your health.	In certain circumstances you can reduce the amount of time you can afford to wait before you receive a payment.

Meaning of total disability

Total disability is dependent on your occupation class.

For occupation classes 1-4:

Total disability means as a result of illness or injury, you are continuously unable to perform at least 1 of the duties of your pre-disability occupation, which is necessary to produce pre-disability income, and you are not working in any occupation.

For occupation class 5:

Total disability means as result of illness or injury, you are:

Continuously confined under medical supervision and unable to perform at least 2 of the 5 below activities of daily living, without the physical assistance of another person.

- bathing or showering
- dressing and undressing
- eating and drinking
- using a toilet to maintain personal hygiene, or
- moving from place to place by walking, wheelchair or with the assistance of a walking aid.

Or

Your sole occupation is to take care of your family home and you are continuously unable to perform 3 of the following normal domestic duties:

- cleaning the home
- cooking meals for the family
- doing the family's laundry
- shopping for the family's groceries
- taking care of any dependent relative where applicable.

See policy wordings for full details.

Premium details

Minimum premium:



\$20 per month
(incl. policy fee)

Payment frequency:



Weekly, fortnightly,
monthly, half-yearly,
annually

Payment method:



Direct debit,
credit/debit card,
annual cheque

Premium review structure

Under Mortgage Repayment Cover, you will have a 1 year premium review period. This means your premiums will adjust each year on your policy anniversary in line with your increasing age and any underlying premium rate changes that have occurred since your last policy anniversary date.

What's not covered?



- Intentional self-inflicted harm including attempted suicide
- Participating in a criminal activity
- Pregnancy or complications thereof lasting less than 90 days after the end of the pregnancy
- Failure to comply with the advice and treatment recommended by the attending treatment provider.

Benefit details

Mortgage Repayment Cover provides several benefits that are built-in to the cover as well as some options you can choose to add at an additional cost so it's easy to tailor your cover to suit your needs and budget.

[Open out for more details on the benefits](#)

Some facts to think about



\$436.40 per week

In 2017, the average weekly household mortgage repayment expenditure is **\$436.40 per week**.

(Stats NZ: Household income and housing-cost statistics: Year ended June 2018)



\$215.34 per week

\$358.88 per week

In 2018, the Jobseeker Support benefit is **\$215.34 per week** for a single person 25+ or **\$358.88** for a married, civil union, de facto couple (without children).

(Work and Income: Benefit rates April 2018.)

If you're still not sure, ask yourself.

If I became ill or had an accident which meant I could no longer work could I afford to pay my mortgage repayments or rental obligations without any income?

If 'no', then now is a good time to talk to your financial adviser.

Optional Mortgage Deluxe

Optional Mortgage Deluxe is an optional benefit that you can choose for an additional premium. By choosing Optional Mortgage Deluxe you will receive all of the below features providing you with extensive cover:

Benefit	What is it?	How it works	Why it's important
Alternative Total Disability Definition	An enhanced definition to the standard definition of total disability.	A monthly payment may be payable if you're unable to work as a result of illness or injury for more than 10 hours per week and are under the regular care of and following the advice and treatment of a medical practitioner. You will receive the payment at the end of the waiting period.	Alternative criteria for assessment of Total Disability at claim time.
Partial Payment Bonus Benefit	A top-up benefit to the Partial Disability Benefit for occupation classes 1-4 only.	If you have received at least 1 month's Total Disability Benefit then return to work in a partial capacity and receive a Partial Disability Benefit, a bonus of 25% of the Partial Disability Benefit may be payable for the remainder of the period that you are partially disabled, up to a maximum of 12 months.	An enhanced partial benefit providing further financial assistance during the transition between total disability and resuming full-time work.
Bereavement Support Benefit	A lump sum benefit payable in the event of your death or diagnosis of a terminal illness.	In the event of your death, or diagnosis, by an appropriate registered medical practitioner approved by OnePath, with an illness or injury which is likely to result in your death within the following 12 consecutive months, a benefit of 3 times the monthly sum insured may be payable.	Financial assistance with funeral costs.
Bed Confinement Benefit	Provides a benefit if you are hospitalised or confined to bed for a period of longer than 3 nights.	If you are confined to bed either at home or in a hospital for more than 3 nights, under the daily supervision of an approved medical practitioner, a Bed Confinement Benefit may be payable for each night of bed confinement during the waiting period or until you are no longer hospitalised or confined to bed. The amount payable is the equivalent of 1/30th of the monthly sum insured.	Financial assistance for costs incurred within the waiting period.
Vocational Retraining and Rehabilitation Benefit	Helps to meet costs of rehabilitation or retraining measures.	If you are currently on claim for a total or partial disability, up to 24 times the monthly sum insured may be payable in order for you to undertake an approved rehabilitation programme or re-training to assist you in returning to work.	We work with you to find the treatment or training programme that you believe will best help you return to work.
Recovery Support Benefit	Financial assistance with purchasing specialised equipment for recovery.	A Recovery Support Benefit may be payable if you are totally or partially disabled and require assistance with the costs of purchasing specialised equipment like wheelchairs, artificial limbs, prosthetic devices, and house or car modifications. The maximum amount payable is the lesser of: <ul style="list-style-type: none"> the actual purchase price of the specialised equipment; or 6 times the monthly sum insured. 	Helps to meet the added costs of purchasing specialised equipment and devices to aid recovery.
Return to Work Benefit	A bonus payment on returning to work after being on a total disability claim.	If you have been paid a Total Disability Benefit for a period of 12 consecutive months and return to full-time work, a Return to Work Benefit may be payable. This is payable as follows: <ul style="list-style-type: none"> After 3 consecutive months of full-time employment, a benefit equal to 1 times the monthly sum insured is payable. After 6 consecutive months of full-time employment, a benefit equal to 2 times the monthly sum insured is payable. Not available if a 2 year payment term applies to your policy.	We recognise returning to work after a period of disability may be difficult for you and your family.

Benefit	What is it?	How it works	Why it's important
Total and Permanent Disability Benefit	An additional one-off lump sum payment if you are certified as being totally and permanently disabled.	Payable in addition to the monthly sum insured, a lump sum of 12 times the monthly Mortgage Repayment Cover sum insured if you are totally and permanently disabled as a result of illness or injury.	If you are unlikely to ever return to work due to the illness or injury, this payment helps to compensate for the ongoing financial impact and adjustment of lifestyle as a result of your total and permanent disability.
Return to Home Benefit	Cover for transport costs to get back to New Zealand if you suffer a total disability overseas.	If you have been residing outside of New Zealand for more than 3 consecutive months and become totally disabled through illness or injury, this benefit provides a reimbursement of the cost of returning to New Zealand, up to 3 times the monthly sum insured.	Peace of mind knowing that if you suffer a disability while overseas you can get home immediately.
Special Care Benefit	Cover if you require full-time care at home.	If you are totally disabled and require full-time care at home, a Special Care Benefit may be payable. The amount payable will be the lesser of the cost of the relevant care or the monthly sum insured or \$2500 per month. This benefit is payable in addition to the monthly sum insured.	Assists with additional costs of full-time care.
Child Care Assistance Benefit	Reimbursement of additional childcare costs you may incur as a result of a total disability.	Reimbursement of the lesser of: <ul style="list-style-type: none"> • The actual childcare costs; or • \$800 per month, per child if you incur additional childcare costs as a result of being totally disabled. If you have existing childcare arrangements in place, only additional childcare costs arising resulting from the total disability may be reimbursed.	Helps to meet additional childcare costs incurred as a result of your disability.
Emergency Transportation Benefit	Financial assistance for the costs of any emergency transport you require as a result of your disability.	A reimbursement of the actual costs incurred or 3 times the monthly sum insured may be payable if you are totally or partially disabled and require emergency transportation, as recommended by an appropriate medical practitioner approved by OnePath.	Financial assistance with the costs of emergency transportation, such as air and road ambulance, if you medically require emergency transportation.
Severe Illness Benefit	A lump sum payment for serious illnesses.	If you suffer from and meet the criteria for any of the following severe illness conditions, an immediate lump sum payment of 6 times the monthly sum insured may be payable irrespective of whether or not you meet the definition of total or partial disability: <p>Severe Illness Conditions: Aortic Surgery, Cancer*, Chronic Kidney (Renal) Failure, Chronic Liver Failure, Coronary Artery Surgery*, Heart Attack*, Heart Valve Replacement, Major Burns, Major Head Trauma, Multiple Sclerosis, Organ Transplant, Paraplegia, Quadriplegia, Diplegia, Tetraplegia, Hemiplegia, Stroke*, Triple Vessel Angioplasty*</p> <p>This lump sum is payable instead of a payment under Total or Partial Disability.</p> <p>*No cover is provided if any of these conditions occur within 90 days following the date the application is received by us.</p>	Helps to minimise the financial impact of suffering a serious illness, allowing you to focus on what's important – your recovery.



Why OnePath?

We'll be here when you need us.

We take our responsibility to customers seriously. If you have any questions, at any stage, please don't hesitate to contact your financial adviser or us.



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OnePath Life (NZ) Limited