

# Multi-Benefit Discount

## Terms and Conditions

(Effective 18 October 2021)

These Terms and Conditions apply to the Multi-Benefit Discount offered on the Assurance Extra policies issued by Chubb Life Insurance New Zealand Limited (Chubb Life) that were:

- › quoted from 18 October 2021
- › quoted from 15 September 2020 to 17 October 2021 that were previously eligible for a Multi-Benefit Discount. These updated terms and conditions will apply to these existing policies after the policy anniversary date following the effective date of 18 October 2021.

These terms and conditions form part of your insurance contract.

The Multi-Benefit Discount rate (if any) depends on the number of Qualifying Cover(s) within the relevant Benefit Groups issued in respect of a life assured.

Eligibility is determined on a per life assured, per policy basis. This means that policies with two or more lives assured, may have different Multi-Benefit Discount rates (or no Multi-Benefit Discounts) applied to each of their covers. Multiple covers for a life assured issued on different policies won't be combined in determining eligibility for the Multi-Benefit Discount.

## 1. Eligible Policies

To be eligible for a Multi-Benefit Discount, a single Assurance Extra policy must provide the following covers in respect of a single life assured:

- › Qualifying Cover(s) within the Mandatory (LIFE) Benefit Group equal to or greater than the minimum sum insured (as per the table below);
- AND
- › Qualifying Cover(s) within at least one Optional Benefit Group equal to or greater than the minimum sum insured for the relevant Benefit Group (as per the table below).

	Benefit Group	Minimum Sum Insured	Qualifying Covers under the Benefit Group
<b>Mandatory Benefit Group</b>	Life	\$200,000 *	<ul style="list-style-type: none"> <li>› Life Cover</li> <li>› Life Income Cover*</li> </ul>
<b>Optional Benefit Groups</b>	Trauma	\$100,000	<ul style="list-style-type: none"> <li>› Trauma Cover – accelerated</li> <li>› Trauma Cover – standalone</li> </ul>
	Complete Disablement	\$200,000	<ul style="list-style-type: none"> <li>› Complete Disablement Cover – accelerated</li> <li>› Complete Disablement Cover – standalone</li> </ul>
	Monthly Disability	\$2,000 per month	<ul style="list-style-type: none"> <li>› Income Cover – Agreed Value</li> <li>› Income Cover – Indemnity</li> <li>› Income Cover – Loss of Earnings</li> <li>› Income Cover – Loss of Earnings Ultra</li> <li>› Mortgage Repayment Cover</li> </ul>

\*Minimum sum insured requirement for Life Income Cover.

Payment Term	Non-indexed (per month)	Indexed (per month)
5 years	3,765	3,500
10 years	2,111	1,835
15 years	1,571	1,281
20 years	1,309	1,006
25 years	1,157	841
30 years	1,061	733

Multiple Qualifying Covers under the same Benefit Group will only count as one Benefit Group for the purposes of the Multi-Benefit Discount. For example: Income Cover of \$3,000 per month and Mortgage Repayment Cover of \$3,000 per month in respect of a life assured will only count as one qualifying Optional Benefit Group, because they are both Qualifying Covers within the same Benefit Group (i.e. Monthly Disability).

If the aggregate sum insured for multiple Qualifying Covers under the same Benefit Group meets the minimum sum insured requirements (but individually they don't) this will still count towards meeting the requirements of the Benefit Group. For example: Income Cover of \$1,500 per month and Mortgage Repayment Cover of \$1,500 per month will meet the requirements of the Optional Monthly Disability Benefit Group because the aggregate sum insured of individual Qualifying Covers meets the minimum sum insured requirement for that Benefit Group.

Redundancy Cover, Specific Injury Cover and Premium Cover do not count as Qualifying Covers towards an eligible Benefit Group. Optional benefits within covers such as Optional Total Permanent Disability under Trauma Cover, Optional Mortgage Deluxe under Mortgage Repayment Cover, or the Optional Income Cover Extra under Income Cover also do not count as separate Qualifying Covers under the Benefit Groups.

## 2. Multi-Benefit Discounts

### Discount Rates

The Multi-Benefit Discount rate that will apply is dependent on the number of qualifying Benefit Groups for the life assured as shown in the following table:

Number of Benefit Groups	Discount Rate
Life + 1 Optional Benefit Group	5%
Life + 2 or more Optional Benefit Groups	7%

### Discounts Apply to Risk Premium and to Life Assured Only

The Multi-Benefit Discounts apply to the risk premiums only, and are applied to all covers on the policy for the life assured (not just Qualifying Covers). Policy fees are not eligible for this discount.

Multi-Benefit Discounts will be applied only in relation to lives assured meeting the eligibility criteria. The discount will not apply to the risk premiums for other lives assured on the policy who do not meet the eligibility criteria, including children covered under optional benefits (for example, Optional Children's Benefit under Trauma Cover).

### 3. Changes to the policy

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Any change to a policy that is eligible for the Multi-Benefit Discount may affect continuing eligibility for, or the amount of, the discount. A change to the Multi-Benefit Discount will affect the premiums payable.

#### Increases in cover

Adding additional Qualifying Cover(s) or increasing the sum insured of a Qualifying Cover, may result in a policy becoming eligible for a Multi-Benefit Discount, or qualifying for a higher discount rate.

For an increase in cover to be eligible for a Multi-Benefit Discount, or a higher discount rate, the increase must have been quoted and issued on or after 15 September 2020. Should Chubb Life end the Multi-Benefit Discount offer, any increases quoted and issued after the end date will not be eligible for a higher discount rate.

Any change to the Multi-Benefit Discount resulting from an increase in cover will apply from the effective date of the change to the policy.

#### Reductions in cover

Reductions in cover may result in a policy no longer being eligible for a Multi-Benefit Discount, or only qualifying for a reduced discount rate.

Examples of changes that may impact the Multi-Benefit Discount include:

- › Cancelling, or reducing the sum insured of, a Qualifying Cover
- › Expiry of a Qualifying Cover, for example, where the life assured has reached the maximum age for coverage
- › Payment of a claim under a Qualifying Cover, resulting in either the cancellation of the cover, or a reduction in sum insured.

Any change to the Multi-Benefit Discount resulting from a reduction in cover will apply from the effective date of the change, regardless of the selected premium review structure. Therefore where a Multi-Benefit Discount has been applied on a cover with a level term premium review period (i.e. 5 year, 10 year, to age 65, 70, 75, 80 or 100), the Multi-Benefit Discount may cause the risk premium to increase outside of the premium review date, notwithstanding that the risk premium may be 'guaranteed'.

### 4. Reinstatement and Buy-Back

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If a policy that was eligible for a Multi-Benefit Discount is reinstated in whole, or in part, within 1 year following lapse or cancellation, it may, in Chubb Life's discretion, still qualify for a Multi-Benefit Discount, or a higher discount rate, once it's been reinstated (subject to eligibility criteria continuing to be met).

Should Chubb Life end the Multi-Benefit Discount offer, any covers or sums insured bought back as a result of using an Optional Life Cover Buy Back or Optional Trauma Buy-Back Benefit after the end date will not qualify for a Multi-Benefit Discount, or a higher discount rate.

### 5. Multi-Benefit Discounts are not offered on top of other discounts

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The Multi-Benefit Discount cannot be combined with any other discounts, except by agreement with Chubb Life.

### 6. Changes to these Terms and Conditions

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Chubb Life may (subject to any applicable law) end the Multi-Benefit Discount offer and/or change these Terms and Conditions at any time. Any change will not affect the eligibility of the Multi-Benefit Discounts already applied to a policy.

Changes to these Terms and Conditions will be published on our website:

[www.chubblife.co.nz/multi-benefit-discount-terms-and-conditions](http://www.chubblife.co.nz/multi-benefit-discount-terms-and-conditions)

You should therefore check the current version of these Terms and Conditions on our website before taking out a new policy or making any change to a policy to which a Multi-Benefit Discount has been applied.