

# Life Cover

## Product Summary

### What is State TotalCareMax Life Cover?

State TotalCareMax Life Cover could protect the lifestyle and future of your family and loved ones, by paying a lump sum if you die. It's flexible too. You can choose to pay as little as \$15 a month, or you can choose a specific amount of cover, up to \$1 million<sup>1</sup>.

### What does it offer you?

The following benefits are included within your Life Cover policy. Please see the policy wording for full details:

- ✓ **Terminal Illness<sup>2</sup>** – If you're diagnosed with a terminal illness and medical opinion is that you will die within 12 months of the diagnosis, you can elect to have some or all of your Life Cover paid in advance.
- ✓ **Advanced partial payment for specified terminal conditions<sup>2</sup>** – If you suffer one of the specified terminal conditions, you can choose to have 30% of your sum insured up to \$250,000 paid in advance. Some terminal conditions, such as motor neuron disease, offer longer survival rates but can have a significant impact on your lifestyle. This benefit enables you to make any immediate changes to your lifestyle as required.
- ✓ **Bereavement Support<sup>2</sup>** – An immediate lump sum of up to \$15,000 will be paid to help with funeral expenses upon notification of death being received.
- ✓ **Financial Advice Benefit** – With the Financial Advice Benefit, you are able to get financial advice from an approved financial adviser at the time of making a claim on a life cover or family protection benefit, and the policy owner will be reimbursed for fees up to \$2,500 (incl. GST). This is a one-off payment.
- ✓ **Special Events Increase Facility** – In certain situations, for example when you get married, have a baby or purchase a house, you can apply to increase your sum assured without having to provide further medical information.
- ✓ **Special Events Total Permanent Disablement / Trauma Facility** – At the time of a special event, you can apply to add a limited amount of accelerated Living Assurance cover, accelerated Progressive Care or accelerated Total Permanent Disablement cover to your Life Cover without needing to provide further medical information.
- ✓ **Children's Funeral Benefit<sup>2</sup>** – If your child (between the ages of three and 10 years) dies as a result of an accidental injury within 90 days of the injury occurring, we will pay a Children's Funeral Benefit of up to \$2,000<sup>3</sup>.
- ✓ **Repatriation Benefit<sup>2</sup>** – Reimburses you for the costs of returning the life assured's body to New Zealand if they die while overseas (5% of the Life Cover sum assured, up to \$20,000).
- ✓ **Worldwide cover** – You can be covered anywhere in the world, 24 hours a day.
- ✓ **Who is covered?** – Anyone who is aged 16 or over can apply (individual consideration from age 70).
- ✓ **Cover won't expire** – Your cover continues until you stop paying your premiums or you claim.
- ✓ **Inflation-proofing<sup>4</sup>** – Every year your sum assured will increase in line with inflation, as it is linked to the Consumer Price Index (CPI). As your sum assured increases, your premiums will increase too.
- ✓ **Rate for age premium<sup>4</sup>** – Your premium increases each year in line with your age.
- ✓ **15 days to decide** – You'll have 15 days to make up your mind from the date you receive your policy documents. If during this time you decide that it is not for you, then providing you haven't made any claims, we will refund any premiums you have paid.

The policy is brought to you by State Insurance and is underwritten by Sovereign Assurance Company Limited, New Zealand's largest life insurance provider.

<sup>1</sup> Subject to meeting underwriting criteria. <sup>2</sup> This payment will be deducted from the life assured's Life Cover Benefit. The premium will reduce accordingly.

<sup>3</sup> Current legislation limits who can receive payment on the death of a child and how much can be paid. <sup>4</sup> We will write to you before each annual review date and tell you how much your premium will change by. Other options are available on request. Please call 0800 782 835 for more details.



## About your premiums

Other premium options are available on request. Please call **0800 782 835** for more details.

We will write to you before each annual review date and tell you how much your premium will change by, and give you the option to reduce your cover instead if you don't want to pay an increased amount.

## What's not covered?

Suicide or self-inflicted injury where this occurs within 13 months of the policy commencement date. Certain special exclusions or policy loadings may also apply if you are outside of standard underwriting terms.

▶ The Children's Funeral Benefit will not be paid if death is a result of an injury caused by the policy owner or child's parent or guardian.

This is only a summary of the exclusions. Please refer to the State TotalCareMax Life Cover policy wording for full details.

## How much cover do you need?

If you're not sure how much cover you'll need, try the cover calculator below. It will give you an idea as to how much life insurance you might need to take care of your family.

### How much do you owe?

Mortgage **A** \$ \_\_\_\_\_

Personal loans **B** \$ \_\_\_\_\_

Hire purchases **C** \$ \_\_\_\_\_

Credit cards **D** \$ \_\_\_\_\_

Total debts (**A + B + C + D**) = **E** \$ \_\_\_\_\_

### Ongoing living costs

How much will your dependants need each year to live on? **F** \$ \_\_\_\_\_

For how many years (e.g. until your children leave home) **G** years \_\_\_\_\_

Total living costs (**F x G**) = **H** \$ \_\_\_\_\_

### Funeral expenses

How much do you want to allow for funeral costs (average funeral costs around \$9,000)\* **I** \$ \_\_\_\_\_

### Existing assets

If you already have some life cover, assets or investments, write the approximate value here **J** \$ \_\_\_\_\_

Potential cover required (**E + H + I - J**) = \$ \_\_\_\_\_

**Important:** This calculator is designed to help you decide how much Life Cover you may need. It is a guide only and does not provide advice or a personal recommendation. A more detailed electronic guide is available at [state.co.nz](http://state.co.nz) to help with your decision.

\*As at 2014 according to the Funeral Directors Association of New Zealand, the average cost of a funeral is \$8,800.

## Optional add-on benefit

To add this optional benefit to your Life Cover policy, please call **0800 782 835**. See policy wording for full conditions and definitions.

- ✔ **Future Insurability Benefit** – You can apply to increase your Life Cover by up to \$1 million, or twice the original Life Cover sum assured (whichever is less), during the term of your policy, without answering any further health questions. Acceptance is subject to meeting underwriting criteria. Every increase in cover will require an increase in premium. This allows you to increase your cover as your personal circumstances change.

### About your premiums

We'll write to you before each annual review date and tell you how much your premium will change by.

### We may need some more information from you

The availability of insurance cover is subject to your application being approved. All applications are subject to individual underwriting consideration. Special conditions, exclusions and premium loadings may apply.

Once we receive your application, we may need additional information from you. One of our underwriters may call you to ask questions about your health and any dangerous activities you may be involved in. Any information you supply will be kept strictly confidential.

If we decide a medical assessment is necessary, a HealthScreen® registered nurse will call you to make an appointment at a time and place that's suitable to you. This HealthScreen® service is professional, confidential and is available in all major metropolitan areas. In certain circumstances we may write to your doctor for information about your medical history.

## Policy ownership

You will be the legal owner of your policy unless you arrange for someone else to be the policy owner. You can do this by completing the Memorandum of Transfer form included in your welcome pack, which you will receive once your policy has been issued. All benefits will be paid directly to the policy owner and most correspondence will be sent to them (even if they don't pay the premiums). One or more persons aged 16 or older, or a business can be a policy owner, but a trust cannot.

## Protecting what matters most

State TotalCareMax Life Cover is underwritten by Sovereign Assurance Company Limited (Sovereign), 74 Taharoto Road, Takapuna, Auckland. Private Bag Sovereign, Auckland Mail Centre 1142.

Sovereign has an A+ (Superior) financial strength rating from A.M. Best Company Inc. of New Jersey, United States of America. A.M. Best is an approved insurance rating agency in terms of the Insurance (Prudential Supervision) Act 2010.

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)

## How to apply

Simply apply online at [state.co.nz](http://state.co.nz) or call **0800 782 835**. Once your application has been approved, we'll send you your policy documents and confirm that your cover is in place.

This brochure is a summary and general in nature and is not intended to be advice. If you require advice about your particular personal circumstances, please call **0800 782 835**. Please refer to the State TotalCareMax Life Cover policy wording for full details. If you'd like a copy of either the policy wording or Sovereign's latest financial statements, please call **0800 782 835**.

State Insurance receives a commission in relation to the policy. It is not the insurer and does not guarantee Sovereign.



**0800 782 835** [state.co.nz](http://state.co.nz)

