

TotalCareMax MORTGAGE AND INCOME PROTECTION Product Summary

What is State TotalCareMax Mortgage and Income Protection?

State TotalCareMax Mortgage and Income Protection provides an income to help you cover your mortgage instalments, rent payments or other expenses if your earning capacity is affected by serious illness or injury or you are made redundant.

What does it offer you?

The following benefits are included with your policy. Please see the policy wording for full details.

Cover options – You can choose from **one of the two** cover options below:

1. Mortgage cover

Pays up to 115% of your monthly mortgage repayments on your owner-occupied residential property. This could help with any interest rate rises, as well as additional expenses.

2. Income protection

Covers up to 45% of your gross income, which means even if you're renting, you could cover your rent payments if you become sick or injured and unable to work.

If you want to speak to someone about the options available, please call **0800 782 835**.

- ✓ **Benefit payment periods** – You can choose how long you want to receive your benefit payments (the longer the benefit payment period, the higher the premium):
 - i) Mortgage and Income Protection provides three payment period options: 2 years, 5 years and to age 65.
 - ii) Optional Redundancy cover provides payments for up to six months.
- ✓ **Wait periods** – You can choose how long you wait until you start to receive benefit payments (the longer you wait, the cheaper the premium):
 - i) Mortgage and Income Protection has three wait period options: 4, 8 or 13 weeks.
 - ii) Redundancy cover has a standard four-week wait period, but may vary depending on any redundancy payment from your employer.
 - iii) Length of cover* - Your policy will expire when you reach age 65
- ✓ **No ACC offsets** – If you are entitled to any ACC payments for the same disability, you will still receive your full Mortgage and Income Protection benefit payment.
- ✓ **Property special events** – In certain situations (for example, when increasing an existing mortgage or purchasing a new residential property, a vacation home, or a bare block of residential land), the life assured can apply to increase their sum assured without having to provide further medical information.
- ✓ **Waiver of Premium** – If you're unable to work due to total disability (according to Sovereign), this will pay your premiums so you don't have to worry about paying them.
- ✓ **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 this cover is not for you, we'll refund any premiums you've paid.

* If you have mortgage cover and pay off your mortgage before this date, you will still be covered should you need to claim (the benefit payment may be used for other expenses).

What's not covered?

Some things aren't covered by your policy, these include:

- Deliberate injury
- Not complying with treatment recommendations
- Criminal conduct
- Imprisonment

This is only a summary of the exclusions. Please refer to the State TotalCareMax Mortgage and Income Protection policy wording for full details.

Optional add-on benefit

You can choose to extend your cover with the following option:

- Redundancy – Provides you with a monthly benefit for up to six months while you are unemployed due to redundancy. Adding on the Redundancy benefit will increase your premium.

What's not covered?

- If you're made redundant within six months of your cover commencing
- If you knew or should have known at the start of your policy that you could be made redundant.

This is only a summary of the exclusions. Please refer to the State TotalCareMax Mortgage and Income Protection policy wording for full details.

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 Living Assurance 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)

The rating scale above is in summary form. A full description of this rating scale can be obtained from www.ambest.com.

How to apply

Simply apply online at 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 Living Assurance 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.