

SIMPLE LIFE

Welcome to Simple Life

Thank you for choosing Sovereign Simple Life insurance protection.

This is your policy document. Please take the time to read it carefully and then keep it and the *schedule* in a safe place. If you have any questions, please call our toll free helpline on 0800 500 108.

Free-look period

If you are not satisfied with your policy, you can cancel it within 30 days of the *policy start date* or five working days of receiving this policy document, whichever is the later. If you cancel your policy during this free-look period, we will refund any premiums that you have paid but you cannot make any claim.

Who provides your policy?

Your policy is provided (underwritten) by Sovereign Assurance Company Limited (**Sovereign**). It may have been sold to you by a third party (**the seller**).

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 under the Insurance (Prudential Supervision) Act 2010. The rating scale is:

A large, dark blue 'A+' logo with a plus sign to the right of the 'A'. Below the logo is a horizontal yellow bar.

(Superior) Rating

Given by A.M. Best Inc., an approved insurance rating agency.

RATING SCALE

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)

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Things you need to know

There are different benefits available under Sovereign Simple Life.

You cannot have the Redundancy Benefit unless you also have the Loan and Rent Assistance Benefit for the same life assured.

The benefits you have chosen under your policy are shown in the *schedule*.

There are limitations that apply to the benefits under your policy. It is important that you read this policy document in full and make sure that you understand when we will not pay a benefit. If you have any questions, please call our toll free helpline on 0800 500 108.

Definitions

Words and expressions in *italics* are defined in Section 9: Definitions on page 6.

1 About your policy

Your Simple Life policy is a contract between the policy owner(s) named in the *schedule* (**you or your**) and Sovereign (**we, our or us**).

If more than one person is named as the policy owner, the policy is owned by all of them jointly. Any request, instruction or notice to us to do with your policy must be given by all policy owners unless we are satisfied that, after reasonable efforts have been made, a policy owner cannot be located. In that case we may act on a request, instruction or notice given by the other policy owner(s) and, if we do, we will not be liable to any person for any consequences.

Your cover is on the life assured named in the *schedule*. If there is more than one life assured named in the *schedule*, you have separate cover on each life assured.

When does your policy start?

Your policy starts on the *policy start date*.

What benefits do you get under your policy?

The benefits you have chosen are shown in the *schedule*.

When does your policy end?

Your policy will end if:

- > You cancel your policy; or
- > Any premium for your policy is unpaid for more than 90 days from the due date; or
- > We end your policy in any of the circumstances described under the heading **'When can we end your policy?'**

When do the benefits cease?

You will no longer be covered for any benefit if, or when:

- > For a Life Benefit – the life assured reaches age 100.
- > For a Loan and Rent Assistance Benefit or a Redundancy Benefit – the life assured dies or reaches age 70.

When can we end your policy?

If you make a claim that is false or fraudulent in any respect, we may cancel your policy and decline liability for the claim. In that case, any amount that we have paid already for the claim must be repaid to us.

Except as provided by law, we may avoid your policy if any statement made by you, a life assured or any other person on the faith of which we entered into, reinstated or renewed your policy was substantially incorrect and material.

If we avoid your policy, it means that your policy is deemed never to have existed. If we cancel or avoid your policy as a result of fraud, we may keep all premiums that have been paid.

2 How to make a claim

To make a claim:

- > Download a claim form directly from www.sovereign.co.nz (search Sovereign Simple Life claim form); or
- > Call 0800 500 108.

Send the completed form and any supporting information:

By email to:

claims@sovereign.co.nz

Or by post to:

Freeport Sovereign
Private Bag Sovereign
Victoria Street West
Auckland 1142
New Zealand

- > Once we have received the completed form we will tell you if any further information is required before we can consider the claim. You are responsible for the cost of providing this information.
- > We may require that the life assured has medical examinations. We will pay for any examinations that we require.
- > We will only consider the claim once we have all the required information.

3 Premiums (what you pay)

Your premium

- > Your premium depends on the life assured's age, gender and smoking status, the benefits that you have chosen and the amount of your cover for each benefit.
- > Your initial premium is shown in the *schedule*.
- > To ensure that you remain covered, you must pay your premiums at the frequency shown in the *schedule* or agreed with us.
- > We will not charge you any premium for a life assured for any period for which a Loan and Rent Assistance Benefit or a Redundancy Benefit is payable for the life assured.

Changes to your premium

- > Your premium will change each year on the *anniversary date* based on the life assured's age, the amount of your cover for each benefit and Sovereign's premium rates at that time.
- > We may also change your premium at other times. The following are examples of when that may occur:
 - To take account of changes in law;
 - To allow for an unexpected and unsustainable increase in claims across all Sovereign Simple Life policies;
 - To take account of a new or increased public health threat, e.g. a pandemic.

These changes would be made for all Sovereign Simple Life policies.

- > We will give you at least 30 days' notice of any change to your premium.

4 Important information

What forms part of the contract?

The terms of your policy are contained in:

- > This policy document; and
- > The *schedule*.

Worldwide cover

- > You are covered wherever the life assured is in the world.

Payments in New Zealand

- > All payments by us under your policy will be made in New Zealand and in New Zealand dollars.

Keeping in contact

- > Each year, shortly before the *anniversary date*, we will send you updated information about your policy. You can contact us at any time to ask for more information.
- > We will send communications to you at the address shown in the *schedule* or a different address that you tell us. If you give us an email or other address that is capable of receiving electronic communications, we may use that address for communications to you. It is important that you let us know if your address changes.

How to contact us

Postal address	Sovereign Assurance Company Limited Private Bag Sovereign Victoria Street West Auckland 1142 New Zealand
Street address	Sovereign House 74 Taharoto Road Takapuna Auckland 0622 New Zealand
Email	enquire@sovereign.co.nz
Phone	0800 500 108
Web	www.sovereign.co.nz

No surrender or cash value

Your policy does not have a surrender or cash value.

Sovereign Statutory Fund

Your policy is referable to the Sovereign Statutory Fund Number 1.

Policy subject to laws of New Zealand

Your policy is governed by, and will be interpreted in accordance with, the laws of New Zealand. The New Zealand courts have exclusive jurisdiction to hear any disputes about your policy.

Complaints

If you have any complaint about your policy, you can contact us (see 'How to contact us' above).

We will investigate any complaint. If you are not satisfied with the final outcome of our investigation, you may have the right to refer the complaint to the Insurance and Financial Service Ombudsman (**IFSO**).

To find out more about the IFSO, go to www.ifso.nz

The IFSO's address and phone number is:

Insurance and Financial Services Ombudsman
PO Box 10-845
Wellington
New Zealand
Phone: (04) 499 7612 or 0800 888 202

Privacy information

Any information provided by you, the life assured or any other person in connection with your policy is collected by Sovereign and/or the seller. The information may be:

- > Used by Sovereign to administer your policy;

- > Disclosed by Sovereign to any of its reinsurers for the purpose of reinsurance arrangements;
- > Disclosed by Sovereign or the seller to any person required by law;
- > Used by the seller to offer or provide you or the life assured with financial adviser services;
- > Used by the seller to give you or the life assured information about other products and services provided by the seller or its related companies.

The information will be held:

- > By Sovereign at their address shown above and/or other premises in New Zealand occupied by Sovereign; and/or
- > By the seller at their main physical address and/or other premises occupied by the seller.

The information may be held on behalf of Sovereign and/or the seller by data storage providers, including cloud-based data storage providers, in New Zealand or elsewhere.

The seller may give your name and address to market research firms engaged by the seller or its related companies to seek feedback on products or services provided by the seller or its related companies.

Sovereign and the seller will take reasonable steps to keep the information secure.

You or the life assured (as applicable) have the rights of access to and correction of personal information.

Personal information will be held only for as long as is necessary for the purposes for which it was collected or longer if required by law.

5 Changes you can make

Change of smoker status

- > If the life assured was a smoker at the *policy start date* and has not smoked for a period of 12 months or more, you can apply to have the premium reduced to that for a non-smoker. The life assured will have to complete a non-smoker declaration.

Changing the benefits

- > If you want to change the benefits under your policy, you should contact us (see 'How to contact us' above).
- > You can request that we reduce or remove any benefit. The reduction or removal will be effective from the next premium due date after we receive your request. We will issue an endorsement to the *schedule* to record the change.
- > You can apply for new benefits (which includes increasing existing benefits). We do not have to accept any application. If we accept your application, the new benefits will be provided under a separate Sovereign Simple Life policy with its own *policy start date*.

Transfer of ownership

- > You may transfer ownership of your policy at any time. To be valid the transfer must be on a *transfer of ownership form* and registered with us.
- > If ownership of your policy has been transferred, references in this policy document to **you, your** and the policy owner(s) are references to the most recent transferee(s).

6 Life Benefit

This is an optional benefit. If you have a Life Benefit, it will be shown in the *schedule*.

What we cover

If the life assured dies or is diagnosed with a *terminal illness*, we will pay you the Life Benefit for the life assured.

What we pay

The Life Benefit is the amount shown in the *schedule*.

We will pay the Life Benefit only once for a life assured, i.e. we will pay if the life assured either dies or is diagnosed with a *terminal illness* but not both.

What is excluded?

We will not pay the Life Benefit if the life assured's death or *terminal illness* is directly or indirectly caused or contributed to by:

- > Suicide or attempted suicide within thirteen months after the *policy start date*; or
- > A Pre-Existing Condition (as defined below); or
- > The life assured participating in a Hazardous Activity (as defined below).

What the exclusions mean

Pre-Existing condition

A Pre-Existing Condition is any illness, injury or medical condition of the life assured at any time during the five years before the *policy start date*:

- > That was known to the life assured, you or any previous policy owner; or
- > For which the life assured took or was prescribed medication; or
- > For which the life assured sought or intended to seek *medical help*; or
- > Of which a reasonable person in the life assured's circumstances should have been aware; or
- > Of which the life assured was experiencing signs or symptoms for which a reasonable person in the life assured's circumstances would have sought *medical help*.

An illness, injury or medical condition is not a Pre-Existing Condition if the life assured was cured or medically cleared of the illness, injury or medical condition by a *registered medical practitioner* during that five year period.

Hazardous activity

Hazardous Activity means:

- > Any form of aviation other than as a fare-paying passenger on a Commercial Airline* on a regular route; or
- > Any activity at a height of 20 metres or more above ground outside a building or in a building under construction, or at a depth of 30 metres or more below ground or underwater; or
- > Any activity involving the use of firearms or explosives; or
- > Participation in, or training or preparation for, any competitive motorsport activity; or
- > Any form of mountaineering, rock climbing, abseiling or off-piste skiing.

*A Commercial Airline is an airline that has an Air Operator Certificate issued by the Civil Aviation Authority of New Zealand or equivalent International Civil Aviation Organisation (ICAO) authority.

7 Loan and Rent Assistance Benefit

This is an optional benefit. If you have a Loan and Rent Assistance Benefit, it will be shown in the *schedule*.

What we cover

If the life assured is Totally Disabled for at least four weeks in a row after the *policy start date*, we will pay you the Loan and Rent Assistance Benefit for the life assured.

What does Totally Disabled mean?

The definition of Totally Disabled depends on whether the life assured is in *full-time employment* or not.

For a life assured who is in *full-time employment*:

- > A life assured is Totally Disabled if, in our opinion, after considering the advice of a *registered medical practitioner* and any other relevant information, the life assured is so seriously incapacitated by illness or injury that he or she is unable for more than 10 hours per week to follow the occupation or carry on the business that he or she was involved in before becoming Totally Disabled.

For any other life assured:

- > A life assured is Totally Disabled if, in our opinion, after considering the advice of a *registered medical practitioner* and any other relevant information, the life assured is so seriously incapacitated by illness or injury that he or she is continuously confined under full-time care to a home or a medical institution.

What we pay

The Loan and Rent Assistance Benefit is the monthly amount shown in the *schedule*. We will pay the Loan and Rent Assistance Benefit as follows:

First Payment Period – we will pay you monthly in advance for each of the first three months after expiry of the four week period.

Second Payment Period – if, after the first three months, the life assured still is Totally Disabled from the same cause, we will pay you monthly in advance for each of the next three months.

What is excluded?

We will not pay the Loan and Rent Assistance Benefit if the life assured's Total Disability is directly or indirectly caused or contributed to by any of the following:

- > A Pre-Existing Condition (as defined above); or
- > The life assured participating in a Hazardous Activity (as defined above); or
- > Pregnancy or childbirth unless the Total Disability lasts for more than 90 days, in which case we will pay for Total Disability from the 91st day; or
- > An illness or injury deliberately inflicted by the life assured; or
- > Non-compliance with Medical Treatment (which means a failure by the life assured to comply with or follow the treatment prescribed by an attending *registered medical practitioner*); or
- > The life assured participating in a Criminal Act (which means any act or omission that is criminal in nature, effect or outcome).

Maximum claim period for related claims

We will pay the Loan and Rent Assistance Benefit for the same illness, injury, medical condition, or any *related condition* for a maximum of six months in total throughout the life of your policy.

Mental Health claims

We will pay the Loan and Rent Assistance Benefit for *mental health disorders* for a maximum of six months in total throughout the life of your policy.

8 Redundancy Benefit

This is an optional benefit. If you have a Redundancy Benefit, it will be shown in the *schedule*.

You cannot have the Redundancy Benefit unless you also have the Loan and Rent Assistance Benefit for the same life assured.

What we cover

If the life assured:

- > Is made *redundant* at least 90 days after the *policy start date*; and
- > Was employed continuously for 90 days prior to the effective date of the *redundancy*,

we will pay you the Redundancy Benefit for the life assured.

What we pay

The Redundancy Benefit is the monthly amount shown in the *schedule*. We will pay the Redundancy Benefit monthly in advance for three months, commencing four weeks after the effective date of the *redundancy*.

The claim requirements

We will not pay the Redundancy Benefit unless:

- > You give us satisfactory independent evidence of the life assured's *redundancy*; and
- > Unless we agree otherwise, the life assured registers as unemployed with Work and Income New Zealand (or an equivalent government agency) or proves to us that he or she has registered with a recruitment agency.

What is excluded?

We will not pay the Redundancy Benefit if the life assured has been on *leave without pay* for more than 12 months at the time he or she is made *redundant*.

Multiple redundancies

We will pay you the Redundancy Benefit for a subsequent *redundancy* of the life assured only if that *redundancy* occurs more than 90 days after the effective date of the preceding *redundancy*.

9 Definitions

anniversary date

The anniversary in each year of the first premium due date.

full-time employment

The life assured:

- > Is following an occupation or carrying on a business for financial gain (whether as an employee, on his or her own account or in partnership) for at least 20 hours per week; or
- > Is a *homemaker* for at least 20 hours per week; or
- > Has been on *leave without pay* from his or her employment for 12 months or less.

homemaker

A person whose principal occupation is to manage the household of his or her own immediate family.

leave without pay

Employer-approved leave including but not limited to parental, study or sabbatical leave.

medical help

Medical consultation, treatment, tests, care or services, medication or referral to a medical professional or specialist.

mental health disorders

Includes but is not limited to anxiety disorders, chronic fatigue syndrome, depression, stress, fatigue, exhaustion, psychiatric complications of physical disorders, behavioural or any other mental or functional nervous disorders, and the treatment of, or complications arising from, any of those disorders.

policy start date

The policy start date shown in the *schedule*.

redundant / redundancy

Where an employer ends the life assured's employment because his or her position is no longer required. Redundancy can only apply to a life assured if he or she is an employee. Redundancy does not include:

- > Voluntary redundancy or any situation where the life assured elects or agrees to end his or her employment in circumstances where the employer wants to reduce the size of its workforce;
- > Technical redundancy or any situation where the life assured is offered employment by a new employer on the same or similar terms and conditions (whether or not the life assured accepts that offer of employment);
- > Termination of employment from seasonal work, relief work or a job of less than 20 hours per week;
- > Non-renewal of a fixed term contract; or
- > Redundancy where the employer is a *relative* of the life assured or is owned or controlled by the life assured or a *relative* of the life assured.

relative

A person is a relative of another person if the first person is one or more of the following:

- > In a marriage or civil union or de facto relationship with the other person;
- > The parent or step-parent of the other person;
- > The child or step-child of the other person;
- > A sibling (brother or sister) of the other person

registered medical practitioner

A registered medical practitioner is a person, acceptable to us, who is registered and practising as a medical practitioner in New Zealand or the country they are domiciled, other than:

- > You;
- > The life assured;
- > A *relative* of you or the life assured;
- > A business partner or associate of you or the life assured.

related condition

Any illness, injury or medical condition that we deem to be directly or indirectly related to an illness, injury or medical condition for which we previously paid a claim under your policy.

schedule

The most recent schedule for your policy that has been issued by us and includes:

- > Any notice of a change to your premiums; and
- > Any endorsement recording a change to the benefits.

terminal illness

An illness that we believe, after considering medical evidence provided by the life assured's *registered medical practitioner* and any other evidence we may require, will result in the life assured's death within 12 months, regardless of any treatment that the life assured may receive.

transfer of ownership form

Our standard form for an assignment of a policy by way of ordinary transfer.

Transfer of ownership, what you need to do

The enclosed transfer of ownership form should be used if you want to transfer ownership of a policy.

This checklist will help you complete the transfer of ownership form.

- Complete the names and signatures** of current and new owner(s).
- A witness must sign**, confirming that he or she saw the current or new owner(s) (as applicable) sign the form. The same person may witness the signing of both the current and new owner(s) but in that case the witness still must sign in both places on the form.
- Enclose the **original policy document(s)** or complete the **Lost or Destroyed Policy Document Declaration** if you no longer have your policy document.
- Complete the contact details** page so that we can contact the new owner(s).
- Enclose a copy of the driver's license(s) or passport(s) of the current owner(s) for **identification** purposes.

What you need to do

- > Ensure that all parties have a clear understanding of what is being transferred. If you have any questions, please contact the Sovereign Customer Relationship Team on 0800 500 108.
- > Complete and return the transfer of ownership form and the original policy document(s), to Sovereign via post (Private Bag Sovereign, Victoria Street West, Auckland 1142).
- > If you have lost your original policy document(s), complete the **Lost or Destroyed Policy Document Declaration**.

Important information for current owner(s)

- > This transfer of ownership can only be authorised by the current policy owner(s).
- > If you want to add an owner while remaining as a joint owner yourself, you need to complete the form as both a current owner and new owner.
- > All policy owners must sign the form. A company may sign by its authorised representative.
- > All signatures must be witnessed.

Important information for new owner(s)

- > If the policy is transferred to a trust, the new owner(s) must be all of the trustees.
- > All new policy owners must sign the form. A company may sign by its authorised representative.
- > All signatures must be witnessed.

When we receive the properly completed form, we will

- > Register the transfer of ownership.
- > Send to the new owner(s) the original policy document, or a replacement policy document if the original was lost, the transfer of ownership form signed by us and a confirmation that the change of ownership has been registered.
- > Send the original owner(s) a confirmation that the change of ownership has been registered.

TRANSFER OF OWNERSHIP FORM

Please complete this form to transfer the ownership of a policy (or policies).

Once the transfer has been registered by us, this form, or a copy of this form, will be returned to the new owner(s) together with, and as an endorsement upon, the policy document.

1 Privacy Information

Any information provided by you in connection with your policy is collected by Sovereign. The information may be:

- > Used by Sovereign to administer your policy;
- > Disclosed by Sovereign to any of its reinsurers for the purpose of reinsurance arrangements;
- > Disclosed by Sovereign or the seller to any person required by law;
- > Used by the seller to offer or provide you with financial adviser services;
- > Used by the seller to give you information about other products and services provided by the seller or its related companies.

The information will be held:

- > by Sovereign at Sovereign House, 74 Taharoto Road, Takapuna and/or other premises in New Zealand occupied by Sovereign; and/or
- > by the seller at their main physical address and/or other premises occupied by the seller.

The information may be held on behalf of Sovereign and/or the seller by data storage providers, including cloud-based data storage providers, in New Zealand or elsewhere.

Sovereign and/or the seller may give your name and address to market research firms engaged by Sovereign and/or the seller or their related companies to seek feedback on products or services provided by Sovereign and/or the seller or their related companies.

Sovereign and the seller will take reasonable steps to keep the information secure.

You have the rights to access to and correction of personal information.

Personal information will be held only for as long as is necessary for the purposes for which it was collected or longer if required by law.

2 Policy details

Please provide the policy number(s) for the policies to be transferred. Include any separate numbers for any increases to the policies if relevant.

Policy number(s)

3 Current owner(s) details

Current owner 1

Name in full

Signature

Name of witness

Signature of witness

Date

/ /

Current owner 2

Name in full

Signature

Name of witness

Signature of witness

Date

/ /

Current owner(s) details continued

Current owner3

Name in full

Signature

Name of witness

Signature of witness

Date

/ /

4 New owner(s) details

Important: Please note, while all communications will be addressed to all owners, they will be mailed to new owner 1's address only.

New owner 1

Name in full

Occupation

Mailing address

Email

Telephone

Home ()

Mobile ()

Signature

Date

/ /

Name of witness

Signature of witness

Please tick this box to acknowledge that you understand that communication for this policy will be addressed to all owners but will be mailed to new owner 1's address.

New owner 2

Name in full

Occupation

Mailing address

Email

Telephone

Home ()

Mobile ()

4 New owner(s) details continued

New owner 2 continued

Signature

Date / /

Name of witness

Signature of witness

Please tick this box to acknowledge that you understand that communication for this policy will be addressed to all owners but will be mailed to new owner 1's address.

New owner 3

Name in full

Occupation

Mailing address

Email

Telephone

Home ()

Mobile ()

Signature

Date / /

Name of witness

Signature of witness

For use by Sovereign - transfer of ownership

Registered (stamp and sign)

Date / /

Sovereign House,
74 Taharoto Road,
Takapuna,
Auckland 0622

Private Bag Sovereign,
Victoria Street West,
Auckland 1142

Freephone 0800 500 108
Freefax 0800 329 768
Email enquire@sovereign.co.nz
Web sovereign.co.nz



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LOST OR DESTROYED POLICY DOCUMENT DECLARATION

This section is to be completed by the **current** policy owner(s), **only** if you have lost your original policy document.

1 Policy number

2 Your declaration and signature

Please note this section must be completed by all current policy owners.

- > I/We declare that the policy has not been transferred to another person, and the policy document has not been deposited with any other person (including a bank or corporation) as security or otherwise.
- > If I/we find my/our policy document, I/we will send it immediately to Sovereign.
- > I/We understand that the issue of a replacement policy document makes the original document null and void.

Policy owner 1

Name in full

Signature

Date

/ /

Policy owner 2

Name in full

Signature

Date

/ /

Policy owner 3

Name in full

Signature

Date

/ /

Sovereign House,
74 Taharoto Road,
Takapuna,
Auckland 0622

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Auckland 1142

Freephone 0800 500 108
Freefax 0800 329 768
Email enquire@sovereign.co.nz
Web sovereign.co.nz



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