

Funeral Cover

Policy Wording

One less
thing for your
family to worry
about



Welcome to AA Life

One less thing for your family to worry about

AA Life Services Limited is pleased to provide you with the security of knowing that your family will have financial support at a time of need. AA Life policies are provided and underwritten by Asteron Life Limited.

AA Life contact details are:

Asteron Centre
Level 13, 55 Featherston Street
Wellington, 6011
PO Box 894, Wellington, 6140
New Zealand
Telephone 0800 874 444
Fax 0800 808 213

Please call us if you need any information on your policy.

Understanding this policy

This Policy Wording outlines how the benefits in this Funeral Cover insurance policy apply to you.

Please carefully read this Policy Wording and the separate Policy Summary that goes with it.

- This Policy Wording contains important information about the policy. For example, it explains what benefit will be paid, what exclusions apply and how to make a claim.
- Your Policy Summary contains important information specific to you. For example, it sets out who the Person Insured is, who the Policy Owner is, the Cover and Premium Amounts that apply when the Cover Starts and any special conditions.
- This Policy Wording applies to your Funeral Cover insurance policy if your Cover Starts on or after 16 December 2013.

In this Policy Wording, “you” means the Policy Owner.

Once you have read and understood this Policy Wording and your Policy Summary, please keep them in a safe place.

This policy has no cash value, so we will not pay any money if you decide to cancel the policy.

1. Funeral and Terminal Illness Benefit

We will pay the Funeral and Terminal Illness Benefit if both of the following are true:

- the Person Insured dies and the sole cause of their death is an Injury caused solely and directly by an Accident
- the Person Insured’s death occurred within 90 days of the date of the Accident.

Alternatively, we will pay the Funeral and Terminal Illness Benefit if your Funeral Cover has been continuously in place for at least 2 years from the later of the date your Cover Starts or Restarts and either of the following are true:

- the Person Insured dies
- the Person Insured is diagnosed as having a Terminal Illness.

The amount we will pay will be equal to the Funeral and Terminal Illness Benefit Cover Amount that applies at the date the Person Insured dies or is diagnosed with a Terminal Illness.

Any claimable Accident, death or Terminal Illness diagnosis must first occur after the date your Cover Starts or Restarts and before the date your Cover Ends.

We will refund all premiums paid if the Person Insured’s death occurs less than 2 years after the date your Cover Starts or Restarts, and it is not caused solely and directly by an Accident.

2. Additional Accidental Death Benefit

We will also pay the Additional Accidental Death Benefit if we accept a Funeral and Terminal Illness Benefit claim and the sole cause of death is an Injury caused solely and directly by an Accident.

The amount we will pay will be equal to the Additional Accidental Death Benefit, Cover Amount that applies at the date the Person Insured dies.

To qualify for this additional payment, the death must occur within 90 days of the date of the Accident. Both the Accident and resulting death must occur after the date your Cover Starts or Restarts and before the date your Cover Ends.

3. What is an “Accident”?

An “Accident” means a single, sudden, unintended, external event that causes the Person Insured bodily Injury. The Accident can happen anywhere in the world.

4. What is an “Injury”?

This means an injury to the Person Insured where all of the following are true:

- the injury is caused solely and directly by a violent, accidental and visible event
- the injury is not caused or contributed to by any illness, disease, or a naturally occurring condition, or degenerative process
- the injury is not intentionally self-inflicted
- the injury occurs after the latest of the date your Cover Starts or Restarts and before the date your Cover Ends.

5. What is a “Terminal Illness”?

A “Terminal Illness” is one that, in the opinion of a doctor approved by us, will result in death within 12 months.

6. What exclusions apply within 2 years of continuous cover?

We will not pay any claim if the Person Insured's death occurs less than 2 years after the date your Cover Starts or Restarts, and their death or Accident was caused or contributed to by any of the following:

- any illness, disease, naturally occurring condition, degenerative process, or symptom of any of these that they have, or have had
- suicide or a deliberate act by the Person Insured causing Injury to themselves, whether they are sane or insane, unless that Injury is indirect and unintended.

7. What exclusions apply after 2 years of continuous cover?

No exclusions apply 2 years after the later of the date your Cover Starts or Restarts.

8. When does the Cover Start and End?

Your cover under this policy begins on the date your Cover Starts shown on your Policy Summary or the date we choose if we Restart your policy.

Your Cover Ends on the earliest date of any of the following:

- the Person Insured's death;
- a Terminal Illness claim being accepted;
- the date you cancel this policy
- 30 days after a premium payment is missed.

No benefits will be paid for events that occur before the date your Cover Starts or Restarts or after the date your Cover Ends.

If your Cover Ends because of an unpaid premium, you can apply to us to Restart your policy. You must apply within 12 months of your cover ending. We will advise you of the conditions for Restarting your cover and will tell you in writing if and when it is Restarted.

9. Premium Holiday Benefit

You can apply for a Premium Holiday and, if we accept, we will waive premiums for a maximum of 6 months from the time you tell us in writing.

A Premium Holiday Benefit is only available if you are under age 65, have paid premiums and the policy has been continuously in force for at least 24 consecutive months, and:

- you become Involuntarily Unemployed; or
- you are made bankrupt; or
- you experience financial hardship as we in our sole discretion find reasonable.

Only one Premium Holiday Benefit is available over the life of your Funeral Cover insurance policy.

Once accepted, the Person Insured will continue to be covered and you will be able to claim during the Premium Holiday period.

On the expiry of the Premium Holiday, you will be required to begin paying premiums again.

10. What is "Involuntarily Unemployed"?

To be "Involuntarily Unemployed" means all of the following are true:

- you did not voluntarily cease employment
- we do not consider you to be self-employed
- you have registered as unemployed with Work and Income New Zealand, or its equivalent at the time of your unemployment (or with an appropriate recruitment organisation that we approve)
- the unemployment did not occur within 6 months of the date your Cover Starts or Restarts.

11. How to claim

To make a claim, contact AA Life on:

Telephone 0800 874 444; or
Email claims@aalife.co.nz; or
Mail AA Life Claims, PO Box 894, Wellington 6140.

We will tell you what evidence we require. You or your estate (if you are the Person Insured) is responsible for the cost of providing this evidence.

When a claim for Terminal Illness is made, we may require the Person Insured to have one or more medical examinations at our expense.

Payments under this policy will be made when all of the following have been met:

- we have received properly completed claim form(s)
- we have proof of the Person Insured's death if a death claim has been made
- we have acceptable evidence of the identity and legal title of the person making the claim
- we are satisfied that the claim is legal and valid
- we have received the information necessary for our assessment of the claim
- we have received a certified copy of probate if a death claim has been made where you are the Person Insured and no joint owner or Nominated Beneficiary is named on this policy and the amount payable is greater than \$15,000.

The Person Insured can be covered by more than one Funeral Cover policy issued by Asteron Life. The total maximum combined cover we will pay under all Funeral Cover policies issued by Asteron Life is \$30,000 for each Person Insured, excluding any payments made under the Additional Accidental Death Benefit.



We realise it's
a lot to take in, but
take the time to
read it now, and you
won't have to worry
about it later.

12. Who will the benefits be paid to?

If you have chosen to own a Funeral Cover policy jointly, any surviving Policy Owner(s) will receive the benefits of this policy. If there is more than one surviving Policy Owner, the benefits will be split equally between them.

Payment will be made in New Zealand dollars, usually within 48 hours of the claim being accepted. If you have chosen to add a Nominated Beneficiary(ies) to this policy, we will make all benefit payments to the Nominated Beneficiary(ies) regardless of who the Policy Owners are.

If there is no Nominated Beneficiary or surviving Policy Owner, the payment will be made to the Policy Owner's estate(s).

13. The information you provide must be correct

We have issued this policy in good faith believing that you have correctly and accurately answered all our questions. If we find that you gave us any incorrect information at any time, we may cancel the policy from the beginning, adjust the premium or reduce the benefits payable as applicable.

If we find that the Person Insured's date of birth is wrong on the Policy Summary, we can adjust the benefits provided under the policy to reflect their correct age and actual premiums paid. Alternatively, if the Person Insured's age has been overstated, we may, at our discretion, repay any over payments of premium.

If we find that the Person Insured's smoker status is wrong on the Policy Summary, we can adjust the benefits provided under the policy to reflect their correct smoker status and actual premiums paid.

14. Premium information

The Premium Amount is set out in your Policy Summary and must be paid in New Zealand dollars by a payment method approved by us.

We can increase the Premium Amount for your policy only if, at the same time, we apply the same increase to every other Funeral Cover policy we issued under the same offer made to you.

We will give you 28 days written notice of any change to your Premium Amount, posted to your last known address. This notice is considered to have been received by you on the third day after posting.

Premium payments will end on the policy anniversary date after the Person Insured reaches age 90. Cover under this policy will continue until a claim is accepted, death occurs or you cancel the policy.

Funeral Cover is an insurance policy and not a savings plan. Like other types of insurance, this means that depending on the period of time that this policy remains in force, the premiums paid may exceed the Cover Amount payable.

15. Other matters

- The term of this policy is one year, renewable at the end of each year by payment of the first instalment premium for the next year.
- When your Cover Starts, Asteron Life will pay a commission to AA Life.
- This policy will be interpreted according to New Zealand law.
- Asteron Life as underwriter of your policy is required under the Insurance (Prudential Supervision) Act 2010, to establish a statutory fund. The statutory fund relevant to your policy is Asteron Life Statutory Fund 1.

We're here to help you

Call us anytime

0800 874 444

Visit us online

aalife.co.nz

Or come in and see us at your nearest

AA Centre



Asteron Centre, Level 13, 55 Featherston Street, Wellington, 6011.

PO Box 894, Wellington, 6140 New Zealand

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