

## OPTIONAL BENEFIT APPENDIX

### Waiver of Premium Benefit

This *appendix* only applies if the Waiver of Premium Benefit has been chosen. Your *schedule* will confirm if you are insured for this benefit. This *appendix* forms part of your Private Health policy, the terms of which apply to this *appendix*. Details of this Waiver of Premium Benefit and the names of the *lives assured* insured for this benefit (each of which are called a *waiver of premium life assured*) are shown in the *schedule*.

#### 1. When will we waive the regular premiums payable under this policy?

We will waive the regular *premiums* payable under this Private Health policy if at any time during the *waiver of premium term* a *waiver of premium life assured* becomes *totally disabled* and remains so for a continuous period greater than the *waiting period*.

If cover for a *waiver of premium life assured* under another *Sovereign policy* includes a partial disability benefit, then we will also waive the regular *premiums* payable under this Private Health policy after the end of the *waiting period* while that partial disability benefit is payable in respect of the *waiver of premium life assured*.

We will only waive the regular *premiums* payable under this Private Health policy for *lives assured* that were covered under this Private Health policy at the *disablement date*. While we are waiving the regular *premiums* payable under this Private Health policy, you may not change the excess or the benefits of this Private Health policy.

We will waive the regular *premiums* payable under this policy for a maximum of two *lives assured* aged 21 or over and all *lives assured* aged under 21. Any other *lives assured* will be offered the opportunity to transfer to their own Private Health policy, without providing evidence of good health. This may include a *life assured* who turns 21 while regular *premiums* payable under this policy are being waived. Regular *premiums* will apply to that new policy and those *premiums* will not be waived due to the disability of a *waiver of premium life assured* under this policy. To accept the offer, the *life assured* must advise us in writing of their acceptance within three months of the offer date.

The waiver relates to *premiums* payable under this Private Health policy which fall due for payment after the end of the *waiting period*.

We will waive the regular *premiums* payable under this policy until the occurrence of any one or more of the events set out in Section 5.

#### 2. What does *totally disabled* mean?

The definition of *totally disabled* that applies for a *waiver of premium life assured* depends on the *waiver of premium life assured's* occupation class. The occupation class for each

*waiver of premium life assured* is shown in the *schedule*. However, if a *waiver of premium life assured* has been on leave without pay for more than 12 months or was *unemployed* for three months or more immediately before becoming *totally disabled*, that *waiver of premium life assured* is automatically classed as occupation class five. For each occupation class, the degree of incapacity which constitutes *total disablement* is as follows:

##### For Occupation classes other than Occupation Class five:

In Sovereign's opinion, after considering the advice of an *acceptable registered medical practitioner* and other relevant information, the *waiver of premium life assured* for the benefit is so seriously incapacitated by illness or injury that they are:

- > unable to follow the occupation or carry on the business they were involved in immediately before the *disablement date* for more than ten hours per week; or
- > unable to perform the key income producing duties of the role they were involved in immediately before the *disablement date* for more than ten hours per week; and
- > in each case, not in fact working, or engaged in any other business.

If a *waiver of premium life assured* has been on leave without pay for 12 months or less, or was *unemployed* for less than three months immediately before becoming *totally disabled*, the references in the above to "immediately before the *disablement date*" are replaced by references to "immediately before going on leave or becoming *unemployed*".

##### For Occupation class five:

In Sovereign's opinion, after considering the advice of an *acceptable registered medical practitioner* and other relevant information, the *waiver of premium life assured* for the benefit is so seriously incapacitated by illness or injury that they are continuously confined under *full-time care* to the *waiver of premium life assured's* home or a medical institution.

### 3. How to make a claim for the Waiver of Premium Benefit

For any claims enquiries, advice about submitting a claim or before incurring any costs in respect to a claim, please phone the Sovereign Claims Team on 0800 500 108 or contact your adviser for assistance.

We will tell you about any other information that may be required once notice of the claim has been received. You must give Sovereign written notice of a claim as soon as practicable but at least within 12 months of the event giving rise to the claim.

We are under no obligation to consider a claim unless all of the information requested is provided. Furthermore, we are under no obligation to assess or pay a claim prior to receiving notification.

We may also ask the *waiver of premium life assured* to undergo further medical examinations throughout the life of the claim. Any requests made by us for further medical information will be at our expense.

In order to assess your claim, we will require:

- > the *waiver of premium life assured* to be examined by an *acceptable registered medical practitioner*, before accepting liability for a claim; and
- > a Sovereign claims form completed by the *waiver of premium life assured* and an *acceptable registered medical practitioner* (at your expense); and
- > other information which we may reasonably request to help assess the claim; and
- > the *waiver of premium life assured* to undergo medical and/or surgical treatment (including any operation or vocational, medical and/or social rehabilitation programme) at your expense which the *waiver of premium life assured's registered medical practitioner* or an *acceptable registered medical practitioner* approved by us considers necessary; and
- > any other information that we may deem relevant to the assessment of the claim.

### 4. Ongoing Claim Requirements

For ongoing claims we will require:

- > Completion of a monthly medical certificate by an *acceptable registered medical practitioner* (at your expense) in a form from time to time approved by us for the purposes of determining ongoing entitlement to a Waiver of Premium Benefit.
- > Completion of a monthly individual declaration by the *waiver of premium life assured* in a form from time to time approved by us, which may include completion of daily activity logs detailing the *waiver of premium life assured's* functional activities for the purposes of determining ongoing entitlement to a Waiver of Premium Benefit.
- > Proof of any remunerated or non-remunerated work completed during the claim period.

- > Any other information that we may deem relevant to the ongoing assessment of the claim.

### 5. When will we cease waiving the regular premiums payable under this policy?

We will cease waiving the regular *premiums* payable under this policy if:

- a. The *waiver of premium life assured* fails to undergo and complete:
  - any surgical operation; and/or
  - any medical rehabilitation programme; and/or
  - any social rehabilitation programme; and/or
  - any vocational rehabilitation programme, which a *registered medical practitioner* approved by us considers reasonably necessary.
- b. The *waiver of premium life assured* fails to undertake any medical examinations that we require the *waiver of premium life assured* to have, at our expense.
- c. The *waiver of premium life assured* fails to comply with the requirements of Section 4 above.
- d. We determine that the *waiver of premium life assured* is no longer *totally disabled* or a partial disability benefit is no longer payable in respect of the *waiver of premium life assured* under a *Sovereign policy*.
- e. The *waiver of premium term* expires in relation to the *waiver of premium life assured*.
- f. The *waiver of premium life assured* or anyone acting on behalf of the *waiver of premium life assured* makes a false or fraudulent statement in respect of a claim or supports any claim with false evidence.
- g. The *waiver of premium life assured* is in prison for any reason.
- h. The *waiver of premium life assured* attains age 65.
- i. The *waiver of premium life assured* dies.

If we cease waiving the regular *premiums* payable under this policy in accordance with paragraphs (a), (b) or (c) and the *waiver of premium life assured* subsequently complies with the relevant requirement(s), then:

- > The date that the *waiver of premium life assured* complied with the relevant requirement(s) will, subject to the provisions of this *appendix*, be treated as the *disablement date* for a new claim under this Waiver of Premium benefit.
- > The *waiting period* will be waived for the new claim.
- > We will not waive the regular *premiums* payable under this policy retrospectively for any period of time before the date that the *waiver of premium life assured* complies with the relevant requirement(s).

## 6. Exclusions – when we won't waive the regular premiums

We will not waive the regular *premiums* payable under this policy where any of the following (and in each case either directly or indirectly) cause or contribute to the disability:

- > The *waiver of premium life assured* deliberately injures himself or herself or attempts to do so.
- > The *waiver of premium life assured* engages in or is part of any conduct that is criminal.
- > Pregnancy of, or childbirth by, the *waiver of premium life assured*, unless the disability lasts for more than 90 days after the end of pregnancy, in which case the *waiting period* will start from the 91<sup>st</sup> day.
- > The *waiver of premium life assured* does not comply with the treatment prescribed by the attending treatment providers.

If the *waiver of premium life assured* is imprisoned for any reason, regular *premiums* will not be waived during the term of imprisonment.

## 7. Key terms

<b>disablement date</b>	The date the <i>waiver of premium life assured</i> became <i>totally disabled</i> .
<b>full-time care</b>	Care for 16 hours per day or more, provided by a nursing service approved by Sovereign whose profession it is to provide nursing services or provided by an <i>acceptable registered medical practitioner</i> .
<b>acceptable registered medical practitioner</b>	A person, acceptable to us, who is registered and practising as a medical practitioner in New Zealand or Australia, other than: <ul style="list-style-type: none"><li>a. A <i>policy owner</i>;</li><li>b. A <i>life assured</i>;</li><li>c. A member of a <i>life assured's</i> family or a <i>policy owner's</i> immediate family; or</li><li>d. A <i>life assured's</i> or <i>policy owner's</i> business partner or associate.</li></ul>
<b>Sovereign policy</b>	Any policy where Sovereign is the insurer.
<b>totally disabled / total disablement</b>	See Section 2 of this <i>appendix</i> for the meanings of these key terms.

### **unemployed**

A person who is not engaged in remunerated work or business activities, for 10 hours or more a week.

This definition does not include a person on leave without pay.

### **waiting period**

The period stated as such in the *schedule* during which we will not waive the regular *premiums* payable under this policy.

### **waiver of premium life assured**

A *life assured* insured for the Waiver of Premium Benefit as named in the *schedule*.

### **waiver of premium term**

The term the *waiver of premium life assured* is covered for the Waiver of Premium Benefit as stated in the *schedule*.