



Product Exclusions Brochure

Life Insurance • 1 March 2018

Informing your choice

Being aware of when your Life Insurance won't be able to pay a claim can help you decide whether this cover is right for you.

Our policy is easy to arrange, and can be bought without the need to ask you lots of questions about your health and medical history. Given this, we manage the risk of your cover with some exclusions. This means at claim time we will collect information about you to see if any of the exclusions apply. This document provides more information on these exclusions, that is, when we won't pay a claim.

Depending on your health and situation, this policy by itself may not suit your insurance needs. If you have doubts as to whether you are covered under this policy, please don't hesitate to contact us.

There are two time frames where our Life Insurance will not pay a claim:

- **In the first five years**

If you claim within the first five years you will not be covered for suicide, Pre-Existing Medical Conditions and Pre-Existing Health Conditions.

- **At any time**

If you claim at any time you will not be covered for Total Exclusions.

If you're still unsure about what you would be covered for after reading this, please contact us on 0800 894 504 for further information and clarification.

What is not covered in the first five years?

Suicide

No claim can be made in the first five years of the cover start date if the cause of death or illness was a result of suicide or intentional or deliberate self-inflicted injury.

Pre-Existing Medical Conditions

You are not covered for the first five years from the cover start date for Pre-Existing Medical Conditions.

If you have experienced an illness, injury or medical condition at any time in the five years before the start date of your cover, this will be considered a Pre-Existing Medical Condition. You will be required to wait for an additional five years from your cover start date before you will be eligible to claim for any event directly or indirectly caused by a Pre-Existing Medical Condition.

We define a Pre-Existing Medical Condition to be when:

- You were experiencing signs or symptoms of an illness, injury or medical condition for which a reasonable person would seek medical help; or
- A reasonable person would have been aware of the existence of such signs or symptoms despite not seeking medical advice; or
- You sought or intended to seek medical help because of signs or symptoms; or
- Treatment was recommended; or
- You were prescribed medication for the illness, injury or medical condition; or
- Your condition has been known to you.

Examples of Pre-Existing Medical Conditions

The following are some examples of how Pre-Existing Medical Conditions might work. These are only based on hypothetical scenarios if a claim is made. We will assess your claim on an individual basis.



Clive's Stroke

- Medical Condition more than five years before cover start date.

March 2005 – Clive suffers a stroke and recovers.

June 2011 – Clive's Life Insurance application is accepted with NZ Cover Direct. He has not suffered any additional strokes or had (or needed) treatment for the stroke since 2005.

February 2014 – Clive suffers another stroke and passes away. His nominated beneficiaries make a claim under his Life Insurance Policy.

Claim outcome – Approved: Clive's first stroke happened more than five years before his application. He had made a recovery without further incident or treatment and his first stroke is not considered a Pre-Existing Medical Condition.



Tammy's Emphysema

- Pre-Existing Medical Condition, and claim more than five years after the cover start date.

March 2010 – Tammy is diagnosed with Emphysema.

October 2011 – Tammy's Life Insurance application is accepted with NZ Cover Direct.

January 2019 – Tammy's Emphysema worsens and she passes away. Her partner makes a claim under her Life Insurance Policy.

Claim outcome – Approved: Although Tammy's original diagnosis occurred just one year before her cover start date, the five-year waiting period was complete before a claim was made, therefore her partner receives the total benefit amount.



Mark's Prostate Cancer

- Unrelated medical condition within five years of the cover start date.

March 2008 – Mark is found to have an abdominal aortic aneurysm and undergoes surgery to have this removed. He makes a full recovery without further incident or needing any treatment or medication.

May 2010 – Mark's Life Insurance application is accepted with NZ Cover Direct.

February 2013 – Mark is diagnosed with inoperable prostate cancer and is given less than 12 months to live. His family makes a claim under his Life Insurance Policy.

Claim outcome – Approved: Although Mark had a Pre-Existing medical condition less than five years prior to his Life Insurance cover start date, his cause of death is not directly related to his Pre-Existing Medical Condition, so the claim is approved.



Doug's Cold

- Unrelated minor medical condition within five years of the cover start date.

March 2010 – Doug has a severe cold that requires him to go the doctor several times, he ends up with a bacterial infection that requires a course of antibiotics to heal him.

June 2012 – Doug's Life Insurance application is accepted with NZ Cover Direct.

February 2014 – Doug suffers a heart attack and passes away. His family makes a claim under his Life Insurance Policy.

Claim outcome – Approved: Although Doug had a Pre-Existing medical condition less than five years prior to his Life Insurance cover start date, his cause of death is not related to his Pre-Existing Medical Condition, so the claim is approved.



Julie's Brain Tumor

- Pre-Existing Medical Condition within five years.

April 2010 – Julie starts experiencing bouts of nausea and increased tingling and numbness in her arms. Her husband also notices her behaviour is more erratic and moody. Despite this she doesn't seek medical advice.

July 2014 – Julie's Life Insurance application is accepted with NZ Cover Direct.

August 2017 – Julie is diagnosed with a malignant brain tumor and her doctor confirms her numbness, nausea and behaviour changes were a result of her tumor. She passes away 8 months later and her husband makes a claim under her Life Insurance Policy.

Claim outcome – Declined: As Julie's symptoms were within five years of her cover starting and are considered to be severe enough for which a reasonable person would have sought medical advice for and she passed away within five years of her cover start date, the claim is declined.

Pre-Existing Health Conditions

You are not covered for the first five years from the cover start date for Pre-Existing Health Conditions.

A Pre-Existing Health Condition means that if you have suffered from one of these health risk factors at any time in the five years before the start date of your cover:

- high cholesterol; or
- high blood pressure; or
- high body-mass index (BMI); or
- diabetes,

and if you die or have a terminal illness from a stroke, brain haemorrhage, heart attack or coronary heart disease within five years of the policy starting, you may be considered to have had a Pre-Existing Health Condition and no claim will be paid. Contact NZ Cover Direct for more information, or refer to the Policy Wording.

Examples of Pre-Existing Health Conditions



Tom's Heart Attack

- Pre-Existing Health Condition and death within five years of the cover start date.

November 2005 – Tom is diagnosed with a total blood cholesterol of 7.4mmol/L though he has no prior history of any heart-related conditions.

March 2009 – Tom's Life Insurance application is accepted with NZ Cover Direct.

September 2011 – Tom suffers a heart attack and passes away. His beneficiaries make a claim.

Claim outcome – Declined: Although Tom had no prior history of a heart condition, he has a Pre-Existing Health Condition as his blood cholesterol reading was over 7.00mmol/L within five years of his cover start date. For Pre-Existing Health Conditions we will not pay if death or terminal illness is a result of stroke, brain hemorrhage, heart attack or coronary heart disease. As Tom has died from a heart attack within five years of the policy commencing this claim would be declined.



Sally's Diabetes

- More than five years after cover start date.

September 2012 – Sally is diagnosed with Type II diabetes.

June 2013 – Sally's Life Insurance application is accepted with NZ Cover Direct.

December 2020 – Sally suffers a stroke and passes away. Her family make a claim.

Claim outcome – Approved: Although Sally had a Pre-Existing Health Condition being diabetes, as her death occurred more than five years after cover start date the claim is approved.



Andrew's Obesity

- Pre-Existing Health Condition more than five years' prior.

November 2005 – Andrew receives his annual medical assessment and has a Body Mass Index (BMI) of 40.

July 2010 – Andrew has made adjustments to his lifestyle and after having another weigh-in by his doctor, has maintained his BMI at 30.

August 2015 – Andrew's Life Insurance application is accepted with NZ Cover Direct.

January 2017 – Andrew plays a game of tennis with some friends and suffers a heart attack whilst on the court and passes away. His beneficiaries make a claim.

Claim outcome – Approved: Andrew's high BMI readings occurred more than five years prior to his cover start date of his Life Insurance Policy, so this claim is approved.



Natalie's Breast Cancer

- Unrelated condition other than stroke, brain hemorrhage, heart attack or coronary heart disease.

October 2011 – Natalie has her 3rd annual check-up at her doctor's and is found to have a blood pressure reading of 110mmHg resting diastolic and 162 resting systolic. She is placed on blood pressure medication to reduce this.

February 2013 – Natalie's Life Insurance application is accepted with NZ Cover Direct.

April 2017 – Natalie is diagnosed with aggressive breast cancer and is given less than 12 months to live. Her family make a claim.

Claim outcome – Approved: As Natalie's claim is not for stroke, brain hemorrhage, heart attack or coronary heart disease, her high blood pressure levels do not exclude this claim for Pre-Existing Health Conditions.

What is not covered at any time

Total Exclusions (these apply for the duration of the Policy)

We will not pay a claim if your death is as result of any the following:

- A Dangerous Occupation or Pastime, which means a work or a lifestyle activity that involves any of the following:
 - explosives; or
 - weapons; or
 - heights above 20m; or
 - depths below 30m underground or underwater; or
 - speeds above 130km per hour (other than as a fare-paying passenger on commercial transportation); or
 - fire-fighter (paid or unpaid); or
 - on active duty in the armed services; or
 - participating as a professional sportsperson.
- Any criminal activity or illegal acts
- Taking part in a riot or civil commotion; war (declared or not) or war-like activity
- Any Cancer diagnosed by a Medical Practitioner at any time prior to your cover start date
- Any of the following conditions where you experienced symptoms, was diagnosed, or a reasonable person would have sought medical advice prior to the cover start date
HIV Infection; Hepatitis C; Multiple Sclerosis; Polycystic Kidney Disease; Huntington's Disease; Cystic Fibrosis; Muscular Dystrophy; Familial Adenomatous Polyposis.

Examples of Total Exclusions



Peter

July 2010 – Peter's Life Insurance application is accepted with NZ Cover Direct.

April 2013 – Peter is a racing car driver and suffers a horrible crash while competing in a race, and unfortunately passes away the next day in hospital. His beneficiaries make a claim under his Life Insurance Policy.

Claim decision – Declined: As Peter's race car driving (over 130 km/h) is considered a dangerous occupation or pastime, and was the cause of his death, this Life Insurance Policy does not cover this activity.



Jill

August 2012 – Jill starts feeling more fatigued than usual and notices some abdominal bloating. She puts it down to needing more sleep and improvement to her diet.

October 2014 – Jill visits her doctor as she is now experiencing irregular menstrual periods and pain in her back. She undergoes an examination by her gynaecologist and finds a malignant tumor in one of her ovaries. She starts treatment.

February 2015 – Jill's Life Insurance application is accepted with NZ Cover Direct.

May 2016 – Jill's Ovarian cancer has unfortunately spread to the rest of her body and she passes away. Her partner makes a claim under her Life Insurance Policy.

Claim decision – Declined: As Jill's cancer was present and diagnosed by a Medical Practitioner before her NZ Cover Direct Insurance application, her cancer is not covered by this Policy.

Optional Accident Insurance Exclusions

When choosing to add Accident Insurance to your Life Insurance Policy, it is important to be aware that if you or your life insured partner were to suffer an Accidental Death or Accidental Serious Injury due to any of the following circumstances, your family would not be eligible to receive this additional payment where your death is as a result of:

- natural causes, illness, an intentionally self-inflicted injury, or attempted suicide;
- war (whether declared or not), war-like activity or taking part in a riot or civil commotion;
- engaging in criminal activity or illegal acts;
- consumption of intoxicating liquor (including having a blood alcohol content over the prescribed legal limit whilst driving) or drugs (unless as directed by a Medical Practitioner but not in connection with treatment for substance abuse, drug addiction or dependence);
- a Dangerous Occupation or Pastime; or
- being a pilot or crew member of any aircraft, or engaging in any aerial activity, except being a fare-paying passenger on a recognised airline which is not listed as an airline banned or restricted by the European Commission.

More information

For full terms and conditions of what is covered and excluded under NZ Cover Direct Life Insurance, please read the Policy Wording or contact us for more information.

Visit nzcoverdirect.co.nz

Call 0800 894 504

IMPORTANT INFORMATION

NZ Cover Direct Insurance is insured by Fidelity Life Assurance Company Limited (Fidelity Life) NZBN 9429040548623, FSP387861 and distributed and promoted by WeProtect Limited (Co Number 6431734). This Brochure is a convenient summary only. Before you decide to take out a Life Insurance Policy with NZ Cover Direct please read the **Policy Wording Document** which contains the terms, conditions and exclusions of the Policy. If you don't already have a copy of this you can obtain one by visiting nzcoverdirect.co.nz or by calling **0800 894 504** and speaking to a NZ Cover Direct customer service representative.