



Funeral Plan Insurance

for Existing Customer from
01 March 2018

Issued To: Credit Union South trading
as NZCU South

Commencement

Date: 01 March 2018

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SECTION 2

Introduction

Southsure Insurance's Funeral Plan is a life insurance policy that insures the lives of you, your families and friends as detailed in the schedule.

The insured event is the death of the specified Insured Persons as specified in the schedule.

The policy term is 12 months. At every Policy Anniversary Date, the policy renews on the same terms, subject to continued payment of the premiums. No further information about any of the Insured Persons is required at each renewal.

Southsure Insurance may stop this policy at any time on giving you at least three months' written notice.

Insured Persons cannot be insured more than once under a Southsure Funeral Plan.

The insurer is Southsure Assurance Limited (trading as Southsure Insurance), a subsidiary of the SBS Bank.

SECTION 3

Benefits

Death directly resulting from an Accident

If an Insured Person dies, and their death is as a direct result of an Accident, Southsure Insurance will pay the cover amount as specified in the schedule (including any increase in cover amount that has been accepted by Southsure Insurance) regardless of how recently the policy started or the cover amount increased.

Death not directly resulting from an Accident

If an Insured Person dies, and their death is not as a direct result of an Accident, then Southsure Insurance will pay:

- The cover amount as specified in the schedule (including any increase in cover amount that has been accepted by Southsure Insurance) provided the death of the Insured Person occurs after the Waiting Period.
- If an Insured Person's death occurs during the Waiting Period after the Protection Start Date an amount equal to 105% of the premiums paid in respect of the Insured Person under this policy up to the date of death of the Insured Person. No other cover amount will be payable. However, this payment is not available during the Waiting Period that follows an increase in the cover amount.
- If Southsure Insurance accepts an increased cover amount for an Insured Person and the Insured Person dies during the Waiting Period that follows an accepted increase in cover amount, the original cover amount in place prior to the increase, not the increased cover amount.

Protection ends when Insured Person dies

If an Insured Person dies, then their protection ends. Where there is more than one person insured on any one policy, the protection will continue for all the surviving Insured Persons subject to continued payment of premiums.

SECTION 4

Definitions and conditions

Policy Conditions

This policy has no cash or loan value. Insured Persons will not receive any money if they decide to cancel this policy.

Definition of Accident, Injury, Insured Person, Policy Anniversary Date, Schedule and Waiting Period

'Accident' means an event not intended by an Insured Person, which causes Injury to that Insured Person.

'Injury' means an injury sustained by the Insured Person which:

- is caused solely and directly by violent, accidental and visible means; and
- does not include sickness or disease or any naturally occurring condition or degenerative process; and
- is not intentionally self-inflicted; and
- is sustained after the Protection Start Date.

'Insured Person' means the insured person specified in the schedule.

'Policy Anniversary Date' means the date that is 12 months after the Protection Start Date, and every 12 month anniversary following that date.

'Schedule' means the most recent schedule to this policy issued by us.

'Waiting Period' means the length of time the Insured Person must wait until the full cover amount is payable in the event of death by any cause other than as a direct result of an Accident, and depends on the age of the Insured Person at the Protection Start Date or the date the increased cover amount was accepted by Southsure (each a Relevant Date) and is as follows:

- If the Insured Person was aged under 76 years at the Relevant Date, the Waiting Period is 1 year from that date; or
- If the Insured Person was aged 76 years or over at the Relevant Date, the Waiting Period is 2 years from that date.

Definition of nominated beneficiary

A nominated beneficiary is a natural person that the Insured Person has named to receive any benefits payable under this policy.

If there is no nominated beneficiary then any benefits payable under this policy will be paid to the Insured Person's estate.

If the Insured Person has elected a nominated beneficiary, and that nominated beneficiary dies before the Insured Person, and the Insured Person does not change the nominated beneficiary, any proceeds of this policy will be paid to the Insured Person's estate.

The Funeral Plan Insurance is underwritten by Southsure Assurance Limited

The Insured Person may revoke or change a nomination at any time by advising in writing and this will be effective when Southsure has received the written advice.

Claims

All benefits (less the amount of any outstanding premiums) are payable in the first instance to the estate of the Insured Person or the nominated beneficiary.

Southsure Insurance will not make any payments until:

- Acceptable evidence is given to it of the Insured Person's identity; and
- Southsure Insurance is satisfied that the claim is not excluded by any policy terms or conditions; and
- Southsure Insurance has satisfactory proof of the age of the Insured Person at the date of death.

If Southsure Insurance finds the date of birth of the Insured Person is incorrect, then Southsure can adjust the benefits to the amounts that it would have paid had it known the correct date of birth (including to zero).

The estate of the Insured Person or the nominated beneficiary is responsible for providing certificated evidence in support of any claim at their expense.

No claims will be paid for events that occur after the protection ends.

Suicide Exclusion

Southsure Insurance can decline a claim if the death of the Insured Person occurs by suicide within the Waiting Period of the Protection Start Date.

Premium Information

The monthly premium payable by you will be based on the number of Insured Persons, the Insured Persons' ages, the level of cover selected, and smoker/non-smoker status.

Full details of the monthly premium payable are included in the schedule. The Insured Person's monthly premium will automatically increase every five years if the Insured Person is, or, once they reach, 36 years of age. Southsure Insurance will provide you with an updated schedule showing your new monthly premium 30 days before the increase takes effect.

Premium rates can otherwise be amended by Southsure Insurance with three months' written notice to you.

As this is an insurance policy and not a savings plan, depending on the period of time that this policy remains active, the premiums paid may exceed the cover amount payable.

SECTION 5

Stopping and starting protection

When the Protection Starts

The protection provided by this policy for an Insured Person starts on the date that a completed application for that Insured Person has been received and accepted by Southsure Insurance (Protection Start Date).

When cover is increased to a higher benefit level, the increased protection provided by this policy for an Insured Person starts on the date that a completed application for that Insured Person has been received and accepted by Southsure Insurance.

In certain circumstances, the benefit is not payable if the Insured Person dies during the Waiting Period being from the Protection Start Date or the date Southsure Insurance accepts an increase in cover amount. See policy section 'Benefits' above which sets out when benefit is payable.

When the Protection Ends

Protection provided by this policy for an Insured Person will end on the earliest of the following:

- The death of that Insured Person; or
- When the Insured Person reaches the age of 86 years; or
- When the protection is cancelled by that Insured Person; or
- On each Policy Anniversary Date, unless the policy is renewed by continued payment of the premium; or
- When three consecutive monthly premium payments are missed.

Restarting the Protection

If the protection ends solely because of cancellation or lapsing through non-payment of premiums as described above, the Insured Person can restart the protection by payment of the missed premiums within 30 days of the date of cancellation or lapsing.

After 30 days has passed from the date of cancellation or lapse, a new application will be required and the Waiting Period will apply before the full Funeral Plan Benefits recommence (see policy section 'Benefits' above). For the avoidance of doubt, for the purposes of the Waiting Period the Protection Start Date is the restart date.

SECTION 6

Policy age limits

Age Limits

The Insured Person must be aged 18 years or older before protection starts and protection ends when the Insured Person reaches the age of 86 years.

SECTION 7

General Conditions

Policy Document and Alterations

This policy constitutes the entire contract between Southsure Insurance and you and any alteration shall be in the form of an endorsement, signed by an authorised official representing Southsure Insurance. Southsure Insurance may alter this policy on 3 months' written notice to you.

If changes to this policy are for the sake of clarity or further explanation and do not materially disadvantage an Insured Person, then Southsure Insurance will reissue the policy document to you.

Provision of Information

You shall provide to Southsure Insurance all information regarding the Insured Persons as it requires and which it considers relevant to the determination of the benefits and premiums under this policy.

If we find that the Insured Person's date of birth is wrong on the schedule, we can adjust the benefits and/or Waiting Period provided under the policy to reflect their correct age and actual premiums paid. If the Insured Person's age has been overstated, we may, at our discretion, repay any overpayments of premium.

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

Privacy Act 1993

We treat all information you give us in accordance with the Privacy Act 1993. You have a right to access the information we hold about you and to ask us to correct any mistakes or inaccuracies in that information.

We can withhold that information from you in some circumstances. If we withhold information from you, we will explain why. You can request a review of our reason(s) through our complaints handling procedures or the Privacy Commissioner.

You can contact the Privacy Commission on 0800 803 909 or www.privacy.org.nz

Surrender Value

This policy has no cash value if it is surrendered or cancelled by you.

Assignment

You cannot assign or have charged or mortgaged to any person, this policy, or benefits under this policy.

New Zealand

This policy is issued in New Zealand. The laws of New Zealand apply to it and only the New Zealand courts may determine any dispute about it. All amounts stated in this policy are in New Zealand dollars. All premiums and benefits relate to life benefits which are zero-rated for GST.

Fraud

Any misrepresentation, misstatement, or concealment by an Insured Person either in the documentation relating to Funeral Plan, or in relation to any other matter affecting this insurance or in connection with the making of any claim, gives Southsure Insurance the right to refuse payment of any claim made by that Insured Person.

Dispute Resolution

We want You to remain satisfied with this Policy.

We have a complaints procedure to assist You to resolve any problem quickly and fairly. Initially, all complaints will be handled internally through Our internal dispute resolution process.

If this process is unable to resolve Your complaint, your complaint can be referred to the Banking Ombudsman who may be able to help. We are a participant in the Banking Ombudsman Scheme which provides a free, independent complaints service for Our customers. More information on the service can be found on www.bankomb.org.nz. Contact details for the Banking Ombudsman are:

Freephone: 0800 805 950

Email: help@bankomb.org.nz

Physical address:

Level 5, Huddart Parker Building

1, Post Office Square

Wellington 6011

Postal address:

Freepost 218002

PO Box 25327

Featherston Street

Wellington 6146

Southsure Contact Details

Telephone Us: 0800 002 002
Fax Us: 03 211 1167
Write to: PO Box 1404, Invercargill 9840
Email: support@southsure.co.nz
Website: www.southsure.co.nz

Policyholder Protection

Under the Insurance (Prudential Supervision) Act 2010 (the Act), Southsure Insurance is required to maintain a Statutory Fund(s) in respect of its life insurance business for the protection of life insurance Policyholder's interests. Under the definitions contained in the Act, this Policy is deemed to be a Policy of life insurance. In terms of the requirements of the Act, this Policy is referable to Southsure Insurance's Statutory Fund No.1.

Insurer Financial Strength Rating

Southsure Assurance Limited has been assigned an Insurer Financial Strength rating of BBB+ (outlook stable) by Fitch Rating Agency as at 8 November 2017.