

Employee Benefits Life Insurance Policy



AIA.CO.NZ

Definitions

A. Amount Insured

In relation to a Member means that amount certified by the Policy Owner as the Member's Amount Insured in the relevant Schedule under General Condition 1, subject to the conditions relating to the amount payable in the Policy Schedule.

B. Applicable Table of Rates

The table of premium rates set out in Schedule 1 or any revision thereof.

C. Automatic Acceptance Limit or AAL is the amount stated in the Policy Schedule.

D. At Work

To satisfy the definition of 'At Work' the Member must be engaged in his/her normal duties and working normal hours without restriction or limitation on the day cover is to commence.

E. Company

American International Assurance Company (Bermuda) Limited - New Zealand Branch trading as AIA New Zealand. We or us or AIA New Zealand shall also mean the Company.

F. Day

Includes a weekend or public holiday in New Zealand.

G. Eligible Member

A Member who:

- is in the service of the Employer; and
- is under age sixty-five (65); and
- is gainfully and permanently employed for at least fifteen (15) hours per week on a regular basis; and
- is a New Zealand citizen, permanent resident or holds a work to residence visa and resides in New Zealand; and meets the Eligibility Criteria specified in the Policy Schedule.

H. Employer

Means the Employer for whom the Eligible Member is Gainfully and Permanently Employed. Referred to as "the Employer" in the Policy Schedule.

I. Evidence of Insurability

Such evidence of health and such other particulars of an Insured Member as the Company may require at the time he/she first becomes an Insured Member, and at any subsequent time when that Member's Amount Insured is increased or reinstated, and which is supplied or caused to be supplied in respect of that Member by the Policy Owner to enable the

Company to determine whether a Member is to be accepted for any insurance and the terms of such acceptance.

J. Gainfully and Permanently Employed

Employed on a permanent basis for gain or reward in any business, trade, profession, vocation, calling, occupation or employment.

K. Insured Member(s)

An Eligible Member who is currently insured under the Policy for whom the Company has accepted cover, the premium has been paid in respect to (or agreed to be paid) and whose cover has not been terminated.

L. Leave of Absence

Employer approved maternity or paternity leave and other extended leave, but does not include leave leading to engagement in other gainful employment or business activity.

M. Medical Practitioner

A person approved by the Company registered with the Medical Council of New Zealand to render medical or surgical services, and who holds an Annual Practising Certificate. For diagnoses made outside New Zealand, the definition of Medical Practitioner shall mean any appropriately qualified Medical Practitioner approved by the Company. It does not include an Employer of the Insured Member, the Insured Member, or the Insured Member's spouse, de facto spouse or immediate family member or business partner.

N. Plan Year

Unless otherwise agreed between the Policy Owner and the Company means the successive period of twelve (12) months commencing on the Policy Commencement Date, during which the Policy is in force.

O. Policy

This Policy, the Policy Schedule and any riders or endorsements thereto signed by the Company and notified to the Policy Owner.

P. Policy Commencement Date

The date shown as such in the Policy Schedule.

Q. Policy Owner

The entity stated as such in the Policy Schedule or its legal successors in title.

R. Policy Schedule

The Schedule issued with this Policy and updated from time to time.

S. Renewal Date

The yearly date shown in the applicable Policy Schedule.

T. Total and Permanent Disablement

Means:

- a. having suffered the loss of two limbs or the sight of both eyes or the loss of one limb and the sight of one eye (where limb is defined as the whole hand or the whole foot, and loss is defined as loss by permanent severance or irrecoverable use); or
- b. having suffered a disability solely through injury or illness which has prevented the Member from engaging in his/her normal occupation for a continuous period of six (6) months and which in the opinion of the Company, after the insured having undergone all reasonable treatment, including rehabilitation, and after consideration of all medical evidence has rendered him/her incapable of ever again attending to his/her normal occupation or to any occupation for which he/she is fitted by knowledge, training or experience.

General Conditions

1. Eligibility for Automatic Cover

- a. At the end of each month, or as otherwise agreed, the Policy Owner shall nominate to the Company in the form prescribed by us those employees of the Employer who are proposed for insurance under the Policy.
- b. An Eligible Member will become an Insured Member from the date of entry for an Amount Insured not exceeding the Automatic Acceptance Limit provided the person complies with the terms on which the Company offers automatic acceptance.
- c. Automatic Acceptance
Unless otherwise stated, is subject to the following conditions: -
 - i. suitable eligibility conditions for membership of the group to be insured are clearly specified; and
 - ii. at least 75% of persons eligible to join the group to be insured are covered under this Plan; and
 - iii. Amount Insured for each Eligible Member is established using a consistent and acceptable basis; and
 - iv. satisfactory evidence is provided to the Company that 'At Work' conditions are met by the Eligible Member when cover commences; and
 - v. any other terms specified by the Company; and
 - vi. the Company reserves the right to change the automatic acceptance conditions or limits at any time.
- d. Any proposed Amount Insured which either exceeds the Automatic Acceptance Limit or is in respect of a person who does not comply with the terms upon which automatic acceptance is offered, is subject to consideration by the Company of such Evidence of Insurability as may be requested. Any such cover will commence upon the Company's acceptance of the risk, subject to receipt of the Policy Owner's acceptance of special terms (if any).
- e. The Company shall notify the Policy Owner of the terms (if any) on which it will grant cover to an Eligible Member.
- f. Not later than one month after the first day of each Plan Year, the Policy Owner shall supply the Company with a schedule stating the name and any additional information relating to each Eligible Member as the Company may require for the purposes of this Policy.

2. Premium - When Payable

Premiums are payable by the Policy Owner as specified in the Policy Schedule and will be accompanied by a schedule of Insured Members and premium details.

If the premiums are not paid within thirty (30) days from the date they fall due, the Company will give the Policy Owner notice of intention to lapse the Policy. If the overdue premiums have not been paid within a further thirty (30) days from that notice, the Policy will lapse and all cover will cease from the premium due date.

3. Premium – How Calculated

- a. At any time the premium due in respect of a particular Insured Member shall be that part (if any) of that Insured Member's current Amount Insured that has been accepted by the Company on standard terms, multiplied by the premium rates applicable to the Insured Member's age, gender and occupation each month, or as may otherwise be agreed.
If any part of that Insured Member's current Amount Insured has not been accepted by the Company on standard terms, special acceptance terms may be determined and issued by the Company.
- b. The premium due in respect of the Policy for any Plan Year shall be the sum of the premiums calculated in paragraph (a.) of this condition in respect of every Insured Member.

4. Premium – Misstatement of Age

If the date of birth of an Insured Member has been incorrectly recorded, then the Company will adjust the cover and/or the premium for that Insured Member based on the correct age.

5. Premium Adjustments

The following bulk adjustment formula will apply for calculating premium adjustments as at each anniversary of the Due Date of First Premium, in respect of exits, new entrants and changes in Member details such as salary and age during any Plan Year:

$A = 0.5 \times P \times (S2 - S1)/S1$ where:

- A is the premium adjustment payable to, or receivable from the Company in respect of the relevant Plan Year; and
- P is the aggregate insurance premiums of all lives insured as at the commencement date, or as at the review date at the commencement of the relevant Plan Year, as the case may be; and
- S1 is the aggregate sum insured of all lives insured as at the commencement date, or as at the review date at the commencement of the relevant Plan Year, as the case may be; and
- S2 is the aggregate sum insured of all lives insured as at the review date at the end of the relevant Plan Year, or as at termination date, as the case may be.

6. Days of Grace

Thirty (30) Days of Grace shall be allowed for the payment of each premium and if a claim arises within that period, no Amount Insured shall become due hereunder in respect of such claim until the premium is paid.

7. Lapse and Reinstatement

This Policy shall cease to be in force if any premium is not paid within the Days of Grace. If the Policy ceases to be in force, it may be reinstated with the Company's consent upon the payment of the overdue premium for the period during which the premium is overdue, together with such Evidence of Insurability as the Company may require of the continued good health and eligibility for insurance of the Members.

8. Annual Renewal

Within thirty (30) days of the Renewal Date of each Plan Year, the Policy Owner must furnish the Company with details of all Insured Members of the Plan, including persons who have been Insured Members since the date of the last renewal date, as well as persons with respect to whom renewal of cover under this Policy is required. Such information shall include the name, occupation, gender, date of birth and location of each Insured Member and the level of cover. With respect to new Insured Members, information should include the date cover commences.

9. Leave of Absence

If a Member commences Leave of Absence, he/she may continue to be covered under this Policy for a maximum period of twelve (12) months as long as the premium in respect of the Member is paid in advance (or in conjunction with the regular premium payments under the Policy, as agreed by us), covering the proposed period of Leave of Absence.

If the Member travels overseas during the Leave of Absence, no coverage will be provided if the Insured Member suffers an injury or sickness while overseas.

10. Risk Commencement

Any proposed Amount Insured of an Insured Member shall be subject to the maximum amount approved from time to time by the Company and to such Evidence of Insurability as the Company may require. Such cover will commence upon the Company's acceptance of the risk following receipt of the required Evidence of Insurability subject to the Policy Owner and/or Insured Member's acceptance of any special terms.

11. Termination by the Policy Owner

This Policy will terminate if the Policy Owner gives the Company ninety (90) days notice in writing that it intends to cease to participate in the Policy.

12. Termination of Policy

This Policy will terminate in the following circumstances:-

- i. If the number of Members under this Policy falls below ten (10), the Policy may be terminated by the Company giving thirty (30) day's notice in writing; or
- ii. Premiums for the Policy Owner are in arrears subject to General Condition 2; or
- iii. At the expiration of any premium rate guarantee period provided in the Policy, the Company gives the Policy Owner thirty (30) days notice in writing that it intends to cease to participate in the Policy.

13. Effects of Termination

With effect from the date of termination, no further premiums will be payable by the Policy Owner, all benefits of Members will become nil, and no further payments will be paid except any payments which became due prior to the date of termination or which will become due in respect of disablement claims admitted or admissible in terms of this Policy prior to the date of termination.

14. Refund of Overpaid Premiums

If this Policy is terminated, the Company will refund to the Policy Owner a proportion of the premium payable for the Policy period in which the Policy terminated. Any refund under this condition will be calculated from the first day of the month immediately following the date of termination.

15. Termination of Membership

- a. At the end of each month or as otherwise agreed, the Policy Owner shall give notice to the Company that a person has ceased to be an Insured Member and shall advise the date upon which that person ceased to be an Insured Member.
- b. The Life cover of an Insured Member shall terminate at 11:59pm New Zealand standard time on the earliest of:
 - i. the date the Insured Member is no longer Gainfully and Permanently Employed for at least fifteen (15) hours per week (for each and every normal working week); or
 - ii. the Insured Member attaining sixty-five (65) years of age; or
 - iii. the date the Insured Member leaves the service of the Employer; or
 - iv. the date the Insured Member commences active duty in the armed forces of any country or international organisation; or
 - v. the date the Company or the Policy Owner terminates the cover under the Plan; or
 - vi. the date the Insured Member dies; or
 - vii. the date a Total and Permanent Disablement Benefit is paid; or

- value="8">- viii. the Member is on Leave of Absence for longer than the period of time that we have agreed to provide cover under clause 9, except where the reason why the Member has not returned to work is because he/she has made a claim under this Policy, or is eligible to do so.

16. Exclusions for Total and Permanent Disablement

A benefit will not be paid if the Total and Permanent Disablement was directly or indirectly caused wholly or partly by, or resulted from:

- i. any intentional, self-inflicted injury or sickness, or any attempt at suicide or self destruction while either sane or insane; or
- ii. alcoholism, drug or substance abuse; or
- iii. violation or attempted violation of the law or resistance to lawful arrest.

A benefit will not be paid if the Total and Permanent Disablement is noted as not applicable on the Policy Schedule.

17. War Exclusion

Any act of invasion or war, whether war is declared or not in which New Zealand armed forces are involved, or your country of residence (including temporary residence) is involved.

18. Claims

The Policy Owner shall give notice to the Company, in the form prescribed by us, within six (6) months of the Death or Total and Permanent Disablement or Dismemberment and Major Burns of any Member which gives rise to a claim.

19. Claims Discharge

Every benefit payable hereunder shall be paid to the Policy Owner at its Head Office or at such other Branch Office of the Policy Owner as may be selected by the Policy Owner or to such person or persons as the Policy Owner may by notice in writing to the Company direct, and the receipt of the Policy Owner or any such person or persons for any sum paid hereunder shall be an absolute discharge to the Company and shall be final and conclusive evidence for all purposes that the money therein expressed to have been received has been duly paid to and received by the person lawfully entitled thereto and all claims and demands whatsoever against the Company in respect of such money have been fully and truly satisfied and discharged.

20. Rates Guarantee

Where applicable, the Company shall guarantee the individual age premium rates for a maximum period specified in the schedule (if any) from the Plan's commencement date provided that:

- i. the membership number of the group does not fluctuate by more than 20% of insured lives and not fall below the minimum of ten (10) lives; and
- ii. the benefit formula for cover as specified in the Policy Schedule does not change.

21. Worldwide Cover

The cover provided is a 24-hour worldwide cover. If a Member is temporarily residing overseas, once cover is in place and provided premiums continue to be paid, with prior approval, the Company will provide cover for up to three (3) years depending on the nature and location of overseas residency. The Company will need to be notified of any such overseas residency prior to departure.

22. Continuation Option

If an Insured Member, under the age of sixty-five (65) years, ceases to be a Member, other than as a result of death, injury or illness and provided that the Member is not in receipt of benefits under this Policy, that Member shall be entitled to apply for and have issued, a Life Policy that the Company from time to time considers appropriate, without being required to produce any Evidence of Insurability subject to the following conditions:

- i. the Amount Insured under the individual Policy will not exceed the amount of benefits payable in respect of the Member under this Policy.
- ii. the individual Policy will be subject to the standard Policy conditions and provisions for similar policies issued to the public.
- iii. the premium payable will be calculated at the rate charged by the Company on similar individual policies, taking into account the Member's age, occupation, income, sex, and smoking status.
- iv. the Policy will be subject to any extra premium or exclusion clause/s imposed in respect of the Member under this Policy.
- v. the Member submitting such evidence of health (including blood tests) regarding AIDS as shall be acceptable to the Company.

The Company must receive written notice of application in the form prescribed by it within ninety (90) days of the date on which the Member ceased to be employed by the Employer and subsequently insured under this Policy.

23. Policy Amendment

Except during any premium rate guarantee period provided in this Policy, the Company reserves the right to amend from time to time the Schedules, Definitions and General Conditions in this Policy upon giving three (3) months notice in writing to the Policy Owner of its intention to do so.

24. Taxes and Duties

Where the Company is, or believes that it will become, liable for any tax or other duties levied by the Inland Revenue Department of New Zealand or any Government authority or body in connection with the Policy, the Company may reduce, vary or otherwise adjust any amounts (including but not limited to premiums, charges and benefits) under the Policy in the manner and to the extent the Company determines to be appropriate to take account of the tax or impost.

25. Terminal Illness Benefit

Should a Member be diagnosed by a Medical Practitioner registered with the Medical Council (who is not him/herself the Member, spouse or lineal relative of the Member), as having an illness which is likely to result in the death of the Member within twelve (12) months of diagnosis, the Death Amount Insured may be paid, thereby terminating Membership of that Member.

The Company shall have the right to call for an examination at its expense, of either the Member or the evidence used in arriving at such diagnosis, by an independent acknowledged expert in the field of medicine concerned, selected by the Company, and the opinion of such expert as to such diagnosis shall be binding on the Policy Owner, the Member and the Company.

26. Dismemberment and Major Burns Benefit

When an accident results in any of the losses listed below within 100 days of the date of such accident, the Company will pay the lesser of the amount set out below or an amount equal to the Member's Death Benefit. If more than one loss listed below results from accident, the Schedule is applicable to only that loss for which the greater amount is provided.

"Major Burns" means third degree burns (full thickness skin destruction) to at least 20% of the body surface as measured by the rule of nine (9) of the Lund and Browder Body Surface Chart.

"Loss" when used in reference to hand or foot means complete severance through or above the wrist or ankle joint, when used with reference to eye, means the irrecoverable loss of the entire sight thereof, and when used with reference to thumb and index finger, means complete severance through or above the metacarpophalangeal joints and losses has a corresponding meaning.

1.	Major Burns	\$50,000
2.	Loss of both hands	\$50,000
3.	Loss of both feet	\$50,000
4.	Loss of the entire sight of both eyes	\$50,000
5.	Loss of one hand and one foot	\$50,000
6.	Loss of one hand and the entire sight of one eye	\$50,000
7.	Loss of one foot and the entire sight of one eye	\$50,000
8.	Loss of one hand	\$25,000
9.	Loss of one foot	\$25,000
10.	Loss of the entire sight of one eye	\$16,250
11.	Loss of thumb and index finger of either hand	\$12,500

A Dismemberment and Major Burns Benefit shall not be payable if a Death Benefit or a Total and Permanent Disablement Benefit or a Terminal Illness Benefit is payable in respect of the Member as a result of the same accident and shall not be payable in respect of a loss that is a result of:

- a. the Member deliberately injuring himself/herself or attempting to do so; or
- b. the Member participating in any criminal act; or
- c. any loss covered under this Policy that occurred before the Member's insurance commenced under this Policy.

The payment of a Dismemberment and Major Burns Benefit in respect of a Member shall not in itself result in the termination of membership of the relevant Member, or result in any reduction of other Benefits under this Policy in respect of that Member.

Group Life Compulsory Plan Premium Rate Tables

Company Name Cook Islands National Superannuation Fund

Quote valid until 10/12/2019

Effective date 1/01/2020

Rate table expiry date 31/12/2022

Age Next	Death Only Rates per \$1,000 Sum Assured	
	Male	Female
16	2.3935	1.1415
17	2.3935	1.1415
18	2.3935	1.1415
19	2.3935	1.1415
20	2.3935	1.1415
21	2.3869	1.1553
22	2.3804	1.1685
23	2.3738	1.1816
24	2.3672	1.1954
25	2.3606	1.2086
26	2.3389	1.2086
27	2.3166	1.2086
28	2.2942	1.2086
29	2.2725	1.2086
30	2.2502	1.2086
31	2.2824	1.2829
32	2.3146	1.3572
33	2.3468	1.4322
34	2.3790	1.5065
35	2.4113	1.5808
36	2.5586	1.7281
37	2.7052	1.9483
38	2.8531	2.0956
39	2.9998	2.3153
40	3.1477	2.4619
41	3.3529	2.7433
42	3.6212	2.9301
43	3.8875	3.2109
44	4.2886	3.4910
45	4.7568	3.7790
46	5.3584	4.0460
47	5.9654	4.3123
48	6.6341	4.6680
49	7.1016	5.0231
50	7.6421	5.4682
51	8.4417	6.0127
52	9.2407	6.4684
53	10.1277	7.1102
54	11.1121	7.6559
55	12.0885	8.2925
56	13.0900	8.9579
57	14.1796	9.6247

58	15.3480	10.4887
59	17.1057	11.2508
60	19.1139	12.1069