



Term Cover.

Protecting your lifestyle.

July 2023.



Term Cover gives you:

Confidence that your lifestyle, and the lifestyle of those you care for, can be protected during the hardest of times – loss of income, loss of health and loss of life.



Guaranteed enhancements.

When we make enhancements to this policy you will benefit, as we will:

Automatically apply any changes to your policy that are favourable to you and which do not increase our standard premium rates.



Optional inflation adjustment.

Your policy can keep pace with rising living costs. If selected, we will:

Automatically adjust your level of cover each year in line with inflation, so it keeps pace with the rising cost of living (up until your 75th birthday).



Simple claims process.

We make claiming easy, so you can focus on what's important.

Claims may be managed over the phone, resulting in quicker claims payments (once we have all the necessary information).



Free look period.

We provide a free look period of 30 days from the date your policy is put in place.

If you decide the cover is not for you during this time, you can notify us and we'll refund any premiums paid.



Did you know?

Approximately 60% of New Zealanders could survive financially for no more than three months if they were suddenly unable to work.

Source: fsc.org.nz, "Money & You", page 11, June 2020.



Flexibility.

It's easy to change your cover when your needs change. You can apply to increase your cover if your family grows, or reduce it when a loan is repaid (note: any changes will affect the premium payable).

Additional benefits can be applied to your policy, including Crisis Cover, Income Cover or Redundancy/ Bankruptcy Cover.



Special events.

If your needs change, you may be able to increase your **Death/Terminal Illness Benefit** or **Crisis Cover Benefit**, without the need to answer any further medical questions.

You may be able to apply (before reaching the age of 65) to increase your Death/Terminal Illness Benefit or Crisis Cover Benefit if you experience one of eight 'special events' – such as taking out or increasing a mortgage, marriage, birth of a child or a salary increase. You need to apply within three months of the special event, and restrictions apply (please refer to the policy document for more information).

You can choose:

Death/Terminal Illness Benefit (standard)



**Optional
Crisis Cover**



**Optional
Income Cover**

Death/Terminal Illness Benefit.

The Death/Terminal Illness Benefit can provide for your loved ones during the toughest of times.

Eligibility.

You can apply for the Death/Terminal Illness Benefit if you are aged between 18 and 69 (inclusive), and are a New Zealand Permanent Resident or Citizen, or you live in New Zealand (an exclusion may apply if you are not a New Zealand Permanent Resident or Citizen).



Death benefit.

Give assistance to your loved ones and help protect their future financial needs if you die.

We can pay a lump sum payment of the amount insured to the policy owners or your estate.



Terminal illness.

If you become terminally ill with less than a year to live.

We can pay out your Death/Terminal Illness Benefit early, so you can have quality time with your loved ones and help to plan a secure future for your family.



Funeral benefit.

Remove the financial stress that funeral costs can create.

We can pay an Immediate Support Benefit of 10% of the Death/Terminal Illness Benefit sum insured (up to a maximum of \$15,000).



Free accidental death cover.

As soon as you apply, you're covered for accidental death.

While your application is being assessed, you automatically get up to 60 days of accidental death cover (up to \$300,000).



Advice support.

Your family might seek financial or legal advice over how best to use the money received. If the Death/Terminal Illness Benefit paid is at least \$100,000, we can provide your loved ones with up to \$2,500 towards financial planning or legal advice.



Continued protection.

The Death/Terminal Illness Benefit provides cover to age 100, so you can protect yourself for as long as you need.

Cover can continue until the policy anniversary date following your 100th birthday.



Optional Benefits.



Optional Crisis Cover.

Crisis Cover can help you to get your life back on track if you are diagnosed with one of the serious conditions listed overleaf. You can choose to use it as you need – such as covering debt and essential expenses, taking care of medical bills, providing for rehabilitation costs, covering the income of someone looking after you, or taking a refreshing holiday. Relieving the financial worry allows you, and those closest to you, to concentrate on your recovery.

Eligibility.

You can apply for Crisis Cover if you are aged between 18 and 59 (inclusive), and are a New Zealand Permanent Resident or Citizen, or you live in New Zealand (an exclusion may apply if you are not a New Zealand Permanent Resident or Citizen). You can choose to keep Crisis Cover in place until you are 70 years old, unless cover ceases earlier (e.g. due to the Crisis Cover Benefit being paid).



Did you know?

Stroke is a major cause of serious adult disability in New Zealand, and affects all ages. About 25-30% of those who experience a stroke are likely to be under the age of 65 – this figure is even higher for Maori or Pacific people who are likely to experience a stroke 15 years younger than NZ Europeans.

Source: stroke.org.nz, Spring 2020 newsletter.

Wellness tip: You can reduce your chances of having a stroke by having regular blood pressure checks, reducing salt intake, being active and eating healthy foods.

Source: stroke.org.nz

We can:

Pay the Crisis Cover sum insured, if you are diagnosed with one of the specified critical conditions (to the extent defined in the policy document), to help get life moving forwards again. These include:

Crisis Cover Benefit:

- Alzheimer's Disease
- Aplastic Anaemia
- Blindness
- Cancer
- Cardiomyopathy
- Chronic Liver Disease
- Chronic Lung Disease
- Coma
- Coronary Artery Angioplasty
 - Triple Vessel
- Coronary Artery Bypass Surgery
- Creutzfeldt-Jakob Disease
- Dementia
- Encephalitis
- Heart Attack (myocardial infarction)
 - Severe Heart Attack
- Kidney Failure
- Loss of Limbs or Sight
- Loss of Speech
- Major Head Trauma
- Major Organ Transplant
- Medically Acquired HIV
- Motor Neurone Disease
- Multiple Sclerosis
- Muscular Dystrophy
- Occupationally Acquired HIV
- Open Heart Surgery and Aortic Surgery
- Out of Hospital Cardiac Arrest
- Paralysis
- Parkinson's Disease
- Pneumonectomies
- Pulmonary Hypertension
- Severe Burns
- Stroke
- Unable to Manage Activities of Daily Living

If the Crisis Cover Benefit is paid, your Crisis Cover ends and your Death/Terminal Illness Benefit will also reduce by the amount paid. It is important to understand that if your Death/Terminal Illness Benefit sum insured is the same as your Crisis Cover sum insured, your Death/Terminal Illness Benefit (and any other optional benefits) will not remain in force after a Crisis Cover claim is paid. For the Death/Terminal Illness Benefit (and policy) to continue, the sum insured must be higher than the Crisis Cover sum insured.

Partial Crisis Cover Benefit.

This Benefit provides a partial payment of the Crisis Cover sum insured where Lesser Heart Attacks and Benign Brain Tumours are diagnosed (to the extent defined in the policy document). It pays 20% of the Crisis Cover sum insured, up to \$50,000. Should this be paid, then both the Crisis Cover and Death/Terminal Illness Benefits will reduce by the amount paid.

Important note - There is no cover for any conditions arising within the first 90 days of your policy commencement.



Optional Income Cover.

How would your household get by without your income? For many, it's the most important asset they have. Income Cover offers protection if you are unable to work due to illness or accident.

Eligibility.

You can apply for Income Cover if you are aged between 18 and 60 (inclusive), are a New Zealand Permanent Resident or Citizen, and live in New Zealand. You must also be working at least 25 hours per week at the time of application, and earning \$30,000 or more per annum. You can choose to keep Income Cover in place until you're 65 years old, unless cover ceases earlier (e.g. due to the policy terminating).

We can:

Cover up to 55% of your gross annual earned income: You can apply for cover of up to 55% of your gross income (up to a maximum of \$8,000 per month).

Provide this income for up to 36 months: There is no cover for the first 30 days of total disability, but after that payments can commence and be paid (monthly in arrears) for up to 36 months, as long as you remain unable to work due to injury or illness and are receiving medical treatment.

Waive your Term Cover premium, up to a maximum of \$300 per month, when you are receiving the Income or Redundancy/Bankruptcy Cover Benefits.

Note: If you are not in full time employment at the time of claim (e.g. working less than 25 hours per week, or unemployed), then the maximum benefit you can receive is limited to \$1,000 per month.



The Term Cover Income Cover Benefit is an 'agreed value' type of cover, which means that premiums are usually non-deductible for tax purposes, while benefits received will usually be non-taxable*.

*The information provided is intended for general tax information purposes only and does not constitute tax advice. It is based on our current understanding of the New Zealand tax treatment as at March 2021. Taxation legislation, its interpretation and the rates and bases of taxation may change. If you have any questions as to the tax treatment in your particular circumstances, you should seek independent professional advice.



Optional Redundancy/Bankruptcy Cover.

Unfortunately we're currently unable to accept new applications for Redundancy/Bankruptcy Cover. If you're an existing policyholder, your cover is unaffected, and you can refer to the information below to help you understand your cover as well as make sure it's still right for you. (Exclusions and limits apply.)

Eligibility.

You could apply for Redundancy/Bankruptcy Cover if you were aged between 18 and 60 (inclusive), are a New Zealand Permanent Resident or Citizen, and live in New Zealand. You can keep Redundancy/Bankruptcy Cover in place until you're 65 years old, unless cover ceases earlier (e.g. due to the policy terminating). You need to be working 25 hours or more per week at the time of redundancy/bankruptcy in order to be eligible to claim.

We can:

Cover up to 55% of your gross income on a monthly basis, for a period of up to six months. The Redundancy/Bankruptcy Benefit sum insured is based on the Income Cover Benefit sum insured.

Provide this income for up to six months: There is no cover for the first 30 days of redundancy or bankruptcy, but after that, payments can commence and be paid for up to six months (payable monthly in arrears). Your benefit will be paid as long as you remain unemployed and are actively seeking full time employment. There is no cover for any redundancy/bankruptcy that you were aware of (or ought to have been aware of) in the first six months of your policy commencement.

Waive your Term Cover premium, up to a maximum of \$300 per month, when you are receiving the Income or Redundancy/Bankruptcy Cover Benefits.



The Term Cover Redundancy/Bankruptcy Cover Benefit is an Agreed Value type of cover, which means that premiums are usually non-deductible for tax purposes, while benefits received will usually be non-taxable.*

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Limits and exclusions.

Limits and exclusions apply to Term Cover and are outlined in the Term Cover policy document and at westpac.co.nz/life. They include, but are not limited to:

- **Death/Terminal Illness Benefit:** Suicide within 13 months of policy commencement
- **Crisis Cover Benefit:** Conditions which don't meet the specific medical definitions in the policy document; there is no cover for any conditions arising within the first 90 days of policy commencement
- **Income Cover Benefit:** Non-disclosed pre-existing conditions; some occupations; the benefit will be reduced by any payments received from ACC
- **Redundancy/Bankruptcy Benefit:** Redundancy/bankruptcy that occurs or you were aware of within six months from policy commencement

You should read the policy document carefully to understand any limitations of the cover.



Need more information?

Insurance can help you look forward with confidence. Life is going to have its ups and downs but with the right cover in place, you'll be ready for whatever comes your way.

If you need some help to determine which options might work best for you, pop into your local Westpac branch, or call **0800 738 641**.

Westpac New Zealand Limited (Westpac) is a Financial Advice Provider under the Financial Markets Conduct Act 2013 (FMCA) and holds a licence issued by the Financial Markets Authority (FMA) to provide a financial advice service.

Disclosure statements under the FMCA are available free of charge on request from Westpac.

More information about Term Cover, including the policy document, can be found at **westpac.co.nz/life**. Fidelity Life's Insurer Financial Strength Rating can be found at **fidelitylife.co.nz/westpac**.

The material in this brochure is provided for information purposes only and is not a recommendation or opinion in relation to Term Cover. It does not take your particular financial situation or goals into account.

This document is an overview, highlighting the key features of Term Cover and its optional benefits. For the full terms, conditions, exclusions and limits which apply to Term Cover, please refer to the policy document which can be found at **westpac.co.nz/life**, or at your nearest Westpac branch. The availability of any insurance cover is subject to the acceptance and approval of a completed application. Any payment is subject to your claim being accepted.

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We're here to help.



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