

LIVING ASSURANCE

Trauma Insurance

Gives you and your family financial flexibility during a serious illness or injury.



LIVING ASSURANCE FROM SOVEREIGN

It's unfortunately common for New Zealanders to face a trauma such as a serious illness or injury at least once in their lives. If you or one of your children were to suffer a trauma, the last thing you'd want to be worrying about is money.

While our public health system can provide good emergency care and treatment, individuals and their families often experience financial hardship as a result of a serious illness or injury to a family member. Having trauma insurance can provide much-needed financial flexibility to you and your family in a difficult time.

Sovereign's Living Assurance is trauma insurance designed to pay a lump sum if you or one of your children were to suffer from one of more than 40 defined medical conditions. The payment can be spent however you like, whether it be covering medical treatment and rehabilitation costs, or providing financial breathing space to enable you or your family members to recover and be together.

Covering childhood

While most of us can comprehend the implications were we to suffer a trauma, it's easy to underestimate the impact on your family and finances, should a child become seriously ill or injured.

In times like these your children need more than money, they need you. The last thing you want to be worrying about when your child is seriously ill or injured is how you'll afford time off work to be by their side while they receive treatment, and cover unexpected costs while continuing to look after the rest of your family.

Sovereign's trauma insurance for children provides a lump sum of up to \$250,000, and is available to children as young as two years old, without having to be linked to a parent's policy.

So, if you're a parent, having Comprehensive Living Assurance for your children provides even greater protection and peace of mind – giving you the ability to be there for your loved ones, should they need you.

There are two Living Assurance options:



Comprehensive Living Assurance:

Covered for over 40 defined critical medical conditions.

- > Receive full payment for over 40 defined conditions
- > Receive partial payment for over 10 defined conditions (depending on severity)



Essential Living Assurance:

An affordable option that covers over 40 defined critical medical conditions.

- > Receive full payment for over 10 defined conditions
- > Receive partial payment for the remaining conditions

Here are some basic conditions for both Living Assurance options:

- > Eligible occupations: All included
- > Eligible ages:
 - From 2 years onwards for Comprehensive Living Assurance
 - From 16 years onwards for Essential Living Assurance
- > Term of cover: Renewable each year with no age limit
- > Worldwide cover: Provides cover anywhere in the world, 24 hours a day

EXTRA HELP INCLUDED WITH LIVING ASSURANCE



Guaranteed Enhancement Benefit

All future enhancements to TotalCareMax will automatically be applied to your policy and the provision (or wording) that is most favourable to you will be applied at claim time. Please note that any enhancements will only apply in respect of those claims where the claim event date occurs after the date of enhancement.



Special Events Increase Facility*

(Available with Personal Living Assurance only. Life assured must be between ages of 16-54.)

Enables you to increase the sum assured under your Living Assurance following a significant event in life which results in increasing financial responsibilities. These significant events include: Having a child, getting married, taking out or increasing a residential home loan, receiving a significant salary increase and other major events.



Future Insurability Benefit*

(Available with Personal Living Assurance only. Life assured must be between ages of 16-54.)

You can apply to increase your sum assured at every third policy anniversary without providing further medical information.

Note that limits and conditions apply and every increase in cover will require an increase in premium.

A note on exclusions

Living Assurance (including the built-in benefits, and the optional benefits in this brochure) is subject to certain stand-down periods and exclusions. For more information about these and other exclusions and stand downs, please refer to the relevant policy wordings which can be found on sovereign.co.nz or speak to your Adviser.



Children's Trauma Benefit

This benefit provides you with some trauma insurance for your children. If a child of the life assured suffers a covered condition, this benefit will pay 50% of the sum assured (up to \$20,000).

Importantly, the payment of this will not reduce the amount of any Living Assurance remaining for the life assured. The Children's Trauma Benefit is payable once per child across all Sovereign policies. A 14 day survival period applies. Exclusions apply for any congenital conditions.



Newborn Children's Benefit

If a child of a life assured is born with one of five specified congenital conditions and survives for thirty days after birth, this benefit will pay 50% of the sum assured (up to \$20,000). The payment of this benefit will not reduce the amount of any Living Assurance remaining for the life assured.

Please note that Sovereign will pay one claim per child under either the Newborn Children's Benefit or the Children's Trauma Benefit across all Sovereign policies. The Newborn Children's Benefit is payable once per child across all Sovereign policies. A 12 month stand down period applies.



Financial Advice Benefit

With this benefit, you are able to get financial advice from a Sovereign-approved Financial Adviser at the time of receiving a full claim payment under your Living Assurance. Sovereign will reimburse you for fees up to \$2,500 (incl. GST). This is a one-off payment across all Sovereign policies.

*These increases are not available if the life assured has already suffered a condition under Living Assurance. Where a claim of another type has been notified or accepted for a life assured, Sovereign will exercise its discretion in determining if the increase can be applied based on the nature of the claim.

WHAT'S COVERED?

Sovereign's Living Assurance covers over 40 defined medical conditions.

Comprehensive Living Assurance is designed to provide a full payment of the sum assured for specified serious medical conditions and partial payments for significant but generally non-life threatening conditions, including severe Crohn's disease, osteoporosis, rheumatoid arthritis and ulcerative colitis.

Essential Living Assurance offers you a lower cost option than Comprehensive Living Assurance which provides coverage for a similar set of conditions but with fewer full payments and more partial payments.

		COMPREHENSIVE				ESSENTIAL		
	3 month stand down period	Full payment	Partial payment	Built-in Children's Trauma Benefit	Optional Children's and Maternity	Full payment	Partial payment	Built-in Children's Trauma Benefit
Cancer								
Carcinoma-in-situ	✓	-	✓	✓	✓	-	✓	-
Carcinoma-in-situ radical surgery	✓	✓	-	✓	✓	✓	-	✓
Malignant tumours	✓	✓	-	✓	✓	✓	-	✓
Prostate cancer	✓	✓	-	✓	✓	✓	-	✓
Heart								
Angioplasty – less than 3 vessels	✓	-	✓	✓	✓	-	-	-
Angioplasty – 3 vessels or more	✓	✓	-	✓	✓	-	-	-
Aortic surgery	✓	✓	-	✓	✓	-	✓	-
Cardiomyopathy	-	✓	-	✓	✓	-	✓	-
Coronary artery bypass surgery	✓	✓	-	✓	✓	✓	-	✓
Heart attack	✓	✓	✓	✓	✓	✓	-	✓
Heart valve surgery	✓	✓	-	✓	✓	-	✓	-
Out-of-hospital cardiac arrest	-	✓	-	✓	✓	-	✓	-
Pulmonary hypertension	-	✓	-	✓	✓	-	✓	-
Major Neurological disease								
Alzheimer's disease	-	✓	-	✓	✓	-	✓	-
Benign brain tumour	-	✓	✓	✓*	✓*	-	✓	-
Coma	-	✓	-	✓	✓	-	✓	-
Creutzfeldt-Jakob disease	-	✓	-	✓	✓	-	✓	-
Dementia	-	✓	✓	✓*	✓*	-	✓	-
Encephalitis	-	✓	✓	✓*	✓*	-	✓	-
Idiopathic Parkinson's disease	-	✓	✓	✓*	✓*	-	✓	-
Major head trauma	-	✓	-	✓	✓	-	✓	-
Meningitis	-	✓	-	✓	✓	-	✓	-
Motor neurone disease	-	✓	-	✓	✓	-	✓	-
Multiple sclerosis	✓	✓	✓	✓*	✓*	-	✓	-
Muscular dystrophy	-	✓	✓	✓*	✓*	-	✓	-
Peripheral neuropathy	-	✓	-	✓	✓	-	✓	-
Stroke	✓	✓	-	✓	✓	✓	-	✓

		COMPREHENSIVE				ESSENTIAL		
	3 month stand down period	Full payment	Partial payment	Built-in Children's Trauma Benefit	Optional Children's and Maternity	Full payment	Partial payment	Built-in Children's Trauma Benefit
Paralysis and loss of functionality								
Diplegia	-	✓	-	✓	✓	✓	-	✓
Hemiplegia	-	✓	-	✓	✓	✓	-	✓
Loss of independent existence	-	✓	-	✓	✓	-	✓	-
Paraplegia	-	✓	-	✓	✓	✓	-	✓
Permanent blindness	✓	✓	✓	✓*	✓*	-	✓	-
Permanent loss of hearing	-	✓	✓	✓*	✓*	-	✓	-
Permanent loss of speech	-	✓	-	✓	✓	-	✓	-
Permanent loss of use of limbs	-	✓	-	✓*	✓*	-	✓	-
Quadriplegia/Tetraplegia	-	✓	-	✓	✓	✓	-	✓
Other key conditions								
Advanced diabetes	✓	✓	-	✓	✓	-	-	-
Aplastic anaemia	-	✓	-	✓	✓	-	✓	-
Chronic liver failure	✓	✓	-	✓	✓	-	✓	-
Chronic lung disease	✓	✓	-	✓	✓	-	✓	-
Chronic renal failure	-	✓	-	✓	✓	✓	-	✓
HIV	-	✓	-	✓	✓	-	✓	-
Intensive care benefit	-	✓	✓	✓*	✓*	-	✓	-
Major burns	-	✓	-	✓	✓	-	✓	-
Major transplant surgery	-	✓	-	✓	✓	✓	-	✓
Severe Crohn's disease	✓	-	✓	-	-	-	-	-
Severe osteoporosis	✓	-	✓	-	-	-	-	-
Severe rheumatoid arthritis	✓	-	✓	-	-	-	-	-
Severe ulcerative colitis	✓	-	✓	-	-	-	-	-
Optional conditions								
Optional Total Permanent Disablement condition	-	✓	-	-	-	-	-	-

* Partial payment unavailable

Subject to other policy criteria being met, Sovereign will pay a benefit if you suffer any of these conditions (as defined by the policy document), have met the stand down period requirements, and survive for the minimum specified period. The full definitions of these conditions can be found in the policy document. For any condition where you can claim a full payment, you can make only one claim under the policy. For conditions with partial payments, the partial payment amount can be found in the policy document. Where a partial payment applies, the level of cover under Living Assurance will be reduced by the amount of the partial payments.

Where a stand down period applies it means that if within three months of you taking out this policy, any of the conditions marked as having a three month stand down period occur, or symptoms or signs which lead to any of those conditions (whether or not a Registered Medical Practitioner has been consulted) occur, then Sovereign will not pay any benefit for that condition.

OTHER BENEFITS YOU CAN ADD ON

We understand everyone's needs are different. Below are some optional benefits you can add to your trauma insurance to give support where you need.

Note: Optional benefits can only be applied for once a life assured is 16 years old or over.

Early Cancer Upgrade

(Available with Comprehensive Living Assurance only)

This provides cover for a number of specified minor cancer conditions that are treatable and non-life threatening and at the early stages of diagnosis. It pays 25% of the original sum assured (up to \$50,000) and does not reduce the level of cover under Living Assurance for the life assured.

Total Permanent Disablement Condition

(Available with Comprehensive Living Assurance only)

You can add cover for "own occupation" Total Permanent Disablement (TPD) as a claimable condition under Living Assurance. If you select this, an "own occupation" TPD condition is added as a full payment condition under Living Assurance. This limits the total benefit payable to the Living Assurance sum assured but widens coverage to include conditions not otherwise covered under Living Assurance, which may lead you to become totally and permanently disabled.

The optional TPD condition expires at age 65 and does not apply to any children under the Children's Trauma Benefit or the Optional Children's and Maternity Benefit.

Living Assurance Buy-back Benefit

(Available with Comprehensive Living Assurance only)

This allows you to maintain the level of your Living Assurance by reinstating the level of cover following a claim and without having to provide further medical information (a 12 month survival period applies and exclusions apply for any conditions that are related to the condition originally claimed for). You can select this option for either standalone Living Assurance or for accelerated Living Assurance on a TotalCareMax Life Cover policy.

Life Cover Buy-back Benefit

This allows you to reinstate the level of cover under your original TotalCareMax Life Cover benefit following an accelerated Living Assurance claim and without having to provide further medical information.

A minimum survival period applies and reinstatements are not permitted if the life assured is eligible for a Life Cover Terminal Illness Benefit or the Specified Terminal Conditions Benefit.



Children's and Maternity Benefit

(Available with Comprehensive Living Assurance only)

This provides additional children's trauma insurance up to a further 50% of the sum assured (up to \$50,000) per child of the life assured (for up to 10 children).

This benefit is paid if a named child of the life assured suffers any covered condition under Living Assurance except for the Optional Total Permanent Disablement condition (if applicable). This optional benefit is paid once per child per benefit and is paid in addition to the built-in Children's Trauma Benefit. It can be added to either Comprehensive Living Assurance or Progressive Care, but not both for the same life assured.

The Optional Children's and Maternity Benefit also provides cover for three defined serious pregnancy complications and a bereavement support benefit if a child of the life assured should pass away before age 3.

A 14 day survival period applies. Exclusions apply for congenital conditions.

Waiver of Premium

This can remove the burden of paying premiums when you are unable to work due to total disability. We will waive your premium payments, while your insurance remains in place.

Accidental Injury Cover

This optional benefit provides a single up-front payment, should you be injured accidentally. You can use it for whatever you need: covering treatment costs, getting taxis to work, hiring someone to help with children, or simply taking time off work to recover.

You choose how much cover you need, up to \$5,000 a month, and the lump sum you receive is based on the treatment you require. For example, a broken leg that requires a cast entitles you to a three month payment, totalling a maximum of \$15,000. This is paid as a lump sum once your claim is approved. Making a claim under this optional benefit is not affected by payments from ACC or other insurances you may have.

Specialists and Diagnostic Testing with Best Doctors®

This benefit provides coverage up to \$5,000 per year for specialist consultations, diagnostic imaging and tests.

Best Doctors offers the chance to seek a second opinion from an international network of medical specialists.

*Best Doctors is a trademark of Best Doctors, Inc., in the United States and other countries, and is used under license.

Business Safeguard Facility

(Available with Business range of Comprehensive Living Assurance only. Life assured must be between ages of 16-54.)

A great option for a growing business, this benefit provides you with the option to increase the sum assured as your financial interests or your financial value to the business increases, without having to provide further medical information.

Note that limits and conditions apply and every increase in cover will require an increase in premium.



LIFE. TAKE CHARGE.



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SOVEREIGN

Other things you should know: The availability of insurance cover is subject to your application being approved. All applications are subject to individual consideration. Special conditions, exclusions and premium loadings may apply. This insurance is underwritten by Sovereign Assurance Company Limited ("Sovereign"). For full details of the products and benefits offered by Sovereign, please refer to the policy document(s) which are available from Sovereign. The information contained in this publication is general in nature and is not intended as advice. It may not be relevant to individual circumstances and before making any insurance decision, you should consult a professional Adviser. Copies of our disclosure statements are available on request, free of charge.