

MERCER BILLPROTECT INSURANCE

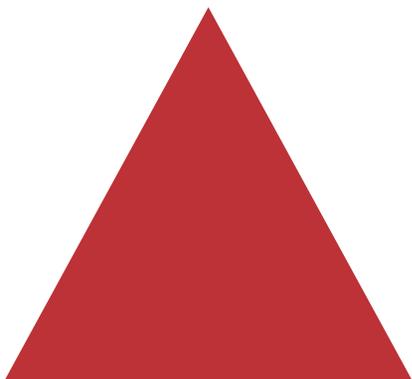


MAKE TOMORROW, TODAY



MERCER BILLPROTECT INSURANCE POLICY WORDING

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1. INTRODUCING YOUR POLICY

This document refers to your Mercer BillProtect Policy and outlines the details of your insurance. It's important to read your Policy wording and Policy Summary and keep them in a safe place, in case you need to refer to them later on.

Our Insurance promise

Provided the terms and conditions are met and the premiums are paid up to date, Cigna Life Insurance New Zealand Limited (Cigna, we, us) will pay you a monthly benefit, as shown on your Policy Summary, if:

- you become Temporarily Disabled
- you are made Redundant from employment
- you become Bankrupt while Self-employed.

Subject to the terms and conditions of the Policy and you being a member of the Mercer KiwiSaver scheme at the time of claiming, Cigna will pay a Mercer SaverProtect monthly benefit of \$200, if:

- you become Temporarily Disabled
- you are made Redundant from employment.

The Mercer SaverProtect benefit will be paid directly into your Mercer KiwiSaver scheme member account.

Once a total of 18 months' payments have been made under this Policy, for Temporary Disability and/or Redundancy benefits, across all related and unrelated claims the Mercer SaverProtect cover ends.

If you leave the Mercer KiwiSaver scheme you will no longer receive cover under the Mercer SaverProtect benefit, however your BillProtect cover will continue and the premiums will remain unchanged.

The terms and conditions of each benefit are set out below. Important conditions and exclusions apply to our insurance promise, which are described in Sections 2, 3 and 4.

Who offers this Insurance?

Your Insurance is provided and underwritten by Cigna Life Insurance New Zealand Limited (Cigna). Only Cigna can approve and accept your Policy and will be responsible for administration, all claims and other matters relating to your Policy.

Mercer (N.Z.) Limited and its related companies do not guarantee the obligations of the insurer/underwriter, Cigna, and will not be liable if Cigna refuses to pay a claim.

Mercer may receive a commission while your Policy remains in force.

Some terms defined

Cover Start Date is shown on the Policy Summary and means the date the cover began.

Policy Anniversary

The date 12 months after the Cover Start Date and the same date each year after that.

Who is covered under the Policy?

You are covered under this Policy if you are named on the Policy Summary, living in New Zealand, and you are either a New Zealand citizen or permanent resident.

Ignoring any Policy provided free of charge, you can only have cover under one Mercer BillProtect Policy or other Cigna-underwritten Policy with similar benefits.

The maximum amount Cigna will pay across all Mercer SaverProtect benefits is \$200 per month.

What if I'm working part time or not working?

You will only be covered by the benefits of this Policy if you are in paid employment or are Self-employed, for 25 hours or more per week. You will only be covered by the Mercer SaverProtect benefit if you are in paid employment for 25 hours or more per week.

Premium changes

We may review and change the premium rates for all Bill Protection policies. We will write to you at least 30 days before any change happens.

Changes to the Policy

We can change the insured events and exclusions of this Policy if it is reasonably necessary to protect our legitimate business interests. For example (but not limited to):

- if changes in the law or its interpretation occur after the Cover Start Date and we reasonably believe that those changes will affect our tax liability, or how the Policy works, or the amount of benefit payable
- if claims experience across all BillProtect policies becomes significantly adverse.

In such case we can change the provisions of the Policy or benefits in whatever way we reasonably decide is necessary to protect our legitimate business interests. You will be given at least 30 days written notice in advance of any such change.

Increases to your cover for inflation

To help keep your total cover up to date, we will offer you an increase on each Policy Anniversary until the Policy Anniversary following your 60th birthday. The percentage increase offered will be based on the recent 12 month increase in the Consumers Price Index (CPI), subject to a minimum increase of 2% and a maximum increase of 10% per year. We'll send you a letter with your new cover and premium.

The increase will apply to your monthly benefit. If you are on claim when your cover increases for inflation, your actual claim amount won't increase.

You don't have to accept our offer of an increase but no further increases will be offered once:

- you have declined three successive offers or
- an offer to increase will make your monthly benefit exceed the maximum benefit available to you.

When the Policy ends

Your Policy will end:

- if your premiums remain unpaid for three consecutive months. Cover stops from the date that the last paid premium provided cover to
- if you cancel your Policy
- if you provide false or incorrect information in support of a claim
- once a total of 18 months' payments have been made under this Policy, for Temporary Disability and/or Redundancy benefits, across all related and unrelated claims
- on the Policy Anniversary following your 65th birthday
- if you die.

We will send you notices regarding the Policy to the most recent address we have on record for you.

Free Look Period

We offer a 30 day Free Look Period so you have time to make sure you are happy with your insurance. If for any reason you want to cancel this Policy, please call our Customer Services team. Any premiums that have been paid will be refunded and we will confirm in writing that the Policy has been cancelled. If you cancel outside this 30 day period, there will be no refund of premiums.

All payments made in respect of this Policy are in New Zealand currency.

This Policy does not have any surrender or cash value.

In the following sections, you'll find information about each type of cover, including what's not covered and how we define certain terms relating to that cover.

2. TEMPORARY DISABILITY COVER

What you're covered for

This cover applies if you are in paid employment for 25 hours or more per week or are Self-employed, immediately before the disability that you are claiming for, the terms and conditions are met and the premiums are paid up to date.

After a 30 day Wait Period, we will pay you the monthly benefit shown on your Policy Summary, and the Mercer SaverProtect benefit (\$200) in advance, for each month or part month that you remain Temporarily Disabled. We will also refund the premiums that are payable while you are on claim. The Mercer SaverProtect benefit will be paid directly into your Mercer KiwiSaver scheme customer account.

Payments will continue for each month you remain disabled until the first of the following occurs:

- you are no longer Temporarily Disabled
- six months of payments are made resulting from the same, similar or related condition or event
- the Policy Anniversary following your 65th birthday
- you die.

Once a total of 18 months' payments have been made under this Policy, for Temporary Disability and/or Redundancy benefits, across all related and unrelated claims the Policy ends.

How does Temporary Disability cover work when you claim more than once?

If you return to paid employment for 25 hours or more per week following a Temporary Disability covered under this Policy and then suffer a Temporary Disability from the same, similar or related condition or event, within three months of returning to paid employment, then the Temporary Disability will be considered to be the same claim and will not be subject to a new 30 day Wait Period.

You must return to paid employment for 25 hours or more per week for a period of six months or more before you can submit a new claim under the Temporary Disability benefit.

What you're not covered for

We will not pay any benefit under this Policy where Temporary Disability is caused or contributed to, directly or indirectly, by:

- attempted suicide or intentional self-injury, whether you are sane or insane
- any Pre-existing Condition
- war or any act of war, invasion, terrorism or any acts of terrorism, act of foreign enemy, hostilities, strike, riot and/or civil commotion, civil war, rebellion, revolution, insurrection, military or usurped power
- any medical treatment or surgical procedure which is not essential for medical reasons and is requested by you for psychological, personal or cosmetic reasons
- any complications of pregnancy, birth, miscarriage or termination of pregnancy
- alcohol or drugs taken by you (unless prescribed by a registered doctor and taken as directed)
- service in any armed force including any police force of a country

- backache and related conditions causing disability unless there is a radiologically proven medical abnormality
- any psychiatric, mental or nervous disorder including stress and stress related conditions
- an illegal or criminal act committed by you.

Some terms defined

Illness means any illness or disease which first occurs at least three months after the Cover Start Date.

Injury means bodily injury caused by violent, accidental, external and visible means which occurs after the Cover Start Date.

Pre-existing Condition means any illness, bodily injury or condition, whether existing, diagnosed or in remission that:

- you sought or received medical advice, treatment or hospitalisation for before the Cover Start Date; or
- you could reasonably have been expected to have sought or received, medical advice, treatment or hospitalisation for before the Cover Start Date.

Reasonably Suited means the type of work you would reasonably be expected to do because of your education, training or experience.

Self-employed means you are employed by a company of which you or your immediate family have direct or indirect control, or you work for yourself in the capacity of a self-employed contractor, sole trader or otherwise, for remuneration for 25 hours or more per week.

Temporary Disability means you are completely unable to do any work for which you are Reasonably Suited, and your inability to work is caused by an Illness or Injury, and no Policy exclusions apply. The cost of providing medical evidence is to be met by you.

Temporarily Disabled means you meet the Temporary Disability definition.

Wait Period means the first 30 days after you cease paid employment (or Self-employment) because of your Temporary Disability. We will not pay a benefit for this period.

3. REDUNDANCY COVER

What you're covered for

This cover applies if you are in paid employment for 25 hours or more per week for one employer for a continuous period of six months or more immediately prior to being made Redundant, the terms and conditions are met and the premiums are paid up to date. This cover does not apply if you are Self-employed.

If you are made Redundant, after a 30 day Wait Period, we will pay you the monthly benefit shown on your Policy Summary and the Mercer SaverProtect benefit (\$200), in advance, for each month or part month that you remain unemployed. We will also refund your premiums while you are on claim. The Mercer SaverProtect benefit will be paid directly into your Mercer KiwiSaver scheme customer account.

Payments will be made for each month following the date of Redundancy until the earliest of the following occurs:

- you return to work
- six months of payments are made
- the Policy Anniversary following your 65th birthday
- you die

Once a total of 18 months' payments have been made under this Policy, for Temporary Disability and/or Redundancy benefits, across all related and unrelated claims the Policy ends.

No benefit will be paid unless we receive a copy of your redundancy letter, copies of job applications and responses, or confirmation that you have registered with an appropriate employment agency for your occupation, proof of which must be supplied to us.

You can claim more than once for Redundancy

You can have more than one claim for Redundancy but you must have returned to work for 25 hours or more per week for one employer for at least six months before you make another claim arising from Redundancy.

What you're not covered for

We will not pay a claim if:

- you are made Redundant in the first three months after cover Start Date
- you received written or verbal notice of your Redundancy in the first three months after the Cover Start Date
- your Redundancy relates to a strike or labour dispute in which you or your employer are involved in
- your Redundancy occurs while you are engaged in temporary, seasonal, Part-time Work, relief work or on a fixed term employment contract
- Redundancy is caused by your voluntary resignation, voluntary redundancy or retirement
- you are dismissed
- you close or sell your own business
- you are a director in your own business
- you are still working in paid employment
- you are receiving a Temporary Disability benefit.

Some terms defined

Part-time Work means work which you have attended less than 25 hours per week.

Reasonably Suited means the type of work you would reasonably be expected to do because of your education, training or experience.

Redundant, Redundancy means you are unemployed for at least 30 days in a row because your position (of 25 hours or more) is disestablished, as it is no longer needed by your employer.

Self-employed means you are employed by a company of which you or your immediate family have direct or indirect control, or you work for yourself in the capacity of a self-employed contractor, sole trader or otherwise, for remuneration for 25 hours or more per week.

Wait Period means the first 30 days after you cease paid employment because of your Redundancy. We will not pay a benefit for this period.

4. BANKRUPTCY COVER

What you're covered for

If you are Self-employed and are made Bankrupt at least six months after the Cover Start Date, the terms and conditions are met and the premiums are paid up to date, Cigna will pay you a weekly benefit. The weekly benefit amount will be equal to one quarter (25%) of the monthly benefit shown on your Policy Summary and will be paid for 12 weeks.

Only one claim for Bankruptcy can be made for this Policy. The Bankruptcy benefit will cease on payment of a Bankruptcy claim but your Temporary Disability and Redundancy cover will continue provided that you continue to pay the premiums when due.

What you're not covered for

No benefit will be paid for Bankruptcy if:

- you are declared Bankrupt within six months of the Cover Start Date
- your Bankruptcy is voluntary.

Some terms defined

Bankruptcy means the Court has declared you Bankrupt as a result of one of your creditors asking it to do so.

Self-employed means you are employed by a company of which you or your immediate family have direct or indirect control, or you work for yourself in the capacity of a self-employed contractor, sole trader or otherwise, for remuneration for 25 hours or more per week.

5. HOW TO MAKE A CLAIM

If you need to make a claim, please contact Cigna as soon as possible and we'll guide you through the process. You'll need to complete a claim form and return it to Cigna together with any information we ask for to assess your claim.

We rely on the information you give us to pay any claims. We may decline your claim and/or cancel your Policy if you give us false or incorrect information to support a claim.

Information we'll need

All medical information must be provided by an appropriately trained and registered medical practitioner. Our medical advisers may require you to undergo an examination or other reasonable tests to confirm Temporary Disability.

If you are claiming for Redundancy, you'll need to provide us with adequate ongoing proof that you are actively seeking paid employment. We'll also need confirmation of your Redundancy from your previous employer. If you are offered and refuse employment for which you are Reasonably Suited, Cigna reserves the right to end your claim.

If you are claiming for your Mercer SaverProtect benefit, we will need your Mercer KiwiSaver scheme customer number.

6. IF YOU NEED TO REGISTER A COMPLAINT

If you have a complaint we are happy to discuss it. Please contact us in the first instance, our Customer Service team will do their best to resolve your issue straight away. If they can't sort out the issue, our dedicated Customer Resolution Consultant will personally take on your case.

Also, Cigna is a member of the Insurance & Financial Services Ombudsman Scheme (IFSO Scheme), a free, independent service which can help settle any dispute you are unable to resolve with us.

Any dispute or action relating to this Policy will be determined in accordance with New Zealand law.

IFSO contact details

Post P O Box 10 845, Wellington 6143
Phone 0800 888 202
Email info@ifso.nz
Website www.ifso.nz

7. ABOUT CIGNA

Cigna is a leading specialist provider of insurance products and services including travel insurance, life insurance, funeral insurance, income protection insurance, accidental death insurance, and critical illness insurance.

We've been operating in New Zealand for nearly a century, and protect more than 295,000 New Zealanders with our insurance policies.

Cigna is part of Cigna Corporation, a Fortune 500 company and one of the world's largest publicly owned insurance companies.

A copy of Cigna's latest financial statements is available on request.

Statutory Fund

Like all NZ life insurers we are required under the Insurance (Prudential Supervision) Act 2010 to establish a statutory fund. The statutory fund relevant to your Policy is Cigna's Statutory Fund Number One.

8. CIGNA'S FINANCIAL STRENGTH

Cigna has an A- (Excellent) financial strength rating which was given by A.M. Best Company Inc. The rating scale is:

SECURE	VULNERABLE
A++ A+ (Superior)	B B- (Fair)
A A- (Excellent)	C++ C+ (Marginal)
B++ B+ (Good)	C C- (Weak)
	D (Poor)
	E (Under Regulatory Supervision)
	F (In Liquidation)
	S (Suspended)

For more rating information visit www.ambest.com/ratings/guide.pdf

9. CONTACT US

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Letter

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E-mail

mercprotect@cigna.com

for general information about your Policy such as premiums and changes to contact details

complaintsandquality.nz@cigna.com

to register a complaint

claims.nz@cigna.com

to request a claim form or ask any questions related to a claim

FOR FURTHER INFORMATION

Visit: www.mercerprotect.co.nz/bill

Telephone: 0508637237