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CONSUMER PROTECTION INSURANCE

0800 002 002

UNDERWRITTEN BY SOUTHSURE ASSURANCE LIMITED

Consumer Protection Insurance Policy

This Insurance Policy has been issued by Southsure Assurance Limited (“Southsure”). This Policy is based on the details set out in Your Finance Contract and the terms and conditions set out in this Policy. Cover under this Policy is provided for the period from the Start Date to the expiry of the Finance Contract, unless otherwise cancelled or terminated.

The meanings of important words and terms used throughout this document are defined under the clause “Definitions applicable to all parts of this Policy” and are indicated by the use of an initial capital letter e.g. You.

WHAT THIS POLICY DOES NOT COVER

As with all insurances, there are certain circumstances whereby We will not be able to pay Your claim. Please ensure that You read all of the terms and conditions of this Policy, paying particular attention to the covers, benefits and exclusion clauses to ensure that this Policy meets Your requirements. If this Policy does not appear to meet Your requirements for any reason, You may return it to the Policy Owner within 30 days of the Start Date and a full refund of Your premium will be made to the Policy Owner.

CRITERIA THAT MUST BE MET BEFORE CERTAIN COVERS APPLY

1. Total Disablement Cover

At the time of Your Total Disablement You must be either:

- a. working for salary, wages, commission, fees or employment income and employed by an employer on a permanent basis for a minimum of 25 hours per week; or
- b. employed by a company or business of which You or Your family have direct or indirect control, or You work for Yourself in the capacity of a self-employed contractor, sole trader or otherwise, and in either capacity You are working for a minimum of 25 hours per week and are deriving an economic living income from those activities,

and have been such for 60 days immediately prior to the Total Disablement.

2. Redundancy Cover

You must have been working for salary, wages, commission, fees or employment income and employed by an employer on a permanent basis for a minimum of 25 hours per week and suffered from a period of Redundancy commencing after the Start Date. The Redundancy must be as a result of Your Employment being terminated by Your employer, the termination being attributable, wholly or mainly, to the fact that the position filled by You is, or will become, superfluous to the needs of the employer. For the avoidance of doubt, this does not include Your seasonal, contractual, casual or temporary employment being terminated.

WHAT THIS POLICY COVERS

Chattel Cover

This cover provides for:

- i) The sudden and unforeseen accidental damage to the Chattel; and
- ii) The Theft of the Chattel from a secure premises or a secure motor vehicle and for which there is substantiated evidence of a forcible entry into the premises or motor vehicle,

occurring anywhere in New Zealand, unless otherwise excluded.

Benefit applicable to Chattel Cover:

We will at Our sole discretion either:

- i) Repair the Chattel; or
- ii) Replace the Chattel with one to a similar or better specification as the original at the time of purchase; or
- iii) Make a payment up to the original purchase price of the Chattel to the Policy Owner.

Excess: An excess is payable by You for each and every Chattel claim. Each and every claim shall incur an excess of 15% of the original purchase price, with a minimum excess of \$150.00.

Cover Conditions:

- i) In the case of Theft, the incident must be reported to the Police and You must obtain a Police report.
- ii) You must not arrange any repair work, other than to minimise the loss or damage, without Our prior approval.

Death Cover

This cover provides for Your death.

Benefit applicable to Death Cover:

We will pay the total amount owing or outstanding under the Finance Contract as at the date of death, not including any arrears of more than three months or missed payments or additional interest that has accrued as a result of arrears or missed payments.

Terminal Illness Cover

This Cover provides for You suffering any illness or accidental injury which results in Your Total Disablement and which, in Our sole opinion after consideration of such medical evidence as We shall deem as reasonably necessary, results in a specialist Doctor determining Your life expectancy to be less than six months.

Benefit applicable to Terminal Illness Cover:

We will pay the total amount owing or outstanding under the Finance Contract as at the date life expectancy is determined, not including any arrears or missed payments or additional interest that has accrued as a result of arrears or missed payments.

Total Disablement Cover

Providing that You:

- Are in Employment or Self-Employed at the time of the Total Disablement; and
- Have been in Employment or Self-Employed for a continuous period of at least 60 days immediately prior to the Total Disablement,

then this cover provides for You suffering any illness or accidental injury if, in Our reasonable opinion after consideration of such medical evidence as We shall deem as reasonably necessary, You are completely unable to engage in Your usual occupation, or any other occupation for which You are reasonably suited by education, training or experience; and You are not engaged in any gainful Employment including Self-Employment; and You are under the continuous direction and professional care of a Doctor. The first day of Your Total Disablement is deemed to be the date You consulted Your Doctor regarding the condition for which You are claiming and Your Doctor certified You as being totally unable to work. Back-dated medical certificates will not be acceptable as proof of Total Disablement.

Benefit applicable to Total Disablement Cover:

The amount We will pay will be calculated by dividing the Total Amount of Payments figure as specified on the Finance Contract by the number of days comprising the term of the Finance Contract, this then being multiplied by the number of days that You are Totally Disabled. There is no amount payable for the first 7 days of Your Total Disablement. Payments will commence after the first 7 days of Your Total Disablement. In the event of a deferred payment plan, there will be no claim payments made until Your first instalment is due, providing that You are still Totally Disabled at this time. Payments will continue for the period you are Totally Disabled and will cease on the earliest of:

- i) You no longer being Totally Disabled;
- ii) The Policy ceasing.

Redundancy Cover

This cover provides for You suffering a Redundancy commencing after the Start Date and after which You suffer a period of Unemployment. The first day of Your Redundancy is deemed to be the date You register with Work and Income New Zealand. The Redundancy must be as a result of Your Employment being terminated by Your employer, the termination being attributable, wholly or mainly, to the fact that the position filled by You is, or will become, superfluous to the needs of the employer. For the avoidance of doubt, this does not include Your seasonal, contractual, casual or temporary employment being terminated.

Benefit applicable to Redundancy Cover:

The amount We will pay will be calculated by dividing the Total Amount of Payments figure as specified on the Finance Contract by the number of days comprising the term of the Finance Contract, this then being multiplied by the number of days that You are Unemployed as a result of Redundancy. There is no amount payable for the first 30 days of Your Redundancy. In the event of a deferred payment plan, there will be no claim payments made until Your first instalment is due, providing that You are still Unemployed at this time. Payments will continue for the period you are Unemployed and will cease on the earliest of:

- iii) You no longer being Unemployed;
- iv) If You have been in Employment for less than 12 months immediately prior to Your Redundancy, We have made payments for a total period of 180 days from the end of the 30 day stand down period;
- v) If You have been in Employment for less than 12 months immediately prior to Your Redundancy, We have made payments totalling \$10,000;
- vi) If You have been in Employment for at least 12 months immediately prior to Your Redundancy, We have made payments for a total period of 12 months from the end of the 30 day stand down period;
- vii) If You have been in Employment for at least 12 months immediately prior to Your Redundancy, We have made payments totalling \$20,000;
- viii) The Policy ceasing.

Bankruptcy Cover

This cover provides for You suffering a period of Bankruptcy commencing after the Start Date, providing that You are Self Employed and are subsequently declared Bankrupt by the New Zealand High Court and remain an undischarged Bankrupt for a period of at least 30 days.

Benefit applicable to Bankruptcy Cover:

The amount We will pay will be calculated by dividing the Total Amount of Payments figure as specified on the Finance Contract by the number of days comprising the term of the Finance Contract, this then being multiplied by the number of days that You are Bankrupt. There will be no amount payable for the first 30 days of Your Bankruptcy. In the event of a deferred payment plan, there will be no claim payments made until Your first instalment is due, providing that You are still Bankrupt at this time.

Payments will continue for the period you are an undischarged Bankrupt and will cease on the earliest of:

- i) You being discharged from Your Bankruptcy;
- ii) We have made payments totalling \$10,000;
- iii) We have made payments for a total period of 180 days;
- iv) The Policy ceasing.

POLICY COVER LIMITS

The maximum liability under Chattel Cover shall be either the original purchase price of the Chattel or \$15,000, whichever is the lesser. Once the maximum liability has been reached there will be no further benefits payable and the Chattel Cover will cease.

Our maximum liability for all other covers combined shall be either the total amount owing or outstanding under the Finance Contract, not including any arrears or missed payments or additional interest that has accrued as a result of arrears or missed payments or \$50,000, whichever is the lesser amount.

- i) If You are a joint borrower or purchaser under the Finance Contract and both borrowers or purchasers are covered by this Policy, then:
 - a) Payment of the Death benefit or the Terminal Illness benefit for one of the borrowers or purchasers will terminate this Policy.
 - b) If both borrowers or purchasers die at the same time, only one Death benefit is payable and this Policy will terminate.
 - c) If both borrowers or purchasers are diagnosed with a Terminal Illness at the same time, only one Terminal Illness benefit is payable and this Policy will terminate.
 - d) If one borrower or purchaser suffers from either Total Disablement, Redundancy or Bankruptcy, and the other borrower or purchaser suffers any one of these claim events during the same period, We will be liable only for one claim payment during any one period.
- ii) If You have been in Employment for less than 12 months immediately prior to the date of Redundancy taking effect, then We will pay the instalments for no longer than 180 days, commencing from the end of the 30 day stand down period and Our payments will total no more than \$10,000.
- iii) If You have been in Employment for at least 12 months immediately prior to the date of Redundancy taking effect, then We will pay the instalments for no longer than 12 months, commencing from the end of the 30 day stand down period and Our payments will total no more than \$20,000.
- iv) For a claim for Bankruptcy We will pay the instalments for no longer than 180 days commencing from the end of the 30 day stand down period, and Our payments will total no more than \$10,000.

POLICY EXCLUSIONS

Exclusions applicable to Chattel Cover

We will not pay any benefit in the following circumstances:

- i) Damage to the Chattel as a consequence of any war, or act thereof;
- ii) Theft or damage to the Chattel that has been rented out or lent;
- iii) Damage to any sporting equipment whilst in use;
- iv) Theft of any musical equipment or instrument, including any D.J. equipment, if the equipment is left by You at the premises where You are or have been performing and you were not at the premises at the time of the theft;
- v) Theft or intentional damage to the Chattel by You, Your employee's, anyone who lives with You or is related to You or who has unrestricted access to Your premises, or any other person responsible for the Chattel;
- vi) Any damage resulting from fire, storm or flood;
- vii) Theft of Portable Chattels from a vehicle unless the Portable Chattel was out of sight at the time of the theft;
- viii) Any consequential loss or expense incurred through the loss of use of the Chattel;
- ix) Theft or damage to the Chattel prior to or during delivery, or whilst being moved from one permanent location to another;
- x) Any mechanical or electrical breakdown of the Chattel including spiking or power surges;
- xi) Any fault, defect, error or omission in the design of the Chattel, or any defective workmanship or materials;
- xii) Any maintenance, servicing, wear and tear, gradual deterioration, restoring, cleaning, scratching, corrosion of any kind, denting, or modifications to the Chattel;
- xiii) Accidental damage to any Portable Chattel;
- xv) Any loss covered under a valid motor vehicle insurance policy;
- xvi) Theft or damage to any wheels or tyres.

Exclusions applicable to Death Cover and Terminal Illness Cover

We will not pay any benefit if Your Death or Terminal Illness arises directly or indirectly from:

- i) Any illness, injury, medical or degenerative condition or any related or associated symptoms that existed prior to the Start Date for which medical treatment or advice had been sought by You, regardless of whether or not the condition had been accurately diagnosed at that time or further advice was recommended to determine a diagnosis;
- ii) Suicide, attempted suicide or self-inflicted injury or illness;
- iii) Being addicted to or under the influence of alcohol, narcotics, solvents, inhalants or non-prescribed drugs, or prescribed drugs if not taken as prescribed by a Doctor;
- iv) Taking part in any criminal act;
- v) Death occurring outside New Zealand unless at the time of the death You were residing in New Zealand.

Exclusions applicable to Total Disablement Cover

We will not pay any benefit if Your Total Disablement arises directly or indirectly from:

- i) Any illness, injury, medical or degenerative condition or any related or associated symptoms that existed prior to the Start Date for which medical treatment or advice had been sought by You, regardless of whether or not the condition had been accurately diagnosed at that time or further advice was recommended to determine a diagnosis;
- ii) Backache or abdominal pains and any related conditions causing disability unless there is radiological medical evidence of abnormality in the form of MRI, X-Ray or CT scan;
- iii) Any psychiatric, psychosomatic, psychotic, psychoneurotic, psychological, mental or nervous disorder or syndrome;
- iv) Chronic Fatigue Syndrome, Chronic Fatigue and Immune Dysfunction Syndrome, Chronic Pain Syndrome or any such like syndromes associated with tiredness or pain;
- v) The normal effects of pregnancy or childbirth;
- vi) Any medical treatment or surgical procedure which is not essential for medical reasons and is requested by You for psychological, personal or cosmetic reasons;
- vii) Your failure to follow any advice, treatment or direction from a Doctor;
- viii) You engaging in any sporting activity in a professional capacity;
- ix) Racing any motor-propelled conveyance;
- x) Engaging in hazardous activities, unless You are qualified to do so by a recognised body or the activity is being carried out under the supervision of a qualified guide or instructor including but not limited to rock-climbing, abseiling, scuba diving, bungee jumping, bridge swinging, parachuting (skydiving), parapenting, hang-gliding and parasailing;
- xi) Engaging in the following hazardous activities in any capacity – mountaineering, base jumping, downhill mountain biking;
- xii) Any attempted suicide or self-inflicted injury or illness;
- xiii) Being addicted to or under the influence of alcohol, narcotics, solvents, inhalants or non-prescribed drugs, or prescribed drugs if not taken as prescribed by a Doctor;
- xiv) Taking part in any criminal act;
- xv) Any event occurring outside New Zealand unless at the time of the event You were residing and Employed in New Zealand.

Exclusions applicable to Redundancy Cover

We will not pay the Redundancy benefit in any of the following circumstances:

- i) Your resignation, retirement, dismissal, agreement to leave employment through mediation, voluntary redundancy or termination occurring during any trial period;
- ii) Redundancy occurring within 30 days of the Start Date;
- iii) Redundancy or threatened Redundancy of which You knew or should have known at the Start Date;
- iv) Redundancy due to cessation of a season where the work is of a seasonal nature (e.g. including but not restricted to fruit picking, shearing, working in a freezing works) or where the work is for a defined period or contract and that period or contract expires;
- v) You being Self Employed or a working director.

Exclusions applicable to Bankruptcy Cover

We will not pay the Bankruptcy benefit in any of the following circumstances:

- i) If You knew, or should have known, prior to the Start Date that You would be adjudged Bankrupt;
- ii) If You have not been carrying on the same business in the same style for at least two years prior to the Start Date.

CLAMS PROCESS

1. Notice of Claim

Notice of a claim must be given by You or Your representative to Us as soon as possible, but in any case within 28 days of the event, by adopting one of the following procedures:

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

2. Claim Information Requirements

We may, at Our sole discretion, decline any liability under this Policy if You or Your representative refuses to provide any of the required information, supplies incorrect or misleading information, or fails to abide by any of the following conditions of the Policy:

For a claim under **Chattel Cover** You shall provide:

- a) A Police report (for Theft claims only);
- b) A signed and witnessed statement from You detailing the events surrounding the loss or damage;
- c) A copy of the purchase invoice/receipt;
- d) Any other evidence as We may reasonably require from time to time to satisfy the claim.

For a claim under **Death Cover** the following shall be provided:

- a) A copy of the death certificate;
- b) Your representative shall furnish Us with such medical evidence as We may reasonably require;
- c) A copy of the coroner's report if one has been issued;
- d) Your birth certificate or other satisfactory proof of Your age;
- e) Any other evidence as We may reasonably require from time to time to satisfy the claim.

For a claim under **Terminal Illness Cover** the following shall be provided:

- a) Any doctors' reports, medical file notes and specialist reports as required;
- b) A report from a suitably qualified specialist Doctor detailing the nature of the illness or accidental injury and an estimate of life expectancy;
- c) Your birth certificate or other satisfactory proof of Your age;
- d) Any other evidence as We may reasonably require from time to time to satisfy the claim.

For a claim under **Total Disablement Cover** You shall provide:

- a) Such medical evidence as We may reasonably require to enable Us to determine the claim;
- b) Evidence that You were Self-Employed or in Employment at the date of Your Total Disablement and for a continuous period of 60 days immediately preceding that date;
- c) Evidence that You have obtained and are following the advice from Your Doctor;
- d) Your birth certificate or other satisfactory proof of Your age;
- e) Any other evidence as We may reasonably require from time to time to satisfy the claim.

For a claim under **Redundancy Cover** You shall provide:

- a) Confirmation from Your last employer as to the reason for the termination of Your Employment;
- b) Evidence that You have registered with Work and Income as a job seeker;
- c) Evidence that You are applying for jobs, contacting prospective employers and attending interviews;
- d) Your birth certificate or other satisfactory proof of Your age;
- e) Any other evidence as We may reasonably require from time to time to satisfy the claim.

For a claim under **Bankruptcy Cover** You shall provide:

- a) All relevant documentation as required by Us to prove that You have been adjudged Bankrupt including written evidence from a chartered accountant confirming that You have been carrying on the same business in the same style for at least two years prior to the Start Date;
- b) Provide a copy of audited financial accounts; and
- c) Provide the official notice of You being adjudged Bankrupt.

3. Payment of Claims

Upon receiving all of the required proof to Our satisfaction We shall, subject to the terms, conditions and exclusions set out in this Policy, pay the specified Benefit in the following manner:

- **For Chattel Cover**

In the event of Your Chattel being accidentally damaged, or in the event of a Theft, We will at Our sole discretion either:

- i) Repair the Chattel; or
- ii) Replace the Chattel with one to a similar or better specification as the original at the time of purchase; or
- iii) Make a payment up to the original purchase price of the Chattel to the Policy Owner.

- **For all other Covers**

- i) We will make all payments to the Policy Owner.
- ii) There is no amount payable for the first 7 days of Your Total Disablement.
- iii) There is no amount payable for the first 30 days of Your Redundancy.
- iv) There is no amount payable for the first 30 days of Your Bankruptcy.
- v) In the event of a deferred payment plan, there will be no claim payments made for either Total Disablement, Redundancy or Bankruptcy until Your first instalment is due, providing that You are still either Totally Disabled, Redundant or Bankrupt at this time.

General Terms and Conditions applicable to this Policy

1. When Your Policy Ceases

This Policy will cease automatically on the earliest of:

- i) Your 70th Birthday;
- ii) The expiry of the Finance Contract;
- iii) Your obligation under the Finance Contract being totally repaid;
- iv) You ceasing to reside in New Zealand;
- v) This Policy being cancelled by You, Us or the Policy Owner;
- vi) The maximum liability of this Policy being reached.

2. Policy Cancellations

If, when You receive this Policy it does not appear to meet Your needs, You may return it to the Policy Owner within 30 days of the Start Date and a full refund will be made to the Policy Owner of any premium payments made.

Should the Finance Contract be in default or all obligations totally repaid then the Policy Owner has the undisputed right to cancel this Policy without consultation and receive a refund of whatever amount is owing (if any) as a matter of law.

You may cancel this Policy at any time provided You give the Policy Owner seven days written notice and if the option to cancel is available under your Finance Contract. Should this occur We will refund to the Policy Owner whatever sum is owing (if any) as a matter of law.

3. Interpretation

This Policy shall be construed according to the laws of New Zealand and all premiums and benefits are payable in New Zealand currency.

4. Commission

The Policy Owner may receive remuneration from Southsure directly or indirectly as a result of this Policy being issued.

5. Financial Reports

Should You require a copy of the latest reported financial statements, please contact Us at the address given on page 17.

6. Disappearance

Death shall not in any way be presumed by Your disappearance except in the event of the total loss of a ship or aircraft in which You were travelling.

7. Policyholder Protection

Under the Insurance (Prudential Supervision) Act 2010 (the Act), Southsure 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's Statutory Fund No.1.

8. Insurer Financial Strength Rating

Southsure Assurance Limited has been assigned an Insurer Financial Strength rating of BBB+ (Outlook Stable) by Fitch Ratings as at 8th November 2017.

The following rating scale applies:

SECURE RANGE				
AAA Exceptionally strong	AA Very strong	A Strong	BBB Outlook Stable	
VULNERABLE RANGE				
BB Moderately weak	B Weak	CCC Very weak	CC Extremely weak	C Distressed

“+” or “-” may be appended to a rating to indicate the relative position of a credit within the rating category.

9. Policy Underwriter

Consumer Protection Insurance is underwritten by Southsure Assurance Limited (“Southsure”). Southsure is a subsidiary company of Southland Building Society. Southland Building Society, trading as SBS Bank, is a New Zealand registered Bank and does not guarantee the obligations of Southsure.

10. 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

11. 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

12. Definitions applicable to all parts of this Policy

Chattel

The item(s) specified in the Finance Contract and which have been nominated as having cover under this Policy.

Doctor

An appropriately qualified and registered medical professional who is acceptable to Us. That person must not be You, any member of Your family, Your business partner, or anyone who is closely associated with You.

Employment and Employed

You must be working for salary, wages, commission, fees or employment income and employed by an employer on a permanent basis for a minimum of 25 hours per week.

Finance Contract

The contract You have entered into with the Policy Owner to govern the terms of repayment of a loan or payment of a conditional purchase of goods.

Policy Owner

The finance company with which You have entered into a Finance Contract and from which this Policy has been purchased.

Portable Chattels

Any mobile computer, hand held electronic information, entertainment or communication device (including mobile phones and cameras), musical instrument or equipment, in-car entertainment equipment or associated accessory, bicycle.

Redundant or Redundancy

Your Employment being terminated by Your employer, the termination being attributable, wholly or mainly, to the fact that the position filled by You is, or will become, superfluous to the needs of the employer. For the avoidance of doubt, this does not include Your seasonal, contractual, casual or temporary employment being terminated.

Self-Employment or Self-Employed

You are employed by a company or business of which You or Your family have direct or indirect control, or You work for Yourself in the capacity of a self-employed contractor, sole trader or otherwise, and in either capacity You are working for a minimum of 25 hours per week and are deriving an economic living income from those activities.

Start Date

This is the date on which the Finance Contract becomes effective.

Theft

Theft from premises or a motor vehicle for which there is substantiated evidence of a forcible entry into the premises or motor vehicle.

Total Disablement/Totally Disabled

In Our reasonable opinion after consideration of such medical evidence as We shall deem as reasonably necessary, You are completely unable to engage in Your usual occupation, or any other occupation for which You are reasonably suited by education, training or experience; and You are not engaged in any gainful Employment including Self-Employment; and You are under the continuous direction and professional care of a Doctor.

Unemployment/Unemployed

You are entirely out of work as a result of being made Redundant and are registered with Work and Income as a job seeker. You must provide evidence of applying for job positions, contacting prospective employers and attending interviews.

We, Us, Our

Southsure Assurance Limited.

You, Your

The person(s) We have agreed to cover for the benefits set out in this Policy and who is named as the borrower or purchaser in the Finance Contract.



southsure
insurance