



**PPS Mutual
Professionals' Choice**

Waiver of Premium Cover

Cover terms



Introduction

This Waiver of Premium Cover waives the ***policy premiums*** if the ***life insured*** experiences disability that meets the relevant criteria.

These ***cover terms*** are a key part of our agreement with you. They explain how the Waiver of Premium Cover works. For a complete understanding, read them alongside the ***PPS Mutual's*** General Terms and Conditions document and ***policy schedule***. The ***policy schedule*** outlines the ***cover types, acceptance terms***, the ***sum insured***, and optional benefits and features that you have chosen for each ***life insured***.

The Waiver of Premium ***cover*** for the ***life insured*** will cease when the ***life insured*** reaches the ***cover expiry term*** shown in the ***policy schedule***.

While ***PPS Mutual*** is waiving the regular ***policy premium***, you cannot make voluntary changes to your ***policy***.



For any terms shown in both bold and italics (***like this***), refer to the glossary at the end of the ***PPS Mutual*** General Terms and Conditions document for the specific meanings.

Main benefits

This section is your guide to understanding when **PPS Mutual** will waive the **policy premiums**.

Ongoing claim requirements

If **PPS Mutual** is paying an ongoing Waiver of Premium claim, we may ask you for reasonable information about the **life insured** from time to time for the purposes of determining your ongoing entitlement of waiving your **policy premiums**. Regular requirements may include:

- medical certificates completed by a **doctor** or **specialist**; and/or
- individual declarations completed by the **life insured**; and/or
- any other information that **PPS Mutual** may reasonably require to determine the ongoing assessment of the claim.



1.

Waiver of Premium Benefit

PPS Mutual will waive the regular **policy premiums** payable which fall due after the **waiting period** if the **life insured** is totally and/or partially disabled (as described below) for the **waiting period** and is totally or partially disabled at the end of the **waiting period**.

The **waiting period** begins on the first (1st) day the **life insured** is totally or partially disabled.

Waiting period reduction on cancer diagnosis

If the **life insured** is unequivocally diagnosed with a cancer **condition** that meets the following criteria:

- the cancer is considered **medically necessary** to treat by a **specialist** (regardless of whether treatment has begun); and
- the cancer meets at least one of the following severity criteria:
 - the cancer is classified as Stage 2 or above according to the American Joint Committee on Cancer (AJCC)'s TNM classification or an equivalent staging system, and is either completely unresectable or requires **major treatment** or **surgery**; or
 - the cancer requires **major treatment** or **radical surgery**,

then the **waiting period** will begin on the first (1st) day the **life insured** is unequivocally diagnosed with a cancer **condition** that meets the severity criteria outlined above. The **life insured** must be totally or partially disabled (as defined below) at the end of the **waiting period**.

How long will PPS Mutual waive the policy premiums?

PPS Mutal will waive the **policy premiums** in advance from the end of the **waiting period** until the earliest of:

- the **life insured** no longer being totally or partially disabled; or
- the end of the **claim payment term**; or
- the **policy anniversary** corresponding to the **cover expiry term**.

If there is less than six (6) months remaining before the **cover expiry term**, then **PPS Mutual** will waive the **policy premiums** during the **waiting period** if the **life insured** remains totally or partially disabled for more than two (2) weeks.

What does totally disabled mean?

The definition of totally disabled depends on whether the **life insured** is working or not working (as described below).

Working

A **life insured** is “working” if they were:

- actively involved in their **usual occupation** or carrying on a **business** within the last twelve (12) months (other than during any periods of approved short term leave) immediately prior to the total disability; or
- undertaking a formal educational sabbatical for up to twenty-four (24) months prior to the disability (as evidenced by proof of admission from a registered educational institution) and were actively involved in their **usual occupation** or carrying on a **business** immediately prior to undertaking the formal educational sabbatical.

A “working” **life insured** is considered totally disabled if all the following conditions are met:

- they are under the regular care of a **specialist** or **doctor**; and
- solely due to **injury** or **illness**, they are unable to either:
 - work more than ten (10) hours per week in their **usual occupation**; or
 - perform at least one (1) key income-producing duty of their **usual occupation**; and
- solely due to **injury** or **illness**, they are not engaged in any other occupation or business that generates an income exceeding twenty-five percent (25%) of their **pre-disability income**.

Not working

A **life insured** is “not working” if they do not meet the definition of “working” above.

A “not working” **life insured** is totally disabled if they are under the regular care of a **specialist** or **doctor** and due to their disability they are:

- continuously confined to a medical institution or their home under medical supervision; or
- continuously unable to carry out at least two (2) of the **activities of daily living** without the assistance of another person; or
- continuously unable to perform three (3) of the **normal domestic duties** without the assistance of another person,

and they are not actively involved in or carrying on any other occupation or **business**.

What does partially disabled mean?

The **life insured** is partially disabled if they are under the regular care of a **specialist** or **doctor** and due to their disability they are unable to:

- engage in their **usual occupation** for more than seventy-five percent (75%) of their **pre-disability working hours**; or
- earn an **income** which is equal to or greater than seventy-five percent (75%) of their **pre-disability income**; or
- perform at least twenty-five percent (25%) of the key income-producing duties of their **usual occupation**.



Additional features

Your Waiver of Premium Cover comes with the following additional built-in features.

1.

Recurring Claim Fast-Track Feature

If a **life insured** suffers a recurrence of a related **injury** or **illness** that was the cause of an earlier Waiver of Premium claim within the prior twelve (12) months, **PPS Mutual** will waive the **waiting period** for a recurrent Waiver of Premium claim.

Where this section applies, the recurrent claim will be considered a continuation of the previous claim for the purposes of determining the duration of the **claim payment term**.

2.

Related Claim Payment Reset Feature

If the **life insured** has:

- recovered from an **illness** or **injury** for at least twelve (12) consecutive months after the original Waiver of Premium claim ended; and
- returned to **full time** work for at least six (6) continuous months after the original Waiver of Premium claim ended; and
- continuously performed all the key income-producing duties of their **usual occupation**,

then **PPS Mutual** will reset the **claim payment term** for the **life insured** to its full duration for a claim arising from the same or any related **illness** or **injury**. The **waiting period** will apply to these claims.

3.

Reduction in Waiting Period Feature

This feature may be used to reduce the **life insured's waiting period** if they are working **full time** and:

- a **PPS Mutual** Key Person Protector Cover for the **life insured** is cancelled; or
- the **life insured** loses income protection (or related) coverage under a group insurance policy or scheme.

PPS Mutual will reduce the **waiting period** for the **life insured's** Waiver of Premium Cover to a duration that most closely matches the **waiting period** on the cancelled or lost cover.

This feature is subject to the following conditions:

- the feature must be exercised within one hundred and eighty (180) days after the cancellation or loss of the applicable cover; and
- the **life insured** must provide evidence satisfactory to **PPS Mutual** to verify the cancellation or loss of the applicable cover.

Limitations

PPS Mutual will not accept a request to reduce the **waiting period** after the **policy anniversary** immediately following the **life insured's** fifty-fifth (55th) birthday or where the **life insured** has:

- previously been deferred an application for Cover with **PPS Mutual**; or
- had their **PPS Mutual** Key Person Protector Cover cancelled or been removed from their group insurance policy or scheme due to non-disclosure or fraud; or
- been diagnosed with a **terminal illness** that reduces their life expectancy to less than twelve (12) months; or
- made a claim under any **PPS Mutual policy**.

If the **life insured's** Waiver of Premium Cover has an age smoothed premium pattern noted on the **policy schedule**, you must convert the Waiver of Premium Cover premium pattern to rate for age in order to utilise this feature. **PPS Mutual** will use the **life insured's** current age at the date the change takes effect to recalculate the Waiver of Premium Cover **premium**.

4.

Refund of Waiting Period Feature

If the **life insured** is totally or partially disabled during the **waiting period** and is totally or partially disabled at the end of the **waiting period**, **PPS Mutual** will refund any **policy premiums** paid in respect of the **waiting period**.



Exclusions

PPS Mutual will not pay any feature or waive the regular **premiums** payable which fall due during or after the **waiting period** under this **policy** due to the **life insured** being totally or partially disabled as a result of:

- **ordinary and typical** pregnancy, childbirth, or miscarriage unless the disability lasts for more than ninety (90) days after the end of the pregnancy, in which case the **waiting period** will start from the ninety-first (91st) day; or
- the **life insured** causing deliberate injury to themselves; or
- the **life insured** participating in a **criminal act**; or
- the **life insured** failing to comply with treatment recommended by their attending treatment providers or refuses to undergo medical examinations which are reasonably necessary to determine whether a claim can be accepted.

If the **life insured** is:

- imprisoned; or
- sentenced to home detention; or
- sentenced to community detention,

no claim will be payable during the term of imprisonment, home detention or community detention on conditions that prevent the **life insured** from working in their **usual occupation**.

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