

# EMPLOYEE GUIDE

## UNITEC INSURANCE PLAN

This Employee Guide will help you understand the valuable benefits provided to you by Unitec. The information contained in this guide is a summary only. All effort has been made to ensure that the following information is accurate and correct at the time prepared.

### Benefits

Unitec provides Group Insurance cover for all permanent New Zealand employees, working 18.75 hours (FTE0.5) or more per week.

#### Cover provided by Unitec

- Group Life Insurance Cover
- Group Income Protection Cover

The Insurance is paid for by Unitec, and is insured by Fidelity Life – Life Insurance Cover and Sovereign Assurance – Income Protection Cover.

#### Salary calculations

For the purpose of calculating your insurance cover 'Salary' is an employee's annual salary or wages received, excluding commissions, expense allowances, sums paid for overtime work or for other special services by way of bonus, but including amounts agreed in writing between Unitec and Mercer Marsh Benefits.

#### Cessation of cover

Your insurance cover under the policy will cease on the earliest of the following:

- The Life cover ceases when you leave employment at Unitec or on your 70<sup>th</sup> birthday whilst still employed by Unitec (whichever is the earlier).
- Income Protection cover when you leave employment at Unitec or on your 70<sup>th</sup> birthday whilst still employed by Unitec (whichever is the earlier).
- The death of a member.
- The member commences service in the armed forces of any country or organisation (other than the New Zealand Armed Forces Reserve).
- A claim is accepted by the insurer
- Cancellation of this policy by the insurer(s) or Unitec.

### Overview

#### Level of Benefit

Group Life	1 x annual net salary
Income Protection*	75% x annual base salary

\* Wait period 90 days, benefit payment period up to 2 years

#### Automatic Acceptance Limit\*\*

Group Life	\$250,000
Income Protection	\$132,000 per annum

\*\*Note these limits are subject to review by the insurer from time to time.

#### Premium Costs

Unitec currently meets all costs associated with the provision of this insurance cover.

#### Insurer

Fidelity Life  
Sovereign Assurance

#### Policy Administrator

Mercer Marsh Benefits

#### Terms & Conditions

The terms and conditions of the applicable insurance policy with Fidelity Life and Sovereign Assurance will ultimately prevail at all times. The insurer and/or policies may change from time to time as determined by the policy owner, Unitec. A copy of the current Policy Documents are available through your Human Resources department. Please refer to the policy document for full wording.

## Policy Definitions

### Life Benefit

Life insurance cover is paid in the event of your death.

### Terminal Illness Benefit

If you are diagnosed with a terminal illness and your life expectancy is less than 12 months, you may qualify for payment of an early death benefit.

### Income Protection

An income protection benefit is a monthly benefit which assists with providing an income in the event that you are unable to work due to illness or injury.

The monthly benefit is payable after an initial waiting period of 90 consecutive days. The benefit is payable up to 2 years and provides a monthly benefit of 75% of your annual base salary.

Should your calculated benefit exceed the Life or Income Protection Automatic Acceptance Limit (AAL) your cover will be restricted to the AAL and you will need to provide the insurer with evidence of health to assess the additional cover available to you above this limit.

### Automatic Acceptance Limit

The Automatic Acceptance Limit (AAL) is the maximum level of insurance cover the insurer will provide before you will be required to submit health evidence. If your calculated insurance cover is above the AAL, health information will be required in order to assess the portion of your cover that exceeds this limit.

## Additional Benefits

### Funeral Advancement Benefit

If an insured employee dies while covered under the policy, the insurer may make an advanced payment of \$15,000 to assist with associated funeral costs.

The Funeral Advancement Benefit will reduce the Death Benefit sum insured for that employee by the same amount.

## Claims and Continuation of Insurance

### How do I lodge a claim?

You should notify Unitec HR immediately if you think you may be eligible to claim. This will ensure the relevant paperwork is provided to initiate the claim as soon as possible.

### Continuation Option

If you leave the service of Unitec prior to age 70 and are not in receipt of the disability benefit or retiring from the workforce, you can continue your existing cover, without having to provide medical information on the following conditions and subject to certain age constraints:

- Application is received by the insurer within 45 days of leaving Unitec.
- The amount of insurance and benefit payment term under the individual policy is no greater than that provided by the Unitec Group policy.
- The individual Insurance must meet the requirements of the then available individual policy of the insurer.
- The premium under the individual policy will be based on age, gender and smoking / non-smoking status that applies at the time the policy is affected.
- Any special terms or conditions (for example medical exclusions) applying under this group policy may also apply to the individual policy.
- Occupational and age constraints apply.

The income protection policy continuation option can only be applied for if you are going to be employed in a similar occupation to your occupation at Unitec prior to you leaving the Company.

Please contact Mercer Marsh Benefits to discuss the Continuation Option.



## Frequently Asked Questions

### Who is the life benefit paid to?

A payment arising from the death of an employee generally must be paid to the deceased employee's dependents, to the deceased member's legal personal representative (i.e. the deceased employee's estate) or a combination of both.

Ultimately the policy owner, Unitec, have full discretion in determining where the benefit will be paid.

### Can I obtain additional cover under the Group Plan?

While Unitec provides core benefits on your behalf, you may have additional risk or financial obligations that require higher levels of cover than those provided to you.

Marsh provides a free risk advisory service as part of the services associated with the group plan.

### Why do I have to deal with Mercer Marsh Benefits and not the insurer or my employer?

Mercer Marsh Benefits is engaged by Unitec to assist with the administration of its group insurance policies.

### Who should I speak to for more information?

For confidential personal assistance please contact:

Mercer Marsh Benefits

Toll free: 0800 627 744

Email:

[mmbnz@mercermarshbenefits.com](mailto:mmbnz@mercermarshbenefits.com)

### Disclaimer

This information is intended to outline the key benefits and terms of the Unitec Group Plan, and is a general overview only. For specific details you should request a copy of the policy document from Unitec to identify the exact terms and definitions that relate to your benefits and membership of the Plan. Please refer to the policy document for full wording.

