

Just the facts

Household Expenses Cover

To cover essential household expenses while your client is totally disabled or partially disabled.

Employed

Employed clients can have Household Expenses Cover irrespective of their actual income up to their actual qualifying household expenses. Assessed at claim time based on 3 months prior to the claim event or 5% of the client's gross monthly income whichever is the greater.

Self-Employed

Self employed clients can have household Expenses Cover based on their actual qualifying household expenses, irrespective of their actual income.

Exclusions

- Self-inflicted harm
- Participating in criminal activity
- Non-compliance with medical treatment
- Normal Pregnancy, childbirth or miscarriage unless continued 90 days post end of pregnancy
- Refusal to provide claims information or undergo requested examinations or tests

| Premium Review Periods | Minimum Entry Age | Maximum Entry Age | Expiry Age | Payment Term Options | Minimum Sum Insured | Maximum Sum Insured | GST | Taxation of Premium and Benefit |
|--|-------------------|---|--|--|--|---|---|--|
| Yearly Stepped • Level to Age 65, Non Guaranteed • Level to Age 70, Non guaranteed | 16 | <ul style="list-style-type: none"> • 57 for to age 65 • 62 for to age 70 (reduced commission required after age 55) | <ul style="list-style-type: none"> • 65 • 70 | <ul style="list-style-type: none"> • To age 65 or 70 • 2 or 5 years • 3, 6 or 12 months | \$100 per month; or \$1,200 per annum | \$40,000 per month*; or \$480,000 per annum <small>*Any monthly sum insured in excess of \$30,000 per month restricted to a 2 year payment term Occupation class 5 limited to \$2,500 per month</small> | Apply to premiums, claims and commissions | It is our understanding that premiums payable are not tax deductible and claims proceeds received are not taxable as income. |

| Worldwide Cover | Paid in Advance | Offsets | Financial Underwriting | Unemployment and Leave Without Pay | Inflation Adjustment and Claims Escalation | Covered Expenses |
|-----------------|-----------------|-------------|---|---|---|--|
| Yes | Yes | None | Proof of household expenses required only once, at claim time | If longer than 12 months, reverts to occupation class 5, with maximum benefit amount of \$2,500 | Automatically applied annually; actual inflation % or minimum 5% as selected at application. Nil Indexing Option available with level premium review period options. Claims escalation does not apply to level premium review periods with no indexing. | <ul style="list-style-type: none"> • Motor Vehicle Lease Costs • Early Childcare Costs • Body Corporate Fees • Electricity • Hire Purchase, Bank/Personal Loan Repayments • House, Contents, Car Insurance Premiums • Private School Fees • Internet • Pay TV • Phone • Rates • Rent • Water • Gas |

| Occupation Class | Pre-Disability Income Calculation | | Total Disability Benefit | | Partial Disability Benefit | | TPD Benefit | | Wait Period |
|--------------------|---|--|--|---|--|---|--|---|------------------------------|
| | Employed | Self-Employed | Definition | Benefit Calculation | Definition | Benefit Calculation | Criteria | Calculation | |
| Classes 1-4 | Greater of: <ul style="list-style-type: none"> • Average monthly income in any 12 month period over last 3 years; or • Monthly income immediately preceding disability | The average monthly income earned in the last 12 consecutive months immediately preceding disability | <ul style="list-style-type: none"> • Unable to work more than 10 hours per week; or • Unable to perform at least 75% of key tasks and responsibilities | Lesser of: <ul style="list-style-type: none"> • Sum insured; or • Average of monthly household expenses over previous three months | <ul style="list-style-type: none"> • Earns less than 75% of pre-disability income, or • Unable to work more than 75% pre-disability hours, or • Unable to perform 25% of key tasks and responsibilities | Lesser of: <ul style="list-style-type: none"> • $A \times ((B - C) \div B)$ where: (A) = sum insured/monthly household expenses (B) = pre-disability income, (C) = post-disability income or • $A \times ((D - E) \div D)$ where: (A) = sum insured/monthly household expenses (D) = normal working hours, (E) = post-disability hours | <ul style="list-style-type: none"> • Total disability claim for 12 months and unlikely to ever return to own occupation; or • Permanent cognitive impairment; or • Blindness; or • Loss of use of hands, feet, or 1 hand and 1 foot; or • Loss of sight in 1 eye and use of 1 hand or foot; or • Unable to perform 2 Activities of Daily Living (ADL's) | $24 \times$ sum insured (reduced for payment terms less than 2 years) | 4, 8, 13, 26, 52 & 104 weeks |

This is a summary of Partners Life's Household Expenses Cover — Refer to the Partners Life Household Expenses Cover Protection Benefit Sheet for full details. All information correct as at 4th of August 2023.

| Occupation Class | Pre-Disability Income Calculation | | Total Disability Benefit | | Partial Disability Benefit | | TPD Benefit | | Wait Period |
|------------------|-----------------------------------|---------------|---|--|----------------------------|---------------------|---|--|------------------------|
| | Employed | Self-Employed | Definition | Benefit Calculation | Definition | Benefit Calculation | Criteria | Calculation | |
| Class 5 | - | - | <ul style="list-style-type: none"> Home/Hospital bound, unable to perform 2 Activities of Daily Living (ADL's); or Unable to perform 3 Normal Domestic Duties (NDD's) | <p>The lesser of:</p> <ul style="list-style-type: none"> Sum insured; or Average of monthly household expenses over previous three months; or Occupation Class 5 benefit* <p><small>*Means amount calculated as \$2,500 per month, increased by annual adjustment of the inflation adjustment option selected and shown in the policy schedule</small></p> | No Benefit Payable | No Benefit Payable | <ul style="list-style-type: none"> Permanent cognitive impairment; or Blindness; or Loss of use of hands, feet, or 1 hand and 1 foot; or Loss of sight in 1 eye and use of 1 hand or foot; or Unable to perform 2 Activities of Daily Living (ADL's); or Unable to perform 3 Normal Domestic Duties (NDD's) | $24 \times \text{sum insured (reduced for payment terms less than 2 years)}$ | 13, 26, 52 & 104 weeks |

| Base Benefits | Criteria | Benefit | Limitations or Conditions |
|---|---|---|--|
| Partial Disability Bonus | Minimum of 1 month's total disability benefit paid and receiving Partial Disability Benefit | An additional 25% of monthly sum insured | Ends at the earlier of 12 months, or the earlier of either the cover or payment term ending, or when client is no longer partially disabled |
| Bed Confinement Benefit | Confined to hospital or bed under regular medical supervision by a Specialist, Medical Doctor or Registered Nurse for minimum of 3 nights during wait period | 1/30th of monthly sum insured per day, paid during wait period | Until end of waiting period or until no longer hospitalised or confined to bed |
| Childcare Assistance Benefit | Additional childcare costs incurred as a direct result of disability | Reimburses actual costs | Maximum of \$800 per month per dependent child under 14 , for a maximum of 6 months, or to the end of either the cover or payment terms, or when client is no longer disabled |
| Death Benefit | Death of life assured while cover is in force | 3 × monthly sum insured | - |
| Waiver of Waiting Period | New or recurrent disability suffered within 12 months of previous claim ending, and disability lasts more than 30 days. Clients suffering a new disability can choose not to exercise this option | - | For payment terms other than to age 65 or to age 70, where waiting period is waived, a new claim will be considered a continuation of the previous claim for payment term purposes |
| Recovery Support Benefit | Receiving monthly benefit and purchased specialised equipment, e.g. mobility devices or home modifications | Reimburses actual costs | Maximum 6 × monthly sum insured payment terms > 12 months Maximum 3 × monthly sum insured payment terms = 12 months Maximum 1 × monthly sum insured payment terms < 12 months |
| Return to Home Benefit | Working or living overseas for minimum 3 months prior to disability | Reimburses actual costs | Maximum \$10,000 over the life of the policy |
| Vocational Retraining and Rehabilitation Benefit | Training/Rehabilitation program must help to improve capacity to return to work | Reimburses actual costs | Maximum 24 × monthly sum insured Not available for payment terms less than 2 years |
| Return to Work Benefit | Received Vocational Retraining and Rehabilitation Benefit and subsequently returns to full-time work | After 3 months 1 × monthly sum insured After 6 months 2 × monthly sum insured | - |
| Special Care Benefit | On claim and requiring full-time care | Lesser of monthly sum insured , actual cost of professional carer, 75% of family member's after tax income, or \$2,500 | Maximum 6 months , or to the end of either the cover or payment term, or when client is no longer totally disabled |

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| Base Benefits | Criteria | Benefit | Limitations or Conditions |
|---|--|---|--|
| Total and Permanent Disability Benefit | Own occupation definition classes 1-4 Refer to 'TPD Benefit' previous page for more detail | Lump sum of 24 x monthly sum insured | 24 x monthly sum insured payment terms > 12 months 12 x monthly sum insured payment terms = 12 months 3 x monthly sum insured payment terms < 12 months |
| Emergency Transportation Benefit | Emergency transport recommended by medical doctor or specialist | Reimburses actual costs | Maximum 3 x monthly sum insured once per 12 months |
| Increasing Expenses Benefit | Increase in monthly expenses prior to age 55 | Increase in sum insured to lesser of actual increase or \$1,500 with no further assessment of health, occupation or pastimes | Total of all increases limited to 100% of aggregated sum insured; capped at monthly benefit of \$12,000 |
| Mortgage Repayment Conversion Benefit | Residential property purchased, resulting in a mortgage debt | Convert some or all of Household Expenses Cover to Mortgage Repayment Cover No further assessment of health, occupation or pastimes | Maximum sum converted limited to the amount of the mortgage repayments |
| Income and Expenses Cover Conversion Benefit | Change in circumstance in the future | No further assessment of health, occupation or pastimes | Monthly Household Expenses Cover sum insured reduces once converted to Income and Expenses |
| Fixed Payment Term Reset Benefit | New or recurrent disabilities | Resets shorter Payment Terms | After returning to work for 12 months |

| Specific Injury and Critical Illness Options | Specific Injury Option– Specified Injuries | Critical Illness Option Covered Conditions |
|--|---|--|
| <p>If your client suffers one of the listed injuries or illnesses, we will pay the sum insured for the lesser of the payment term and either the specified payment period (Specific Injury Option) or six months (Critical Illness Option) irrespective of whether they are totally or partially disabled</p> <p>No offsets apply</p> <p>Both benefits pay monthly in advance from the date of injury</p> <p>If disability lasts longer than the payment period the total or partial disability benefit will commence at the end of the wait period</p> | <p>Fractured:</p> <ul style="list-style-type: none"> • Collarbone • Forearm • Wrist • Ankle • Elbow • Heel • Leg above knee | <p>30 days</p> <p>30 days</p> <p>45 days</p> <p>60 days</p> <p>60 days</p> <p>60 days</p> <p>90 days</p> |
| | <ul style="list-style-type: none"> • Jaw • Skull • Kneecap • Leg below knee • Shoulder • Pelvis | |
| | <p>Loss of:</p> <ul style="list-style-type: none"> • Thumb and index finger • Foot or hand • Whole arm or leg • Any two hands, feet, eyes, or combination thereof | <p>6 months</p> <p>12 months</p> <p>18 months</p> <p>24 months</p> |
| | <p>Paralysis</p> <p>i.e. diplegia, hemiplegia, paraplegia, or quadriplegia</p> | <p>60 months</p> |

| Additional Options | Criteria | Benefit | Limitations or Conditions |
|--|---|---|--|
| Reduction in Waiting Period Option | Any change in occupational circumstances justifying a reduction in wait period | No further medical underwriting | New waiting period must be justifiable Request within 90 days of change in occupational circumstances or within 60 days of the policy anniversary |
| Dependent Caregiver Option | Parent, child, sibling, grandparent, grandchild, mother-in-law, father-in-law, spouse, de facto partner, or civil union partner; under age 65 when first disabled | Lesser of monthly sum insured or \$3,500 per month | Maximum 6 months Pre-existing conditions specifically excluded |
| Retirement Protection Option (KiwiSaver) | Be a member of KiwiSaver | Monthly sum insured × 2%, 4% or 6% | Benefit is paid directly to client's KiwiSaver fund |
| Payment Term Restriction Option | For disability arising as a result of illness or injury which are predominantly self-reported or not supported by medical evidence | 10% premium discount | Limits payment term to 1 year, irrespective of the selected payment term. Not available for payment terms of 12 months or less. |
| Total and Permanent Disability Booster Option | A Total and Permanent Disability Benefit has been paid | Monthly benefit increases to monthly sum insured plus additional third. (No offsets apply) | Not available for payment terms 12 months or less |

| Activities of Daily Living (ADL) | Normal Domestic Duties (NDD) |
|---|--|
| <ul style="list-style-type: none"> Bathing and showering Dressing and undressing Eating and drinking Using the toilet to maintain personal hygiene Moving from place to place by walking, wheelchair or with the assistance of a walking aid | <ul style="list-style-type: none"> Cleaning of the home Shopping for the family's groceries Cooking of meals for the family Taking care of any dependent relatives Doing the family laundry |