

Product updates and enhancements



Helping you reach new heights

At Asteron Life we continue to deliver product innovation by listening to our advisers and customers, helping ensure we have solutions for your clients' needs. Our new package of enhancements deliver on our commitment to the customer centricity, sustainability and flexibility which you value from us.

This is a summary of our key product enhancements which are effective from 27 September 2021.

The AsteronConnect Document Library has been updated with all relevant collateral including Personal Insurance and Business Insurance policy documents. Please reach out to your Asteron Life Business Development Manager for more information on any of the changes.



Specific Injury Support benefit

More choice for protection against the financial impacts of accidental injury.

The value of our Specific injury support benefit is clear through its popularity. We are excited to add a lump sum option to the existing benefit. This new option means your clients can now choose to protect themselves as part of their personal disability cover or as a separate lump sum benefit.

NEW: Specific Injury Support benefit – lump sum option

The benefit is a lump sum payment type with a maximum sum insured of \$5,000. The amount paid will be a multiple of this sum insured depending on the accidental injury suffered. With payments ranging from 1 to 60 times the sum insured, this benefit is a simple and low-cost option for your clients to consider.

This benefit can be added to any of our Personal Insurance or Business Insurance covers. Minimum cover levels apply:

Cover type	Cover name	Minimum cover level	
Life	Life Cover Accidental Death Cover*	\$100,000 sum insured	These levels of cover also qualify for bundling discounts. If a customer has 2 (or more) of these covers the total policy premium will receive a 7.5% (or 12.5%) discount.
Trauma	Trauma Recovery Cover Cancer Cover	\$25,000 sum insured	
TPD	TPD Cover	\$100,000 sum insured	
Disability	Income Protection Cover Workability Cover Mortgage and Living Cover Business Disability Cover Farmers Disability Cover Business Expenses Cover	\$1,000 monthly benefit	

*Accidental death is not a qualifying cover to trigger a bundling discount but will receive any policy bundling discounts applied.

Key features of this lump sum option include:

- Pays on 29 clearly defined accidental injuries after surviving at least 14 days
- Choose any sum insured up to \$5,000
- Inflation adjustment can be applied
- Eligibility is based on age and occupation:
 - Entry ages from 17 to 60, expires at 70
 - Allows cover for some people who do not occupationally qualify for disability income covers or who do not want full disability cover
 - Available for more occupations classified as uninsurable or individual consideration for disability income covers. However, high accident risk occupations may still be ineligible
- Premiums are charged at a flat rate based simply on sum insured and occupation (2 risk categories)
- No exclusions apply to this cover, meaning there are no exclusions for degenerative conditions or hazardous pursuits
- Claiming this benefit will not impact any other benefit payments the customer may be eligible for
- No medical or financial underwriting applies
- Customers can swap from the monthly to lump sum version at any time (or visa versa if the customer has Income Protection or Mortgage and Living Cover) – premiums will be recalculated accordingly
- An insured can only have one benefit type, monthly or lump sum – not both.

See the following page for the full table of accidental injuries covered.

ENHANCED: Specific Injury Support Benefit – monthly option

We've enhanced our existing monthly benefit option to include all extra 8 injuries, including additional fractures, multiple fractures from a single injury, injuries requiring surgery under general anaesthetic, burns and full loss of sight or hearing. We've also relaxed the terms around a fracture, allowing up to 30 days for confirmation of the fracture after an accident. See below for the full table of accidental injuries covered.

All of these changes are passed back to existing Specific injury support benefit – monthly customers, effective for new claims from 27 September 2021 and subject to standard Guarantee of upgrade terms and conditions. This more robust injury cover continues to pay out immediately regardless of the length of the chosen waiting period on the associated Income Protection or Mortgage and Living Cover.

Specific injury	Lump sum option	Monthly option
	Benefit amount	Payment period
Fracture of jaw	1 x sum insured	1 month
Fracture of skull	1 x sum insured	1 month
Fracture of forearm	1 x sum insured	1 month
Fracture of collarbone	1 x sum insured	1 month
Fracture of wrist	1 x sum insured	1 month
Fracture of hand (excluding fingers)	1 x sum insured	1 month (NEW)
Fracture of kneecap	2 x sum insured	2 months
Fracture of ankle	2 x sum insured	2 months
Fracture of heel	2 x sum insured	2 months
Fracture of foot (excluding the toes)	2 x sum insured	2 months (NEW)
Fracture of vertebrae	2 x sum insured	2 months
Fracture of upper arm	2 x sum insured	2 months
Fracture shoulder	2 x sum insured	2 months
Fracture of elbow	2 x sum insured	2 months
Fracture of leg below the knee (tibia or fibula)	2 x sum insured	2 months
Fracture of leg above the knee (femur)	3 x sum insured	3 months
Fracture of the hip	3 x sum insured	3 months (NEW)
Fracture of the pelvis	3 x sum insured	3 months
Fracture of multiple limbs	3 x sum insured	3 months (NEW)
Any <i>injury</i> that the insured person has surgery under general anaesthesia for	3 x sum insured	3 months (NEW)
<i>Burns</i>	6 x sum insured	6 months (NEW)
Loss of the thumb and index finger on the same hand	6 x sum insured	6 months
Loss of use of hand or foot	12 x sum insured	12 months
Loss of hearing in both ears	12 x sum insured	12 months (NEW)
Loss of sight in one eye	12 x sum insured	12 months
Loss of sight in both eyes	18 x sum insured	18 months (NEW)
Loss of a limb (whole leg or arm)	18 x sum insured	18 months
Loss of any combination of hand, foot or sight in one eye	24 x sum insured	24 months
<i>Paralysis</i>	60 x sum insured	60 months

Where relevant, in the list, 'loss' means the total and permanent:

- Loss of use of the hand from the wrist or the foot from the ankle joint
- Loss of use of the arm from the elbow or leg from the knee joint

- Loss of the use of the entire thumb and entire index finger
- Loss of an eye or loss of all sight in the eye
- Loss of hearing in both ears that is *profound*.

Please note: Terms in *italics* are defined in the relevant policy wordings

Trauma Recovery Cover

We are regularly told our trauma package is the most comprehensive in the market, especially with Continuous trauma and Major trauma optional benefits creating versatile value for your clients, but we are always looking for ways to improve to drive more value for customers.

EXTENDED: Trauma Recovery Cover expiry age

Customers can now continue their Trauma recovery cover to age 85.

Both Stand Alone and Accelerated Trauma Recovery Cover now have an extended expiry age of 85, previously age 70, to allow for customers who need cover for longer.

Trauma Recovery Cover benefit expiry ages are now:

Benefit	NEW expiry	Previous expiry
Trauma recovery benefit	85	70
Early trauma benefit	85	70
Major trauma benefit	85	70
Continuous trauma	75	70
Trauma reinstatement	75	70
Life Cover buy-back	75	70
TPD on Trauma	65	65

We are also passing this enhancement back to all Trauma Recovery Cover customers. They will still have the option to cancel at any time but will be able to continue their cover should they wish. We will be communicating this extended cover expiry age to them in due course, with notice to you as their adviser before we do.

There are no changes to our level premium options and all level premium customers will have the option to continue their cover, on stepped premiums, to age 85 at the end of their level term.

We are also extending the maximum entry age for stepped premium cover from age 65 to age 70.

INCREASED: Major trauma benefit limit

You've been asking to have higher levels of Major trauma benefit so we're changing our limits.

There is now no limit on the level of Major trauma benefit (up to industry trauma maximums of \$2m) so long as the customer has at least \$25,000 of Trauma Recovery Cover (base trauma) included. Previously Major trauma was limited to 3x the level of the base trauma.

On average Major trauma benefit is 35% cheaper than the base Trauma Recovery Cover and a great way for customers to manage affordability, especially over time.

This change increases options for advisers who like to recommend a more severe trauma to business clients for situations where neither TPD or Life Cover would qualify for a claim but the condition might involve lengthy recovery. Such situations could cause extra costs to the business or even trigger a buy/sell agreement.

NEW: Trauma conditions added

It's important that when we add conditions to trauma we consider the value they will have for all customers and balance the sustainability of the product long-term.

The following additions have come directly from our customers' claims experiences, so we are confident they will provide increased value to customers.

- **Aneurysm**

We have added a full trauma payment for a cerebral aneurysm requiring open brain surgery. If a higher level of severity is met a Major trauma benefit payment will also be triggered for those with that option.

Previously, this was a condition covered only under the Early trauma benefit.

- **Terminal Illness**

For any rare terminal illness conditions that are not covered by the existing conditions in Trauma Recovery Cover, this condition has been added.

This is mainly relevant for Standalone Trauma as Accelerated Trauma is likely to be paid out under the Life Cover Terminal illness benefit.

Terminal Illness will now also trigger a claim for the Major Trauma benefit should the customer have this option.

ENHANCED: Trauma definitions

We have made several enhancements to increase chance of claim and clarify the intention of the cover for easier understanding.

We are happy to confirm all current definitions remain clinically aligned and no changes are required.

- **Stroke**

Definition expanded to include spinal cord strokes. These strokes can have the same symptoms and side effects as a cerebral stroke and may require an extended period of recovery.

- **Peripheral Neuropathy**

We have removed the exclusions for alcohol or drug related events.

- **Early stage cancer**

We have clarified the definition of cervical cancer to ensure people know CIN 3 is covered.

- **Major organ transplant**

Added live liver donor transplants to the covered scenarios.

- **Coma**

Removed limitation that stipulated the insured must be incapable of sensing or responding to external stimuli.

There are no premium changes for these new conditions or enhancements and they will be passed back to existing Asteron Life trauma customers on applicable Personal Insurance, Business Insurance and Smart series products sold from 2004, subject to the Guarantee of upgrade benefit terms.

We are always looking for ways to improve – to drive more value for customers



Support benefits for customers

Often overlooked at time of application, these benefits can really be valuable during the policy term or at claim time. We have especially seen this with Covid-19 having a substantial impact on many New Zealanders and over this time appreciation of premium relief benefits has dramatically increased.

NEW: Built-in Business premium relief

Launched 9 September 2021. We pulled forward delivery of this valuable support for business customers in need through the recent Covid alert level changes.

Premium holiday benefit – lump sum covers

This benefit allows lump sum business customers experiencing short-term financial hardship to temporarily stop paying premiums while their cover(s) remain able to be claimed on.

There is a maximum of six months use over the life of the policy and the cover must be in force for at least six months before this benefit can be accessed.

Any previous use of premium relief, including for Covid-19 related hardship will count towards this maximum.

Premium and cover suspension – disability covers

This benefit allows disability business customers on leave without pay, not gainfully occupied in the business or experiencing short-term financial hardship to temporarily stop paying premiums while cover is suspended and unable to be claimed on. At the end of this period cover will be reinstated without further underwriting subject to the reinstatement terms.

There is a maximum of 12 months use over the life of the policy and the cover must be in force for at least six months before this benefit can be accessed.

Any previous use of premium relief, including for Covid-19 related hardship will count towards this maximum.

ENHANCED: Personal premium relief

The huge increase in use of our existing built-in premium relief benefits over the past 18 months has helped many customers retain their valuable cover. It has also generated great feedback to help us improve.

Premium holiday benefit – lump sum covers

Customers asked for more flexibility with this benefit. They wanted the ability to use the benefit only for the period of need and reserve some for future use, with this change that is now possible.

We're making it clear we allow customers to use the benefit multiple times so long as the total use is capped at six months.

We offer an initial 'holiday' of three months to those that qualify with an ability to extend if still required.

Premium and cover suspension – disability covers

We have reduced the period a cover needs to be in place before this benefit can be used from 12 months to six. This now aligns to the premium holiday benefits offered on lump sum covers.

We've also removed the requirement for customers to tell us at the end of the suspension period that they want to start their cover again – cover will now automatically restart removing this extra hassle for customers.

With no premium changes, these enhancements are all passed back to applicable products in the table below.

Built-in Premium holiday benefit

Lump sum covers

- Personal Insurance
- SmartLife
- SmartLife Max
- SmartLiving Cover
- Smartplan
- Economyplan
- **Business Insurance (NEW)**
- **SmartBusiness (NEW)**

Built-in Premium and cover suspension benefit

Disability insurance covers

- Personal Insurance
- Income Protection (Smart series)
- Smartplan
- Business Expenses Cover (Business Insurance)
- Business Expenses (Smart series)
- SmartLife – Mortgage Repayment Cover
- **Business Insurance (NEW)**
- **SmartBusiness (NEW)**
- **Key Person (Smart series) (NEW)**
- **Business Expenses (Smart series) (NEW)**

ENHANCED: Grief support benefit

Increased emotional support for customers and their loved ones coping with traumatic situations.

We have lifted the total benefit from \$900 to \$2,500 helping remove the financial barrier to access counselling support. Customers have 13 months to begin counselling and a further two years to complete sessions – allowing users to access this support when it is appropriate for them.

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