

Credit Contract Indemnity Insurance



Policy Document


Quest
insurance



 Lending
People

CREDIT CONTRACT INDEMNITY INSURANCE

Please read this section carefully as it contains important information about your Credit Contract Indemnity Insurance Policy.

Thank you for choosing Quest Insurance
Quality insurance YOU can rely on



Credit Contract Indemnity Insurance is designed to cover your loan payments in the event of the unexpected. This includes Death (natural or accidental), Terminal Illness, Accident, Disablement, Redundancy, Business Interruption, Bankruptcy, Suspension and Hospitalisation that occur during the insurance period.

- No stand-down. You are covered from start of the policy
- No Excess when you make a claim
- ACC Shortfall
- Protects your credit rating

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THE COVER

Credit Contract insurance will protect you and your family in the event of life, Terminal Illness, Accident, Disablement, Redundancy, Business Interruption, Bankruptcy, Suspension and Hospitalisation. To qualify for this insurance, you need to be working full-time or self-employed at the time of purchasing the cover and between the ages of 18 and 65.

INSURED EVENTS

Insured Event: Life Cover

The death of the Purchaser (as at the date of death) before the Insured's 65th birthday.

Amount payable: We will pay the financier, for your credit, the amount outstanding under the Credit Contract after taking into account early repayment adjustments, less any arrears owing at the date of your death. This cover applies for the benefit of any of your beneficiaries.

Insured Event: Terminal Illness

Any illness or Accidental Injury resulting in the Insured being diagnosed with a Terminal Illness providing the illness or Accidental Injury occurs before the Insured's 65th birthday.

Amount payable: We will pay the financier, for your credit, the amount outstanding under the Credit Contract after taking into account early repayment adjustments, less any arrears owing at the date of your death. This cover applies for the benefit of any of your beneficiaries.

Insured Event: Accident

If you are unable to attend to your usual business or employment as a result of accidental bodily injury.

Amount payable: We will pay your financier, for your credit, any instalments that become due and owing under the Credit Contract calculated on a daily basis provided that we shall not be liable for the first fourteen (14) days of such accident. The benefit will cease once you are declared by a Registered Medical Practitioner as fit to return to your usual business or employment.

Please note that any single claim under the Accident component of this policy is limited to a maximum of 52 weeks. We will not pay any amounts that were due or owing prior to your accident.

Insured Event: Disablement

Any illness whilst the Insured is in Permanent Employment resulting in the Insured being Totally Disabled for a continuous period longer than seven (7) days before the Insured's 65th birthday and provided the illness does not manifest within 28 days of the commencement of this policy. Amount payable: We will pay your financier, for your credit, any installments that become due and owing under the Credit Contract calculated on a daily basis provided that we shall not be liable for the first fourteen (14) days of such accident. The benefit will cease once you are declared by a Registered Medical Practitioner as fit to return to your usual business or employment.

Please note that any single claim under the Disablement component of this policy is limited to a maximum of 52 weeks. We will not pay any amounts that were due or owing prior to your illness.

Insured Event: Redundancy

The Insured being made involuntarily Redundant from any permanent Employment before the Insured's 65th birthday. Redundancy other than voluntary redundancy from full time employment resulting in unemployment for not less than seven days "Full time employment" (for a minimum of three calendar months) shall mean working for salary or wages for a minimum of 30 hours a week. Such expression shall not apply to self-employed persons or working directors. Redundancy shall mean an excess of manpower resulting from mechanisation, rationalisation, or from a decrease in business activity, including the closing down of an enterprise or changes of plant, methods, materials or products, or reorganisation or like cause requiring a permanent reduction in the number of workers employed on other than a casual, temporary or seasonal basis. Self-employed persons, seasonal workers and working directors are excluded from this indemnity.

The Redundancy Benefit is available only if:

- prior to the termination of your employment you had been in continuous permanent full-time employment; and
- you continue to actively seek alternative employment.

Amount payable: We will pay your financier, for your credit, any installments that become due and owing under the Credit Contract calculated on a daily basis up to a maximum of 185 days, provided that we shall not be liable for:

- statutory holidays of any period of unemployment during which the monthly benefit is payable; or
- the first 30 days of unemployment.

Insured Event: Business Interruption

Interruption to the business operated by the Purchaser resulting in the Purchaser being unable to carry on his/her normal business activity as a result of total physical loss or damage to the business premises, prevention of access to the business premises or failure of the essential services to the business premises required for its normal safe operation other than by natural disaster. The Business Interruption benefit is only available if the Purchaser has been operating in the same business for a period of 6 months prior to any claim being lodged.

Amount payable: We will pay your financier, for your credit, any installments that become due and owing under the Credit Contract calculated on a daily basis up to a maximum of 185 days, provided that we shall not be liable for the first 30 days of any period of business interruption.

Insured Event: Bankruptcy

Providing you are adjudged bankrupt by the High Court during the period of insurance pursuant to a Creditors' Petition under the Insolvency Act 1967, you were self-employed and you have been trading in the same style and same business for not less than 3 years prior to the commencement of this policy.

Amount payable: We will pay your financier, for your credit, any installments that become due and owing under the Credit Contract calculated on a daily basis for a period of six months subject to a maximum amount payable of \$10,000. We will not pay any amounts that were due or owing prior to your bankruptcy. In the event of a claim, you must provide written evidence from a chartered accountant and related court documents together with any other information and documentation that we reasonably require to prove the validity of your claim for Bankruptcy Cover.

Insured Event: Suspension

Suspension from permanent employment which is the direct result of a lawful strike, lock-out or strike related action which occurs during the term of the policy, outside your place of employment, providing that your employer is lawfully entitled to withhold your remuneration for the period of your suspension.

Amount Payable: We will pay your financier, for your credit, any installments that become due and owing under the Credit Contract calculated on a daily basis up to a maximum of 185 days, provided that we shall not be liable for the first 30 days following your suspension. We will not pay any amounts that were due or owing prior to your suspension.

Insured Event: Hospitalisation

Hospitalisation of the Purchaser, which causes total disablement or being confined to a bed at home at the written direction of a registered medical practitioner resulting in the Purchaser's inability to attend employment.

Amount payable: We will pay your financier, for your credit, any installments that become due and owing under the Credit Contract calculated on a daily basis up to a maximum of 185 days, provided that we shall not be liable for the first 7 days following your confinement. We will not pay any amounts that were due or owing prior to your confinement.

LIMITATIONS

You are covered under this policy subject to the following limits and conditions:

1. Amounts payable under this policy are subject to a maximum monthly benefit* and a total aggregate policy limitation of \$100,000.
2. This policy and all benefits payable under it terminate at 4pm on the day the period of insurance expires as specified on this policy. No admitted claims or benefits payable can extend beyond this expiry date.
3. Renewal of this policy may be offered to you at our sole discretion providing you have not reached 65 years of age.
4. You must inform us immediately if you change your name or address.
5. All benefits payable under this policy shall be payable as specified on your policy document.

*See policy document for maximum monthly benefits.

CLAIMS PROCEDURE

In the event of a happening that constitutes a claim, please adhere to the following procedure:

1. Contact our Claims department on 0800 800 783 and request a claim form.
2. On receipt of the claim form complete all sections and return to us with all relevant information and documentation that is requested.
3. Authorise the release of all relevant documentation and information that is required.
4. Notice must be given as soon as possible following the event that has resulted in a claim but in any case within 28 days to our Claims team on 0800 800 783.
5. You must consult a registered medical practitioner at your cost as soon as possible after suffering an event that leads to your disablement, and if necessary keep consulting & following their advice until you are fit to resume full time employment.

GENERAL EXCEPTIONS

Exclusions

No amount shall be payable in respect of:

1. As a consequence of, or in any way attributable to any medical condition existing prior to the inception date of this policy.
2. Any occurrence consequent upon:
 - War, terrorism and related risks;
 - Earthquake, volcanism, tsunami or other seismic event;
 - Redundancy due to cessation of work where the work is of a seasonal, contractual, self-employed or temporary nature or where the Purchaser is employed for a specified period or by reference to specified work and becomes unemployed at the expiration of the period or on completion of the work;
 - Redundancy, Business Interruption, Bankruptcy, Suspension or Hospitalisation that the Purchaser or Financier knew or ought to have known was possible, probable or likely at the commencement of cover.
3. Any occurrence caused directly or indirectly to the Purchaser whilst:
 - Engaging in air travel other than as a passenger or aircrew in an aircraft fully licensed for the carriage of passengers;
 - Suffering from Mental Illness, any psychological, mental or nervous condition or disorder (this includes but is not limited to depression, anxiety, fatigue or stress related conditions);
 - Engaging in a criminal act;
 - Engaging in motor racing of any kind, parachuting, hang-gliding, or professional sporting activities;
 - Driving a vehicle under the influence of intoxicating liquor, narcotics or drugs.
4. Any occurrence attributable either wholly or in part to:
 - Infection by the Human Immunodeficiency Virus, AIDS or by any sexually transmitted disease;
 - Pregnancy, childbirth or menopause;
 - Medical or surgical treatment including cosmetic surgery (except where such treatment is rendered necessary by a covered occurrence);
 - Suicide or intentional self-injury or deliberate exposure to exceptional danger (except in an attempt to save human life);
 - Mental Illness, any psychological, mental or nervous condition or disorder (this includes but is not limited to depression, anxiety, fatigue or stress related conditions);
 - Ionising radiations or contamination by radioactivity from any nuclear fuel;
 - Alcoholism, chemical or drug dependency;
 - Redundancy, which is notified or occurs within 60 days of commencement of this indemnity.

IMPORTANT NOTICES

In completing this insurance, you were asked a number of questions. You have a duty to tell us everything you know that is relevant to this insurance that a prudent insurer would want to take into account in deciding whether to accept your application and, if so, on what terms. If you do not give us accurate and full information, we may decline a claim, cancel your insurance or treat the insurance as being invalid from the outset. If anything changes, you must also tell us. All personal information is obtained in accordance with the Privacy Act and you are entitled to access and correct the personal information we hold about you.

- Quest Insurance Group Limited are the intended recipient of this information, but it may also be passed on to others.
- We may also obtain from others information relating to this insurance for underwriting or other insurance purposes.
- If you give us information about someone else, you confirm you have their permission, and their information may be treated in the same way as yours.

STATUTORY FUND

We are required under the Insurance (Prudential Supervision) Act 2010 to establish and maintain a statutory fund. The statutory fund relevant to your policy is the Quest Insurance Group Statutory Fund.

DISCLOSURE OF INFORMATION

Your Policy records a contract of insurance between you and us. The insurance application form is deemed to be incorporated in and forms part of this Policy.

In providing you with this insurance, we have relied on the information that you disclosed to us. We have also relied on you to disclose any other facts material to this insurance as required by law. If we discover that all facts material to this insurance have not been disclosed, we have the right to alter the terms and premium of this insurance or to void this insurance from its inception.

Subject to the rights set out in the Criminal Records (Clean Slate) Act 2004, you are under a duty to disclose all material information to us whether the information is asked for or not.

PROTECTING YOUR PRIVACY

This Policy collects personal information about you to evaluate the insurance you seek. Quest Insurance Group Limited, are the intended recipients of this information, but it may also be passed onto others. The collection of this information is required pursuant to the common law duty to disclose any material facts relevant to the insurance sought and is mandatory. The failure to provide this information may result in your claim being declined. You have the right of access to, and correction of this information, subject to the provisions of the Privacy Act 2020. The information will be held at our office. The information may be used for the purposes of marketing by us.

INSURANCE & FINANCIAL SERVICES OMBUDSMAN

Quest Insurance Group Limited, is a member of the Insurance & Financial Services Ombudsman Scheme (IFSO Scheme). The IFSO is an approved dispute resolution scheme that is accessible, independent, fair, accountable, efficient and effective. It is a free service for our customers. If we are unable to resolve your problem, contact the IFSO Scheme:

web: www.ifso.nz • email: info@ifso.nz
or phone: 0800 888 202

INSURER FINANCIAL STRENGTH

Quest Insurance Group Limited has been issued a Financial Strength Rating of B (Fair) and an Issuer's Credit Rating of bb+ (Fair), with the outlook on both ratings assigned to 'Stable'. These ratings were issued by A.M. Best.

A.M. Best's Financial Strength Rating (FSR) Scale

| Rating Categories | Rating Symbols | Rating Notches |
|-------------------|----------------|----------------|
| Superior | A+ | A++ |
| Excellent | A | A- |
| Good | B+ | B++ |
| Fair | B | B- |
| Marginal | C+ | C++ |
| Weak | C | C- |
| Poor | D | - |

*Each A.M. Best's Financial Strength Rating Category from "A+" to "C" includes a Rating Notch to reflect a gradation of financial strength within the category. A Rating Notch is expressed with either a second plus "+", or a minus "-".



CONTACT DETAILS

We may be contacted by telephone or email as follows:

CLAIMS: Phone: 0800 800 QUEST (0800 800 783)
Email: info@questinsurance.co.nz

ENQUIRIES: Email: enquires@questinsurance.co.nz

ADDRESS: 6B Pacific Rise, Mt Wellington, Auckland
POST: Private Bag 14923, Panmure, Auckland