


This Policy is provided to you by
Provident Insurance Corporation Limited,
Crown Centre, Ground Floor, 67 Hurstmere Rd,
Takapuna, Auckland 0622, New Zealand.
Email: info@providentinsurance.co.nz
Phone: 0800 676 864



CREDIT CONTRACT INDEMNITY

provident  insurance



This booklet contains the terms of your credit contract indemnity insurance. Your Policy consists of your Registration Certificate, this Policy booklet, the information you provided when you applied for this insurance, and any changes we may agree with you in writing.

We offer three types of credit contract indemnity insurance:

- **Salary/Wage Earner Cover** which covers some or all repayment amounts under the Credit Contract in the event of your death, Accident/illness, hospitalisation, Redundancy, or Industrial Action;
- **Business Owner Cover** which covers some or all repayment amounts under the Credit Contract in the event of your death, Accident/illness, hospitalisation, Bankruptcy, or Business Interruption; and
- **Beneficiary Cover** which covers some or all repayment amounts under the Credit Contract in the event of your death or hospitalisation.

Your Registration Certificate identifies the type of cover applicable to you.

Some of the words used in this Policy booklet have a special meaning. A list of these words is provided in the “Definitions” section of this Policy booklet.

Cooling Off Period

You can cancel this Policy within five working days after the date on which you purchased the Policy by giving us notice of cancellation. In addition, if we have failed to comply with our disclosure requirements relating to this Policy, you may cancel at any time. In any case where you are entitled to cancel this Policy, you can give us notice of cancellation in writing by post or email, or in person by visiting our office. Upon cancellation within this five day cooling off period we will provide you with a full refund of the premium you have paid.

YOUR COVER

In consideration of the payment of premium due to us, we agree to cover you during the Period of Cover for financial loss in respect of your obligations under the Credit Contract arising upon the happening of an insured event in New Zealand, on the terms and subject to the exclusions set out in this Policy.

Your Registration Certificate identifies which of the following insured events you are covered for.

INSURED EVENTS

Death

In the event of your death we will pay your Financier, for your credit, the amount outstanding under the Credit Contract after taking into account any early repayment adjustments, less any arrears owing at the date of your death. This cover applies for the benefit of your beneficiaries.

Accident/illness

If you have an illness or accident and suffer financial loss as a result of being unable to work, we will pay your Financier, for your credit, the instalments that become due and owing under the Credit Contract calculated on a daily basis:

- From 7 days after you cease working;
- Until you are declared by a Registered Medical Practitioner as fit to return to work in your usual occupation, or an occupation for which you are reasonably suited by education, experience or training.

We will not pay any amounts that were due and owing under the Credit Contract prior to your illness or Accident.

Hospitalisation

If you are hospitalised for 5 or more consecutive days and suffer financial loss as a result of being unable to work, we will pay your financier, for your credit, the instalments that become due and owing under the Credit Contract, calculated on a daily basis:

- From 5 days after you are admitted to hospital;
- Until you return to work.

We will not pay any amounts that were due and owing under the Credit Contract prior to your hospitalisation.

Redundancy

If you are made involuntarily Redundant we will pay your Financier, for your credit, the instalments that become due and owing under the Credit Contract calculated on a daily basis:

- From 30 days after you register as unemployed with Work and Income New Zealand, and confirmation that you are actively seeking employment;
- Until you return to paid employment, up to a **maximum of 12 months** of instalments.

We will not pay any amounts that were due and owing under the Credit Contract prior to your Redundancy.

Industrial Action

In the event your wage/salary ceases to be paid or is suspended as a result of Industrial Action we will pay your Financier, for your credit, the instalments that become due and owing under the Credit Contract calculated on a daily basis:

- From 30 days after your wage/salary ceased to be paid or was suspended;
- Until your wage/salary payments recommence, for a maximum period of **6 months** and up to a **maximum total claim of \$12,000**.

We will not pay any amounts that were due and owing under the Credit Contract prior to your wage/salary ceasing to be paid or being suspended as a result of Industrial Action.

Bankruptcy

If you become involuntarily Bankrupt we will pay your Financier, for your credit, the instalments that become due and owing under the Credit Contract calculated on a daily basis:

- From 30 days after the date of your Bankruptcy;
- For a period of **6 months**, up to a **maximum total claim of \$12,000**.

We will not pay any amounts that were due and owing under the Credit Contract prior to your Bankruptcy.

Business Interruption

If you suffer financial loss as a result of Business Interruption to your Business we will pay your Financier, for your credit, the instalments that become due and owing under the Credit Contract calculated on a daily basis:

- From 30 days after the Business Interruption commences; and
- Until the Business Interruption ceases, for a maximum period of **6 months** and up to a **maximum total claim of \$12,000**.

We will not pay any amounts that were due and owing under the Credit Contract prior to the Business Interruption.

SPECIAL BENEFITS

If your claim is accepted by us, we will also reimburse you up to a limit of **\$200** for your reasonable expenses of **any one** of the following, if incurred in relation to the insured event giving rise to your claim:

- Transportation for doctor's visits, hospital or specialist appointments; or
- Doctors, hospital or specialist consultation fees; or
- Any costs necessarily incurred in connection with the Accident or illness; or
- Legal fees in relation to claims for Bankruptcy; or
- In relation to a Redundancy claim, professional fees incurred in the production of your curriculum vitae.

CLAIM LIMITS

Single, joint or double cover

The benefits available under this Policy depend on whether you have opted for single cover, joint cover or double cover. Your Registration Certificate states which cover applies to you.

If you have opted for:

- **Single** cover applicable to 1 named policyholder, you can claim **100%** of the benefits available under this insurance.
- **Joint** cover applicable to 2 named policyholders, you can claim **50%** each of the benefits available under this insurance.
- **Double** cover applicable to 2 named policyholders, you can claim **100%** each of the benefits available under this insurance.

Maximum claim limits

We will pay claims under this Policy up to the maximum claim limits specified for the applicable insured event, but in any case we will not pay more than the amounts due under the Credit Contract up to the maximum claim limits of:

- **\$4,000** per month; or
- **\$200,000** over the Period of Cover of this Policy.

We will pay any reimbursement for Special Benefits, up to the Special Benefits limit of \$200, in addition to the monthly maximum claim limit. However, any reimbursement for Special Benefits will be part of, and not additional to, the maximum claim limit of \$200,000 over the Period of Cover of this Policy.

Balloon Payments

If a claim includes repayment of a Balloon Payment, the maximum monthly benefit payable for the month in which the Balloon Payment is due is calculated as the amount of the monthly instalment paid or payable on at least half of all of the monthly instalments under the term of the Credit Contract.

GST

All amounts referred to in this Policy are inclusive of any GST that may apply.

EXCLUSIONS

This insurance does not cover claims arising from:

- Any cause or condition that was known or ought reasonably to have been known by you at the commencement of the Policy.
- Any medical condition known by you to be in existence at the time the Policy was taken out, or for which medical advice or treatment has been sought or provided prior to the start date of the Policy.
- The normal effects of pregnancy or childbirth.
- Exposure to asbestos.
- Your election to have surgery of a non-essential or non-emergency nature.
- Any mental or stress related illnesses including, but not limited to, psychiatric or physiological condition or complaint, depression and anxiety.
- Suicide, self-inflicted injury or any deliberate exposure to harm.
- HIV or any sexually transmitted diseases.
- Any happening whilst taking part in any criminal activity.
- Alcoholism, drug abuse, or any happening whilst under the influence of alcohol or drugs.
- Engaging in motor sport, quad biking, parachuting, hang gliding, extreme sports/activities or professional sports.
- Any happening whilst operating any vehicle or any other equipment you are not legally authorised to operate.
- Natural disaster including but not limited to earthquake, tsunami, landslip, volcanism, and flood.
- War, civil unrest, invasion, terrorism, state of emergency, military intervention and related risks.

GENERAL CONDITIONS

Termination

This Policy will end:

- When the Credit Contract is discharged, terminated or expires (for example, as a result of full repayment or full prepayment);
- On the expiry of the Period of Cover;
- In the event of a death claim, unless you have selected joint cover as specified on your Registration Certificate; or
- In the event you fail to meet your responsibilities set out in the “Your responsibilities” section below and we decide to cancel your Policy.

Rebate of premium on prepayment of Credit Contract

You are entitled to a proportionate rebate of the premium paid under this Policy if:

- Your Financier has arranged this Policy for you;
- This premium paid or payable for the Policy is financed under the Credit Contract; and
- You fully prepay the Credit Contract.

We will calculate the rebate in accordance with the Credit Contracts and Consumer Finance Act 2003 and refund the amount to your Financier to offset against the debt under the Credit Contract, or to a person as directed by the Financier.

Your responsibilities


Your responsibilities to us under this Policy are:

- You must tell us all material information before purchasing or renewing this Policy. Material information is information which may affect our decision on whether or not to accept your application for insurance and on what terms. If you are unsure of what information you need to tell us, ask us and we will help you.
- You must provide us with full, truthful and accurate information at all times, including when applying for this insurance, when you make a claim under this Policy, and in response to any question we may ask of you.
- You must tell us of any material change in your circumstances that may affect any aspect of this Policy. If you are unsure of whether you need to tell us about a change, ask us and we will help you.
- You must pay us the premium by the specified date(s). This Policy is not valid unless the premium due to us has been received by us or anyone authorised by us to receive the premium on our behalf.

Consequences if you fail to meet your responsibilities

If you fail to meet any or all of your responsibilities set out above, we may do one or more of the following things:

- Decline any claim you make;
- Recover from you some or all of an amount we have already paid under this Policy if the amount would not have been paid had you met your responsibilities;
- Cancel your Policy;
- Change your Policy terms and charge you an additional premium amount calculated as the amount that would have been charged had you met your responsibilities; or
- Treat your Policy as if it never existed (you may forfeit some or all of the premium you have paid to us).



Your personal information

We collect personal information from you in providing you with this Policy, in order to:

- Evaluate your application for insurance under this Policy;
- Set your premium and excess;
- Assess and process claims you make; and
- Provide you with other related services.

We are the intended recipients of your personal information, and will hold this information (Provident Insurance Corporation Limited, Crown Centre, Ground Floor, 67 Hurstmere Rd, PO Box 33 743, Takapuna, Auckland 0740). We are required to collect your personal information under the common law duty imposed on you (as a person seeking insurance) to tell us (as an insurer) material facts relevant to the insurance you seek. It is up to you to supply us with this information. However, if you choose not to provide all or any part of the information we request from you, your application for insurance under this Policy may be denied, or your claims may not be paid out.

We may provide your personal information to third parties to the extent necessary to provide the benefits available to you under the Policy, including but not limited to: our agents and assessors, the Financier, your employer, your medical advisors, the courts, other insurers, our legal advisors, and other similar entities for the purposes of providing the benefits available to you under this Policy.

You are entitled to access and correct the information we hold about you.

Financial Strength Rating

Provident Insurance Corporation Limited's financial strength rating is set out in your Registration Certificate.

DEFINITIONS

Where we refer to “**you**” and “**your**”, we mean the persons identified as Insured Name(s) on the Registration Certificate who are parties to the Credit Contract and liable for repayments. In addition, where we describe the claims process that must be followed, “**you**” and “**your**” also means your beneficiaries in the event of your death.

Where we refer to “**we**”, “**our**” and “**us**”, we mean Provident Insurance Corporation Limited.

Certain words used in this Policy have a special meaning as follows:

- **Accident:** the happening of an occurrence unintended and unexpected by you resulting in your bodily injury.
- **Balloon Payment:** a scheduled payment that is higher than any of the other monthly payments paid or scheduled to be paid under the Credit Contract as specified on your Registration Certificate.
- **Bankruptcy/Bankrupt:** being declared bankrupt by a New Zealand court. This does not include bankruptcy if the application for bankruptcy was filed by you or an associated person on your behalf.
- **Business:** The business specified in the Registration Certificate in respect of which Business Interruption cover is provided under this Policy.
- **Business Interruption:** being unable to carry on the Business as a result of loss of or damage to the Business premises, prevention of access to the Business premises, or failure of essential services of the Business premises.
- **Business Premises:** the physical Address of the land and buildings from which the business is administered (as stated on the Registration Certificate).
- **Credit Contract:** the credit contract identified in your Registration Certificate under which the Financier has agreed to loan finance to you and you have agreed to make repayments.
- **Financier:** the finance company identified as the Financier in your Registration Certificate.
- **Industrial Action:** strike, work to rule or similar action taken by employees to protest against working conditions or other matters relating to the employer’s relationship with its employees.
- **Period of Cover:** the period between the start date and the end date set out in your Registration Certificate up to a maximum of 5 years, during which the cover under this Policy is provided to you, unless cancelled at an earlier date in accordance with the terms of this Policy.

- **Policy:** the contract of insurance contained in your Registration Certificate, this Policy booklet, the information you provided when you applied for this insurance, and any changes we may agree with you in writing.
- **Redundant/Redundancy:** termination of your employment because your position of employment has become superfluous to the needs of your company (for example, as a result of changes to systems, processes, technology or inefficiency initiatives), and resulting in you registering with Work and Income New Zealand as unemployed. Your employer must notify you of your redundancy in writing. This does not include:
 - voluntary redundancy or resignation;
 - persons or people who are self-employed or are employed on a seasonal, contractual, temporary or part-time basis; or
 - redundancy as a result of dismissal or retirement.
- **Registered Medical Practitioner:** a person registered as a health practitioner in accordance with the Health Practitioners Competence Assurance Act 2003 or any legislation replacing that Act. This person must not be you, your partner or your relative.
- **Registration Certificate:** the most recent version of the certificate forming part of this Policy provided to you at the time the Policy was purchased.
- **Special Benefits:** the additional benefits provided under this Policy up to a limit of \$200 as set out in the special benefits section.

CLAIMS PROCESS

How to make a claim

To make a claim, you must:

- Request a claim form from us by phone, or in writing by post or email, as soon as possible after the happening of the event giving rise to the claim; and
- Complete the claim form and send it to us by post or email within 30 days after the happening of the event giving rise to the claim.

Proof of claim

The claim form will require you to provide additional information, certificates or evidence from your employer, the Financier, a Registered Medical Professional, your advisors, government departments, or any other person to the extent necessary to process and assess your claim. Any costs incurred in providing the information, certificates or evidence we require are at your expense.

If you do not provide or authorise other persons to provide the information we reasonably require to process and assess the claim we may decline the claim.

What to do if you have a complaint

If you have a complaint about any aspect of this Policy, please follow these steps:

First, please contact one of our customer representatives on **0800 676 864**.

If our customer representative cannot resolve the matter, you may make a formal written complaint by post or email to our internal Complaints Handling Service:

Attention: Internal Complaints Handling Service
Provident Insurance Corporation Limited
PO Box 33 743
Takapuna
AUCKLAND 0740

Email: info@providentinsurance.co.nz

If you are dissatisfied with the outcome reached by our internal Complaints Handling Service, you may take your complaint to the Insurance and Financial Services Ombudsman (IFSO). The IFSO Scheme is a free and independent complaints resolution service which deals with certain types of complaints about personal insurance and other financial services. If the IFSO has the ability to consider your complaint and makes a decision, we are bound by that decision. If you are unhappy with the IFSO's decision, you can take your complaint to another dispute resolution forum, such as the courts.

Fair Insurance Code

As a member of the Insurance Council of New Zealand, we must comply with the Fair Insurance Code, which sets service standards for insurance companies. We have certain responsibilities to you, such as acting fairly and openly in all our dealings with you, and giving you clear information when you make a claim.

You can request a copy of the Fair Insurance Code from us at any time.

REGISTRATION CERTIFICATE TO BE AFFIXED HERE



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