



Insurance cover for members

Understanding your insurance options.

All subsidised members of the NZAS Retirement Fund ('Fund') – meaning all members who are continuous permanent employees of New Zealand Aluminum Smelters Limited or Pacific Aluminium (New Zealand) Limited – automatically receive basic insurance cover for death, total disablement and ill-health¹ on Standard Acceptance terms when joining the Fund. However, subsidised members may choose to apply for a higher level of cover if they prefer. With three options to choose from – basic, medium, and top – you can customise your level of cover to suit your needs and budget.

It's important to note that insurance cover ceases at age 65, even if you remain a continuous permanent employee. Until then, you must have at least basic cover.

Acceptance types

We offer two types of acceptance: Standard Acceptance and Qualified Acceptance:

What is "Standard Acceptance"?

You have no identified medical condition or problem which will need to be excluded in the event of a claim.

What is "Qualified Acceptance"?

If you wish to take out medium or top level insurance cover then you must first complete a medical questionnaire and you may need to attend a medical examination.

If (after you have completed the questionnaire and attended any required examination) the Fund's medical adviser advises the Trustee that you have one or more identified medical conditions or problems which might give rise to a claim in the longer term, then the Trustee may either:

- refuse to grant the additional insurance cover; or
- grant the additional insurance cover, but with restrictions – this is called Qualified Acceptance.

Under Qualified Acceptance, a member who has been granted medium or top level insurance cover pays the standard insurance charges based on their age and cover level and:

- (i) is covered at the chosen higher level in the event of death, total disablement or ill-health occurring through a cause unrelated to an already identified medical condition or problem; but
- (ii) in the event of death, total disablement or ill-health arising as a direct or indirect consequence of an identified medical condition or problem, is covered only:

¹ The definitions of *total disablement* and *ill-health* for Fund purposes are set out in the **Other Material Information** document (available under *Documents* on the Fund's website www.nzasretirementfund.com).

- a. at the basic level, if that was the level applying before their cover was qualified (or further qualified) in the relevant respect; or
- b. at the medium level, if that was the level applying before their cover was qualified (or further qualified) in the relevant respect.

Level of cover

- a. **Basic cover (8% of base salary):** Your insured benefit if you die or suffer total disablement will be 8% of your base salary² times the number of complete years (adjusted proportionately for complete months) from date of death or total disablement until age 65, subject to the maximum basic cover level of 3 times base salary.
- b. **Medium cover (12% of base salary):** Your insured benefit if you die or suffer total disablement and have medium level cover in the circumstances will be 12% of your base salary times the number of complete years (adjusted proportionately for complete months) from date of death or total disablement until age 65, subject to the maximum medium cover level of 4.5 times base salary.
- c. **Top cover (16% of base salary):** Your insured benefit if you die or suffer total disablement and have top level cover in the circumstances will be 16% of your base salary times the number of complete years (adjusted proportionately for complete months) from date of death or total disablement until age 65, subject to the maximum top cover level of 6 times base salary.

In each case (basic, medium and top level cover), your insured benefit if you leave service due to ill-health as defined for Fund purposes is at half (50%) the applicable death and total disablement cover level.

Your insured benefit is payable on top of your total Fund balances³ plus, in the case of death or total disablement, an amount equal to a year's salary, if not already paid by your employer.

Applying to change your insurance cover level

We understand that circumstances change, and you may wish to adjust your cover level. If you wish to change your level of insurance cover, you'll need to complete the [Application to Change Insurance Cover](#) form. This is available under *Documents* on the Fund website www.nzasretirementfund.com (go to *Member forms*). You'll need to complete and return the form at least five working days before the first day of the month you wish the change to take effect.

If you are seeking to increase your level of cover then you will also need to complete the [NZAS2B - Medical Questionnaire](#) form. The Fund's medical adviser will then assess your responses and may require you to attend a medical examination. Any increase to your cover level will not apply until your acceptance is advised in writing.

Insurance charges are deducted from subsidised members' company accounts in the Fund on a monthly basis. For information about insurance charges, see the Fund's **Product Disclosure Statement** and **Other Material Information** document. These are available under *Documents* on the Fund website.

Making a claim

For information on how to make an insured benefit claim, see (as applicable) the [How to make an ill-health or](#)

² Your *base salary* is your before-tax salary excluding bonuses and allowances.

³ If in the case of total disablement or ill-health, any locked-in balance can only be withdrawn if the Trustee is reasonably satisfied you have suffered serious illness as defined for KiwiSaver purposes - see the **Other Material Information** document on the website.

[total disablement benefit claim](#) fact sheet or the [Death Benefit](#) fact sheet for further information. These forms are available under *Documents* on the Fund website www.nzasretirementfund.com (go to *Fact sheets*).

For any further assistance regarding insurance cover, you can reach out to our dedicated Helpline team at **0508 266 787**.