

“SAMPLE ONLY”

SOVEREIGN ESSENTIALS

APPENDIX

LIFE COVER BENEFIT

1. When Sovereign will pay a life cover benefit

The life cover benefit is a one-off, lump sum amount payable to you when a life assured dies. Sovereign will pay the benefit as soon as we are satisfied with the information you have provided us as at our request.

Terminal Illness benefit

You can apply to Sovereign for a terminal illness benefit of up to 100% of the applicable life cover benefit. Terminal illness means the life assured has been diagnosed as having an illness, which, we believe, after considering medical evidence provided by the life assured's own *Registered Medical Practitioner* and any other evidence we require, will result in the death of the life assured within 12 months. This is regardless of any treatment the life assured may receive.

This terminal illness benefit will be treated as an early payment of the life cover benefit. The life cover benefit will then be reduced by the amount paid.

Bereavement support benefit

Upon receiving written notification that the life assured has died, Sovereign will immediately pay a lump sum of \$10,000 (or the life cover benefit, whichever is the lesser) to the policy owner(s). This bereavement support benefit will be treated as an early payment of the life cover benefit. The life cover benefit will then be reduced by the amount paid. You are entitled to one bereavement support benefit for each life assured.

The effect of other benefits on your life cover benefit

If you claim for a critical illness benefit or total permanent disablement benefit under this policy for a life assured, your life cover benefit for that life assured will be reduced by the amount paid to you for those benefits.

2. When Sovereign won't pay a benefit

Sovereign will not pay any life cover benefit when any of the following (and in each case either directly or indirectly) causes or contributes to the death or terminal illness of the life assured:

- the life assured committing or attempting to commit suicide, whether sane or insane, within 13 months of the *risk commencement date*;
- the life assured participating in or preparing for flying other than as a bona-fide, fare paying passenger on a recognised air route;
- the life assured participating in or preparing for motor racing;
- war (whether declared or not), civil war, rebellion, revolution, civil unrest, riot, hostilities, participation in any armed force or peace keeping activities;
- any person acting on their own or on behalf of or in connection with any group or organisation to influence by force any group, corporation, or Government by terrorism, kidnapping, attempted kidnapping, attack or any other violent means.

These exclusions apply to any subsequent benefit increase you make.

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3. Making a life cover claim

To make a claim for a life cover benefit, please call the Sovereign claims team on 0800 500 103 for assistance. Sovereign will require information from you including:

- a completed claim form
- a full birth certificate
- a full death certificate
- a coroner’s report, if applicable
- a grant of administration – probate or certificate of administration or letters of administration if the deceased was the sole owner of the policy.

Sovereign is under no obligation to pay a life cover benefit until we have received all the information we have requested.