



**PPS Mutual
Profit Share Benefit**

Multiple Life Policy



Policy schedule



Policy owner

The Trustees of the Professional Provident Society Trust (**PPS Trust**) are the **policyholder** of this PPS Mutual Profit Share Benefit Multiple Life Policy (the **Policy**) issued for the benefit of **members**.



Policy composition

This **Policy** is issued to the **policyholder** by **PPS Mutual** and is comprised of this Policy Schedule and the Policy Wording (following this Policy Schedule). This **Policy** commences on the **Policy** commencement date set out in this Schedule (below).



Policy commencement date

01 August 2025.



Cover

1.

Death Benefit

When payable: In the event of the death of a **member** who is a **life insured** under the **Policy**.

Amount payable: The greater of \$100 or the **member's** then current **Profit Share Benefit value** plus (or minus) any **interim allocation** for the **member** at that time (if applicable).

2.

Terminal Illness Benefit

When payable: In the event that a **member** who is a **life insured** under the **Policy** is diagnosed with a **terminal illness** and requests payment of the Profit Share Benefit.

Amount payable: The greater of \$100 or the **member's** then current **Profit Share Benefit value** plus (or minus) any **interim allocation** for the **member** at that time (if applicable).

3.

Maturity Benefit

When payable: In the event that a **member** who is a **life insured** under the **Policy** reaches age 65 or is older and requests payment of the Profit Share Benefit.

Amount payable: The greater of \$100 or the **member's** then current **Profit Share Benefit value** plus (or minus) any **interim allocation** for the **member** at that time (if applicable).



Membership eligibility criteria

Any life insured under a **PPS Mutual** Professionals' Choice policy will become a **member** and a **life insured** under this **Policy** if they meet the **eligibility criteria** applied by **PPS Mutual**.

A **member** insured under this **Policy** will also qualify as a member of the **PPS Trust**.



Cover expiry date

Cover provided by this **Policy** has no fixed expiry date and will continue while this **Policy** remains in force.

Policy wordings



Profit Share Benefit Multiple Life Policy

An individual who meets the ***eligibility criteria*** will become a ***member*** and a ***life insured*** under this ***Policy***.

A ***member*** who is a ***life insured*** under this ***Policy*** is eligible to receive payment of a Profit Share Benefit on the occurrence of an event specified in this ***Policy*** provided that cover has not ceased in respect of that ***member***. The ***member's*** eligibility under this ***Policy*** is non-transferable.

This document states the terms of the ***Policy*** issued to the ***policyholder***, how the value of a ***member's*** Profit Share Benefit is calculated, when the ***member*** will be entitled to receive a Profit Share Benefit payment, and when ***PPS Mutual*** will make an ***interim allocation***.

For any terms shown in both bold and italics (***like this***), refer to the glossary at the end of this document for the specific meanings.

Payments

All payments that ***PPS Mutual*** makes under this ***Policy*** will be in New Zealand dollars to a New Zealand bank account nominated by or on behalf of the ***member***.

Policy subject to laws of New Zealand

The laws of New Zealand govern this ***Policy***, which has been issued in New Zealand.

Statutory Fund

This ***Policy*** is referable to the ***PPS Mutual*** Statutory Fund.



Who is insured and when cover commences

Who is insured and covered

Members are insured under this **Policy** and cover is issued to the **policyholder** for the benefit of **members**.

Cover commencement for each member

Cover in respect of each **member** commences from the **member commencement date**.

PPS Mutual will provide the **policyholder** with the names of the **members** who are **lives insured** under this **Policy** and the **members'** individual **Profit Share Benefit values**, as updated from time to time.



Cover under this Policy

Who claims are paid to

The **policyholder** authorises **PPS Mutual** to pay each benefit relating to a **life insured** under this **Policy** directly to the **member**. **PPS Mutual** will notify the **policyholder** of all benefits paid under this **Policy** on a regular basis.

The **policyholder** has no beneficial interest in this **Policy** or right to receive any benefit payable under this **Policy**.

Profit Share Benefit value

Each **member's Profit Share Benefit value** from time to time is the total of allocations to their Profit Share Benefit made at the discretion of **PPS Mutual** during the period after their **member commencement date**, reduced by any previous Profit Share Benefit payments. Allocations are expected to be made annually. In addition, allocations are decided at the discretion of **PPS Mutual** and may be positive, nil, or negative and so **Profit Share Benefit values** may fluctuate over time.



Death Benefit

If a **member** dies, **PPS Mutual** will pay to the **member's** estate the greater of \$100 or the **member's** then current **Profit Share Benefit value** plus (or minus) any **interim allocation** for the **member** at that time (if applicable).

2.

Terminal Illness Benefit

At any time from when a **member** is diagnosed with a **terminal illness**, the **member** may request **PPS Mutual** to pay to the **member** the greater of \$100 or the **member's** then current **Profit Share Benefit value** plus (or minus) any **interim allocation** for the **member** at that time (if applicable).

3.

Maturity Benefit

At any time on or after reaching age 65, a **member** may request **PPS Mutual** to pay to the **member** the greater of \$100 or the **member's** then current **Profit Share Benefit value** plus (or minus) any **interim allocation** for the **member** at that time (if applicable).



How to make a claim

The **member** or the **member's** appointed Adviser must notify **PPS Mutual** of any claim under this **Policy**.

PPS Mutual will ask the **member** for reasonable information required to assess the **member's** claim. The **member** is responsible for meeting any costs associated with providing this information.

For some **terminal illness** claims, **PPS Mutual** may request a second opinion from a relevant medical **specialist** to confirm the **terminal illness** diagnosis. **PPS Mutual** will meet the reasonable direct costs associated with obtaining this second opinion.



When cover ceases

Cover in relation to a **life insured** ceases under this **Policy** in the following circumstances:

- following payment of the death benefit referred to above in respect of that **member**; or
- if a **member** is the subject of any sanction or other relevant prohibition, or restriction under the laws or regulations of New Zealand which would make it illegal or unlawful for this **Policy** to apply to the **member**; or
- the **member** is no longer a life insured under any **PPS Mutual** Professionals' Choice policy – unless
 - the **member** had been a **member** for at least five (5) consecutive years without interruption; and

- their **Profit Share Benefit value** at that time was at least \$1,000.

Cover under this **Policy** ceases from the time when the circumstances referred to above occur with respect to a **member**.

Cover will also cease under this **Policy** if a **member** fails to provide reasonable information required by **PPS Mutual** to perform any checks or make any enquiries required under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 or relevant internal policies set by **PPS Mutual** from time to time (AML/CFT checks).

PPS Mutual will reinstate a **member** as a **life insured** once they provide the required information to enable **PPS Mutual** to perform the required AML/CFT checks, and those checks are satisfactory.



How allocations to members' Profit Share Benefits are determined

Profit Share Benefit allocations are made at the discretion of **PPS Mutual** in accordance with the allocation policy adopted by the Board of **PPS Mutual** from time to time. Factors that may be considered in determining allocations may include Profit Share Benefit margins on **PPS Mutual** Professionals' Choice policies (for both **members** and other insured persons), actuarial experience adjustments, investment returns, re-allocation of **Profit Share Benefit values** of **members** where cover under this **Policy** has ceased in respect of those **members**, and **PPS Mutual's** capital requirements.

Any allocation to a **member's** Profit Share Benefit each year will be based on:

- premiums paid in respect of the **member** as a life insured under **PPS Mutual** Professionals' Choice policies for the applicable **membership period** (allocation rates may vary between different cover types); and
- the value of the **member's** Profit Share Benefit before the allocation.

Other important information about allocations

- Factors considered in making Profit Share Benefit allocations include:
 - The basis for calculating allocations will be applied consistently to all **members** within each **defined group**.
 - Individual allocations will not be affected by a **member's** claims history on **PPS Mutual** Professionals' Choice policies.
 - Profit Share Benefits are not guaranteed, and **members** may receive positive, negative, or nil allocations.
 - **PPS Mutual's** Profit Share Benefit and Dividend Policy and Capital Management Plan, as amended from time to time.

- **Profit Share Benefit values** for **members** can reduce to zero but may never go negative. However, the minimum claim payment under this Policy for a **member** is \$100 regardless of the **member's Profit Share Benefit value**.
- A **member's Profit Share value** may not exceed the total premiums paid in respect of the **member** as a life insured under PPS Mutual Limited Professionals' Choice policies while they have been a **member**.
- Profit Share Benefit payments that occur after an applicable **membership period** but before an allocation has been made in respect of that **membership period**, may be adjusted by means of an **interim allocation** for that **membership period**. An **interim allocation** may be positive, negative or nil and will not be subject to further adjustment once **PPS Mutual** make the final allocation for that **membership period**.

Decisions made by **PPS Mutual** with respect to Profit Share Benefit allocations are final and binding on **members**.

Timing of Profit Share Benefit allocations

PPS Mutual plans to make Profit Share Benefit allocations each year once the prior **membership period** has ended.

Profit Share Benefit schedules

After **PPS Mutual** has determined the Profit Share Benefit allocations for a **membership period**, **PPS Mutual** will send each **member** an updated Profit Share Benefit schedule showing details of their updated **Profit Share Benefit value** and the amount of any allocation in respect of that **membership period**.



When this policy can change

If any change in legislation (including with respect to taxation), regulation or solvency standards occurs after the **Policy** commencement date or a direction or request is made by an applicable regulatory authority and such matter affects:

- **PPS Mutual's** obligations with respect to tax; or
- **PPS Mutual's** legal authority to issue this **policy**;
- **PPS Mutual's** solvency, capital or financial position;
- the costs and expenses incurred or expected to be incurred by **PPS Mutual** to issue and administer this **Policy**; or
- the way in which this **Policy** works, the terms of this **Policy** or the nature of payments or amounts which can be paid to a **member**,

then **PPS Mutual** can change the terms of this **Policy** to take account of the expected effect of such matters from a date it determines by giving the **policyholder** at least 60 days' notice of any change.

PPS Mutual can also amend the terms of this **Policy** at any time by giving the **policyholder** at least 60 days' notice of any change provided that such amendment does not have a material adverse effect on **members**.

PPS Mutual will also provide each **member** with at least 60 days' notice of any change to the terms of this **Policy**.

Defined terms

In this **Policy** document these words have specific meanings.

D

defined group

A group of **members** deemed by **PPS Mutual's** Appointed Actuary to be similar in respect of actuarial, equity, and commercial considerations when determining Profit Share Benefit allocations.

E

eligibility criteria

The membership eligibility criteria applied by **PPS Mutual** from time to time. **PPS Mutual** will make such criteria available to prospective members.

I

interim allocation

An adjustment made to a Profit Share Benefit payment where payment occurs after the end of a **membership period** but before an allocation has been made in respect of that **membership period**, which adjustment will reflect an estimate of that **membership period's** allocation.

L

life insured

A **member** eligible to receive a payment under this **Policy** upon the occurrence of an event specified in the **Policy**.

M

member(s)

A person who has met the *eligibility criteria* to become a member of the **PPS Trust**.

member commencement date

The date on which **PPS Mutual** determines that a person first meets the *eligibility criteria*.

membership period

The period in respect of which any annual Profit Share Benefit allocation is made by **PPS Mutual**, being each full calendar year after the **Policy** commencement date set out in the Schedule.

P

Policy

This multiple life policy held by the trustees of the **PPS Trust** for the benefit of *members*.

policyholder

The trustees of the **PPS Trust**.

PPS Mutual

PPS Mutual Limited, a licensed insurer under the Insurance (Prudential Supervision) Act 2010.

PPS Trust

The Professional Provident Society Trust, which is a trust established in New Zealand as the indirect owner of **PPS Mutual**.

Profit Share Benefit value

The total allocations made by **PPS Mutual** in accordance with the **Policy** to a *member's* Profit Share Benefit during the period after their *member commencement date*, less any previous Profit Share Benefit payments.

S

specialist

A medical doctor who is a member of an appropriately recognised specialist college and has authority granted under the Health Practitioners Competence Assurance Act 2003 (or its successor) to perform that health service and has Medical Council of New Zealand (or its successors) vocational registration for that health service.

The specialist must be independent of the **member**, which means the **specialist** cannot be:

- the **member** themselves;
- any person named as the policy owner in the policy schedule of any **PPS Mutual** Professionals' Choice policy under which the **member** is insured (policy owner);
- a business partner or associate of the **member** or a policy owner; or
- immediate family of the **member** or a policy owner.

Where the **member** is not in New Zealand **PPS Mutual** will consider the advice of a medical practitioner with qualifications equivalent to New Zealand or Australian standards.

T

terminal illness

Progressive illness which has been diagnosed as terminal by a **specialist** and for which a **specialist** has confirmed in writing that the **life insured's** life expectancy would more likely than not be less than twelve (12) months even if the **life insured** were to receive all reasonable treatment.

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