



INSURANCE AT
AIR NEW ZEALAND

Pilot Employee Benefits Package



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The information contained within the brochure is intended to be of a general nature only and describes certain features of insurance products available to you as an Air New Zealand pilot. It is not a substitution for the actual insurance policy documents and should not be relied upon.



Insurance at Air New Zealand

Could you and your family live without your income?
If you have financial commitments and family
depending on you, insurance is recommended to
safeguard you and your family's welfare.

Air New Zealand is pleased to make available to you a valuable
suite of insurance benefits.

These benefits include:

- Medical Expenses (Travelling overseas on duty)
- Accidental Death/Permanent Total Disablement
- Loss of Licence
- Life Insurance
- Income Protection
- Loss of Effects

Air New Zealand contributes to the cost of your insurance.

The Benefits

Cover Provided

The following insurances are provided automatically to you by Air New Zealand when you commence employment.

Accidental Death/ Medical Expenses

Medical Expenses

Air NZ's SafeCard Assistance Programme provides you with 24/7 assistance for illness or injury while overseas on duty. Contact Healix for medical advice or referral. Payment for your treatment will be arranged by Healix.

Accidental Death /Permanent Total Disablement

If you suffer an accidental death or permanent total disablement as a result of an accident in accordance with your collective or employment agreement, you or your estate will receive a lump sum capital benefit. There are also payments if you suffer one of a defined list of physical loss conditions (e.g. loss of sight of one eye, loss of one hand or foot).

Loss of Effects

Covers the loss of or damage to your luggage or reasonable or necessary personal effects accompanying you for duty if the loss was not due to your negligence. The maximum cover is NZ\$5,000 any one claim and will be settled on an indemnity basis i.e. depreciation may apply.



Additional insurances are available

The following insurances are available to you on application. Air New Zealand will pay an agreed annual subsidy towards your total premium cost.

Life Insurance

If you die or are diagnosed with a terminal illness this policy provides your or your estate with a lump sum payment. There are also benefits if you suffer one of a defined list of physical loss conditions (e.g. loss of sight of one eye, loss of one hand or foot)

Income Protection

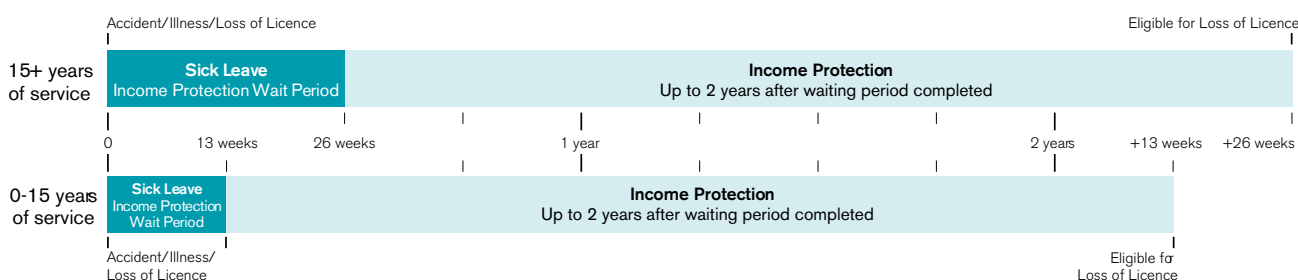
This cover protects your ability to receive an income, after an initial waiting period, if you are unable to work solely through illness or injury and are undergoing treatment and being unable to perform the normal duties of your usual occupation.

Loss of Licence

This insurance provides you with a capital or disability benefit if you lose your licence through the revocation, withdrawal or suspension, whether permanent, temporary or provisionally, of your medical certificate.

Policies working together

The Income Protection and Loss of Licence insurances work together alongside your sick leave entitlements to ensure that you have a continuous source of income for the time you are unable to perform your normal duties due to illness or injury and are undergoing regular treatment until you return to work or the policy benefits are exhausted. If you are without your medical certificate/licence after 2 years plus your sick leave entitlement you may submit a formal claim under the Loss of Licence policy. See the diagram below to see how this works.



How do I purchase this insurance cover?

Life Insurance & Income Protection

If you are a new employee to Air New Zealand, a new member of the Federation of Air New Zealand Pilots (the Federation) or on a new Independent Employment Agreement (IEA) collectively known as the "Pilot Group" and you wish to purchase Life or Income Protection insurance, please contact Willis Towers Watson to obtain application forms or download a copy from the Pilots' Insurance Portal.

If you apply within 30 days of joining you can take advantage of the Insurers' Automatic Acceptance limit (up to \$200,000 for Life Insurance and up to \$120,000 per annum for Income Protection) without having to supply evidence of good health.

If you decide to purchase Life or Income Protection Insurance after the Automatic Acceptance period (30 days of joining the Pilot Group) you will need to complete the Insurers' health questionnaires and your application will be subject to Insurers' acceptance. For more information please contact Willis Towers Watson.

Loss of Licence

You may purchase Loss of Licence insurance at any time by completing and submitting the **Air New Zealand Loss of Licence Application**. Your cover is subject to Insurer's acceptance and you will be issued with a Confirmation of Cover as evidence of your acceptance.

Please be aware that all insurance arrangements contain terms, conditions, limitations and exclusions. Policy documents can be found on the [Pilots' Insurance Portal](#).



Loss of Licence Insurance

If you lose your licence through revocation, withdrawal or suspension of your medical certificate (whether permanent, temporary or provisionally) this insurance pays a capital or disability benefit.

Policy Coverage

What are the policy benefits?

- Capital Benefits
 - Basic Capital Benefit
 - Total Capital Benefit
 - Top Up Capital Benefit of up to 5x your gross salary to a maximum of \$600,000
- Disability Benefit

Equal to 90% of your Net Earnings less other disability income

Note: Capital Benefits change annually, please refer to the Pilots' Insurance Portal for current benefits.

Age Related Benefit Reductions

Please note that once you reach age 55 your Benefit will reduce by 10% each year until you are 65 by which time the Benefit has reduced to 0.

When are the benefits payable?

• Capital Benefit

You become eligible for a lump sum payment 27 months after you suffer a loss of licence or such date the Insurer determines you have suffered a permanent loss of licence (it has been medically determined there is no prospect of your licence being reinstated). The Insurer may also elect, at their discretion, to pay the Capital Benefit before the 27 month entitlement applies.

• Disability Benefit

You may apply to the Insurer for a disability benefit payment equal to 90% of your net earnings, less any other disability income in the event you suffer a temporary or provisional loss of licence. The amount payable will not exceed the Capital Benefit to which you are entitled. If you subsequently become eligible for a lump sum payment through a permanent loss of licence you will receive your Capital Benefit less the amounts already received. Your estate may be eligible for a Capital Benefit or part thereof if you die while receiving a disability benefit but this is not payable if you are not already receiving a Disability Benefit under this policy.

Premium

Air New Zealand subsidises the purchase of your loss of licence insurance by funding your Basic Capital Benefit and by matching your additional cover premium contribution for the Total Capital Benefit. You can purchase extra cover to maximum of \$600,000, the Top Up Capital Benefit, at your own cost. If your salary increases during the year you may increase your cover mid-term on application.

Renewal documentation will be made available to you in advance of each policy renewal on 1 November. To ensure continuation of cover you must submit your application along with payment within 30 days of receiving your renewal instructions. Please note that if you wish to renew your Basic Capital Benefit you must submit your application as this cover is not automatically renewed.

AT A GLANCE

Premium is subsidised by Air NZ

Capital and disability benefits are payable

Maximum cover of 5x your gross salary to a maximum of \$600,000

Capital benefit payable 27 months after your loss of licence

Claims

If your licence is suspended or you are unable to fully carry out your duties for 30 consecutive days, you must complete and return the **Loss of Licence Preliminary Advice Form** to Corporate Insurance within one month of your licence suspension.

Disability Benefit

If your licence has been suspended and you wish to apply for a disability benefit please contact Corporate Insurance and request the **Loss of Licence Claim Form**. Please complete and return it with any supplementary documentation to Corporate Insurance.

Capital Benefit

If your licence has been revoked or you believe you will suffer a permanent loss of licence please contact Corporate Insurance and request the **Loss of Licence Claim Form**. Please complete and return it with any supplementary documentation to Corporate Insurance.

For further details on the claims process refer to the **Loss of Licence Claims Process Flow Chart**

Claim forms and other supporting documents can be found under the Loss of Licence section on the Pilots' Insurance Portal.

How to apply

If you are new to the Pilot Group, access the Loss of Licence application from the Pilots' Insurance Portal and submit your application and premium payment as instructed. If accepted, you will receive a confirmation of cover detailing your Loss of Licence cover.

Insurer

Teal Insurance Limited



Life Insurance

This policy provides you or your estate with a lump sum payment in the event of your death or on diagnosis of a terminal illness until you reach age 64 or 70 depending on the cover selected. Policy benefits are also payable if you suffer one of a defined list of physical loss conditions (e.g. loss of sight of one eye, loss of one hand or foot etc.)

Policy Coverage

What are the policy benefits?

- **Death and Terminal Illness Benefits**
On your death an agreed lump sum benefit will be paid. The insurer may elect to make an advance payment to you on diagnosis of a terminal illness but no further benefits will be payable after the terminal illness benefit has been paid.
- **Physical Loss**
If you suffer one of a defined list of physical loss conditions (e.g. loss of sight of one eye, loss of one hand or foot) within 100 days of an accident you'll receive a payment. Payments range from \$12,500 to \$50,000. Exclusions may apply.

How much cover can I purchase?

You may nominate the level of cover you wish to purchase up to \$2,000,000, however for amounts exceeding the Base Cover medical evidence is required to support your application and is not guaranteed until accepted by the insurer.

Base Cover & Auto Acceptance Limit

If you apply within 30 days of joining the Pilot Group and you're aged 44 and under, you'll receive the Base Cover of \$200,000 plus the Insurer will waive their requirement for you to provide evidence of good health. Applications made after 30 days of joining the Pilot Group will require completion of the Insurer's health questionnaire and your cover is subject to Insurer's acceptance. The base cover is paid for by Air New Zealand.

Age-related benefit reductions

Please note that your Base Cover benefit will reduce by \$10,000 for every year that your age next birthday exceeds 45 years. You can elect to purchase additional life insurance cover at your own cost to "top-up" your cover to offset these related reductions.

Voluntary Cover

You may apply, on a voluntary basis, for a greater level of life insurance cover above the Base Cover. This can be for any amount you nominate up to \$2,000,000. However, you will be required to provide medical evidence to support your application and cover is not guaranteed until confirmation has been provided by the Insurer. If accepted, you will be responsible for the additional premium cost.

Voluntary Spouse Cover

You may apply for life insurance cover for your spouse for any amount up to \$2,000,000. Medical evidence is required to support your spouse's application and cover is subject to insurer's acceptance and your payment of premium.

What are the key exclusions?

Death Benefits for Voluntary Cover and Voluntary Spouse Cover are not payable for suicide within the first 13 months of purchasing Life Insurance cover.

Physical loss benefits will not be paid in the event of deliberate injury or an attempt to do so, participation in a criminal act or for any loss covered but which occurred before purchasing this cover.

AT A GLANCE

Benefits for death, terminal illness and physical loss

Premium is subsidised by Air NZ

Base Cover is \$200,000 (aged 44 and under)

Maximum cover is \$2,000,000 on application and acceptance

Base Cover reduces by \$10,000 each year after age 44 (top up cover is available to offset)

Cover can be purchased for your spouse on application and insurer's acceptance

When does cover cease?

Cover will terminate when you reach age 64 under the Base Cover (age 70 for Voluntary Cover), when you leave Air New Zealand or when the Insurer has paid you or your estate the policy benefits. Cover will cease if you are unable to work due to sickness after 24 months or any other cause after 12 months (e.g. leave without pay). You may reinstate your cover upon returning to work subject to provision of health evidence and insurer acceptance. You may apply to the Insurer to move your insurance from the Air NZ Group Life Policy to an individual policy with the same benefits within 45 days of leaving Air New Zealand. Any change in premium will be at your expense.

Premium

Air New Zealand will pay an agreed annual subsidy towards the total premium for your Base Cover. You must pay for any insurance cover that is in excess of the subsidised portion, including any Voluntary or Spouse cover. Our insurance broker Willis Towers Watson will invoice you directly for the annual premium due at each policy renewal date of 1 July for any voluntary insurance you may purchase. To ensure continuation of cover, your premium must be paid within 30 days of receiving your premium invoice.

Claims

If you require any information on the policy or claims process please contact **Willis Towers Watson** on **0800 329 290**

Who will be paid the benefit?

Life insurance benefits will be paid as follows:

- Death: benefit will be paid to your estate.
- Terminal Illness Diagnosis: benefit will be paid to you.
- Physical Loss: benefit will be paid to you.

Unfortunately we are unable to nominate beneficiaries onto the Air NZ Group Life policy so we recommend that you have a will in place to allow the Death benefit to be paid to your estate and in accordance with your instructions

How to apply

Base Cover

If you wish to take advantage of the Base Cover please contact Willis Towers Watson or the Federation Secretary and forward your completed application forms to Willis Towers Watson.

Voluntary Cover or Voluntary Spouse Cover

If you are interested in increasing your life cover above the Base Cover of \$200,000 or purchasing Voluntary Spouse Cover please contact Willis Towers Watson for a quote.

Pilots who are joining the Federation from ALPA may be able to transfer their existing Life Insurance cover to the Air New Zealand Group Life policy. Please contact Willis Towers Watson for further details.

If accepted, Willis Towers Watson will confirm your cover under the Air New Zealand Group Life Policy and issue you with a Member Insurance Information document outlining your benefits.

Personal Advice

A member of the Willis Towers Watson team is available to provide assistance on request including a formal assessment of your personal life and disability insurance needs.

Insurer

Sovereign Assurance Company Limited



Income Protection

Income Protection insurance provides you with a monthly benefit for up to two years if you are diagnosed as being “Totally Disabled”. Totally Disabled means you are absent from work because you are able to perform the normal duties of your usual occupation through illness or injury which is under regular treatment. This form of insurance may allow you to have the means to meet your financial commitments.

Policy Coverage

What are the policy benefits?

This policy pays regular monthly payments for up to two years if you are ‘totally disabled’ i.e. you are unable to work through illness or injury while under regular treatment and your continuous inability (solely due to your illness or injury) to perform the normal duties of your usual occupation. A waiting period will apply. Please refer to the policy documentation for the full definition of “Totally Disabled” available from the Pilots’ Insurance Portal. Monthly payments are payable for up to two years from the date your waiting period expires.

What benefits can I purchase?

Base Cover & Auto Acceptance Limit

This policy will pay 50% of your salary (base salary plus margins plus incentive loadings) up to age 50 next birthday. If you apply for base cover within 30 days of joining the Pilot Group and your Base Cover does not exceed \$120,000 per annum the Insurer will waive their requirement for you to provide evidence of good health. This is known as the Auto Acceptance Limit. The Base Cover is paid for by Air New Zealand.

Voluntary Cover

You may apply to top-up your cover to 75% of your salary or \$240,000, whichever is the lesser. If you wish to increase your cover above the Auto Acceptance Limit of \$120,000

you will be required to provide health evidence to support your application. The Insurer may impose some premium loadings and/or apply policy exclusions to any Voluntary Cover upon completion of their assessment and cover is not guaranteed until confirmation has been provided by the Insurer. If accepted, you will be responsible for the cost of this voluntary cover.

Age-related benefit reductions

Please note that once you reach age 50 next birthday, your cover will reduce by 5% for every year your age exceeds age 50. However you may elect to purchase voluntary cover to “top-up” your benefit to the maximum of 75% of salary to offset these age related reductions.

When can I make a claim?

You may make a claim if you are “Totally Disabled” i.e. you are continuously absent from employment through an injury or illness and are under the care of a registered medical practitioner and it is expected that you will be unable to return to perform the normal duties of your usual occupation after your waiting period.

When will payments commence?

There is an initial “waiting period” before claim payments will commence under this policy. Your waiting period will depend on your length of service with Air New Zealand and is aligned with your sick pay – see table on page 10.

AT A GLANCE

Premium is subsidised by Air NZ

Cover options: 50% or up to 75% of salary

Auto acceptance of \$120,000 per annum

Maximum benefit period is 2 years

Maximum cover is 75% of your salary or \$240,000 whichever is lesser

Waiting period aligns with your sick leave of 13 or 26 weeks (depending on years of service)

Base Cover reduces by 5% each year after age 50 (Top up cover is available to offset age reductions)

Benefit is paid monthly

Length of service	Waiting period
0 - 15 years	13 weeks
15 years +	26 weeks.

Following the completion of the waiting period if your claim is accepted by the Insurer payments will commence immediately and will be backdated to the end of the waiting period (if applicable).

How long will the payments continue?

Regular monthly payments will be paid to you for the period you are "Totally Disabled" for up to 2 years. If you return to work your monthly payment will cease immediately but your last payment will be prorated if you return to work before the next monthly payment is due. Payments will also cease if you reach age 65 or if you die.

What are the key exclusions?

This policy will not make any payments if you are "Totally Disabled" as a consequence (wholly or partially) of intentional self-injury or a normal and uncomplicated pregnancy or childbirth. Further exclusions may apply.

When does cover cease?

Cover under this policy will cease when you reach age 65 or die, when the Insurer has paid the policy benefits, when you cease to be "Totally Disabled" or return to work.

What if I suffer a recurrence of my disability after I'm back at work?

If you suffer a recurrence of a "Total Disability" from the same or related causes within 6 months of your disability benefit ceasing, the Insurer may waive the waiting period before a further benefit becomes payable. If the cause of your second period of total disability is unrelated to your first then a further waiting period will be required.

Premium

Air New Zealand subsidises your income protection insurance premium by paying for your Base Cover (50% or less of your salary). You must pay for any voluntary insurance cover that is in excess of this subsidised portion. Willis Towers Watson will invoice you directly for the annual premium due at each policy renewal date of 1 July for any voluntary insurance you may purchase. To ensure continuation of cover, premiums must be made within 30 days of receipt of your premium invoice.

Claims

If you require any information on the Income Protection policy or claims process please contact Willis Towers Watson on 0800 329 920.

It is a requirement of the policy that claims are notified to the insurer as soon as possible once medical evidence indicates that an insured person is likely to be "totally disabled" for longer than the applicable waiting period.

How to apply

Base Cover

If you wish to take advantage of the base cover offer please contact Willis Towers Watson or the Federation Secretary, complete the application forms (if applying after 30 days of joining the Pilot Group) and forward to Willis Towers Watson.

Voluntary Cover

If you are interested in increasing your income protection cover above the Base Cover please contact Willis Towers Watson for a quote, and complete and return the enclosed application forms.

If accepted, Willis Towers Watson will confirm your cover under the Group Income Protection Policy and issue you with a Member Insurance Information document outlining your benefits.

Insurer

The National Mutual Life Association of Australasia Limited trading as AMP.



Commonly asked questions

Who's eligible to purchase these additional insurances?

Air New Zealand pilots who are members of the Federation of Air New Zealand Pilots (the Federation) or on an Independent Employment Agreement (IEA) collectively known as the "Pilot Group" may apply for Life, Income Protection and Loss of Licence insurance. If you apply for cover within 30 days of joining the Pilot Group you can take advantage of the automatic acceptance limits under the Life and Income Protection policies.

How do I join?

Life Insurance / Income Protection: For the base life and income protection cover please contact Willis Towers Watson or the Federation Secretary and advise your intent.

For increased coverage on your Life and Income Protection insurance policies please contact Willis Towers Watson.

Submit your application (accessible from the Pilots' Insurance Portal) with your premium payment to purchase Loss of Licence insurance.

If accepted, you'll receive a Confirmation of Cover from Willis Towers Watson or Air New Zealand evidencing your cover under the Air NZ Group policies.

Who insures the life insurance, income protection and loss of licence policies?

Group Policies are issued to Air New Zealand and are insured with Sovereign for Life Insurance, AMP

for Income Protection and Teal Insurance for Loss of Licence.

Can I view policy documentation before applying for insurance cover?

Yes, policy documents are available by contacting Willis Towers Watson for Life and Income Protection Insurances or Corporate Insurance for Loss of Licence documentation. You can also view these documents on the Pilots' Insurance Portal.

Can I assign my cover to another person or institution?

No. As the policies arranged by Air New Zealand are Group policies they cannot be assigned by individual Pilots to another person or institution. However, you will receive an individual confirmation of your cover each year and for mortgage or loan purposes your lending institution may accept this as confirmation that you are insured.

What if I have an existing income protection personal policy?

You cannot normally claim from more than one income protection policy at any one time. The maximum payment for all income cannot exceed 75% of your gross income or salary. If you already have an Income Protection policy, you will need to decide whether or not you should retain any or all of it. If you are uncertain as to what to do you should seek assistance from a financial advisor. A member of the Willis Towers Watson team is available to provide you with assistance on request including a formal assessment of your personal

Life and disability insurance needs.

Is the Income Protection benefit taxable?

Air New Zealand is not a tax adviser so is unable to provide you with tax advice. If you have any queries relating to the taxation of any benefit payable under the Income Protection policy we recommend that you seek professional tax advice.

Who pays the premiums? Are these subsidised?

Yes, Air New Zealand subsidises the purchase of your Life, Income Protection and Loss of Licence Insurances. You will pay for any additional voluntary cover over the basic benefits provided by Air New Zealand. Air New Zealand pays for your Accident and Medical Expenses cover.

Will insurers advance benefits if I become terminally ill?

Insurers may elect to advance your capital benefit to you on diagnosis of a terminal illness under the Life and Loss of Licence policies. No further payments will be made under these policies after a capital benefit has been paid under the terminal illness provisions.

Can I continue cover if I leave Air New Zealand?

If you leave Air New Zealand your cover will cease under the Group Policies but you may make an application to move to an individual policy within 60 days of leaving Air New Zealand. Any change in premium will be at your expense. Please contact Willis Towers Watson team for further details.

Further information

Your Pilot Support Coordinator

Tina May

Tel: 09 256 3657

Email: pilotcoordinator@airnz.co.nz

For Loss of Licence matters or general insurance queries

Email: insurance@airnz.co.nz

Hannah Ringland, Corporate Insurance Manager Tel: 09 336 2973

Jennifer Carlyon, Insurance Officer Tel: 09 336 2670

For Life Insurance or Income Protection matters

Willis Towers Watson's Health & Benefits Team

Email: benefits.nz@willistowerswatson.com

David McRae, Administration Manager Tel: 09 356 9371

Email: David.McRae@willistowerswatson.com

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Pilots' Insurance Portal

For application forms, policy documents, claim forms and other information

[Korunet > Teams > Pilots > Admin Online > Pilot Insurances](#)

