

AIA Priority Protection Express

Supplementary Product Disclosure Statement

Date Prepared 14 December 2019



HEALTHIER, LONGER,
BETTER LIVES

This Supplementary Product Disclosure Statement ('SPDS') supplements information contained in the AIA Priority Protection Express Product Disclosure Statement and Policy Document ('PDS'), Version 15, Date Prepared 21 November 2015.

This SPDS is issued by AIA Australia Limited (ABN 79 004 837 861, AFSL 230043), who is the issuer of life risk insurance policies referable to Priority Protection Express.

AIA Australia Limited takes full responsibility for the entirety of this SPDS. This SPDS must be read in conjunction with the PDS.

This SPDS describes updates to AIA Priority Protection Express' definitions, benefits and features that are operative from 14 December 2019.

This SPDS replaces the previous SPDS dated 1 April 2019.

The changes to the PDS are as follows:

The first paragraph under 'Benefit Indexation' on page 20 is replaced with:

"The insured monthly benefit will be increased each policy year by the CPI increase for that policy year or by 3% whichever is greater."

The 'Occupation Category A' section under 'Claim offsets' on page 24 is replaced with:

"If you make a claim for a Total Disablement or Partial Disablement benefit we may reduce your benefit amount by amounts received from other sources, or amounts that you are entitled to receive, for loss of income in respect of your injury or sickness. Amounts that can be offset include:

- (i) regular payments made under:*
 - a workers' compensation; or*
 - motor accident claim; or*
 - a claim made under any similar state or federal legislation;*
and
- (ii) regular payments made from another insurance policy or from a superannuation/pension plan.*

In addition, we may reduce your benefit amount by any payments you receive or become entitled to in respect of your Injury or Sickness under any statute, or as damages under common law (whether or not modified by statute), for loss of income, loss of earning capacity or any other economic loss (including any benefits or payments for work injury damages, whether paid as a lump sum or not).

If the above payments are paid other than monthly or in the form of a lump sum, we will convert them to a monthly payment, equivalent to 1/60 of the lump sum payment. Total and Permanent Disablement benefit payments will not be offset against any Income Protection benefit payments."

The 'All Occupation Categories' section under 'Claim offsets' on page 24 and 25 is replaced with:

"If you make a claim under your Total Disablement benefit or Partial Disablement benefit the amount payable will be reduced such that:

- your Total Disablement benefit and any other payments made (as previously detailed according to your occupation category) do not exceed 75% of your monthly pre-disablement income;*
and

- *your Partial Disablement benefit, your usual monthly income and any other payments made (as previously detailed according to your occupation category) do not exceed 100% of your monthly pre-disablement income.*

In addition, we may reduce your benefit amount by any payments you receive or become entitled to in respect of your Injury or Sickness under any statute, or as damages under common law (whether or not modified by statute), for loss of income, loss of earning capacity or any other economic loss (including any benefits or payments for work injury damages, whether paid as a lump sum or not)."

The below is added in the table in the 'Exclusions' section on page 26 and 27:

<i>Exclusions</i>	<i>Benefit Type</i>		
	<i>Life Cover Plan</i>	<i>Life and Disablement Cover Plan</i>	<i>Income Protection Plan</i>
<i>Death or disablement is due to your participation in criminal activity or resulting from incarceration.</i>			✓
<i>For any period you are incarcerated arising from your participation in criminal activity.</i>			✓

The first paragraph in the 'Benefit Indexation' section on page 29 is replaced with:

"For the Life Cover Plan and Life and Disablement Cover Plan, if you select Benefit Indexation on your application, the sum insured on your benefit will automatically increase each year by the higher of Consumer Price Index increase and 5%.

For the Income Protection Plan, if you select Benefit Indexation on your application, the sum insured on your benefit will automatically increase each year by the higher of Consumer Price Index increase and 3%."

The Policy fee on page 30 of the PDS is updated from '\$80.19' to "\$85.60".

The 'Income (Employed Persons)' definition on page 44 is replaced with:

"Income (Employed Persons) in the case of an employed person is the total pre-tax remuneration paid to an employed person including salary, commission, bonuses, overtime, fringe benefits and superannuation contributions (statutory and/or voluntary). This does not include income which is not derived from the Insured Person's personal exertion or activities, such as interest or dividend payments."

Australian Financial Complaints Authority (AFCA) is the new external dispute resolution scheme replacing Financial Ombudsman Service (FOS). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

The amendments described below arise as a consequence of this change.

Replace the text on page 34 under the header 'Your questions or concerns' with the following:

"If you or the policy owner (where applicable) have any questions or concerns about your policy please contact us directly on 1800 333 613. We will promptly investigate your inquiry. If necessary we will refer you or the policy owner (where applicable) to our Internal Dispute Resolution Committee.

Internal complaints are normally resolved within 45 days. In special circumstances we may take longer. If this is the case we will advise you or the policy owner (where applicable).

Should you or the policy owner (where applicable) not be satisfied with our response to your and the policy owner's concerns after they have been ruled upon by the Committee, then you or the policy owner may take up the matter with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. Details are below.

Time limits may apply to complain to AFCA so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

*Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Email: info@afca.org.au
Phone: 1800 931 678
www.afca.org.au*

Replace the text on page 58 under the header 'Complaints':

'Financial Ombudsman Service (FOS)
GPO Box 3
MELBOURNE VIC 3001
Phone: 1300 78 08 08
Fax: (03) 9613 6399
Email: info@fos.org.au' with the following:

*"Australian Financial Complaints Authority (AFCA)
GPO Box 3
Melbourne VIC 3001
Email: info@afca.org.au
Phone: 1800 931 678
www.afca.org.au"*

Except in Table 1 in the 'Occupation Categories' section on pages 4 and 5 of the PDS:

- all references to Occupation Category 'C' throughout the PDS are to be replaced with "C, CT"
- all references to Occupation Category 'AAA' throughout the PDS are to be replaced with "A1, A2"
- all references to Occupation Category 'AA' throughout the PDS are to be replaced with "M"
- all references to Occupation Category 'A' throughout the PDS are to be replaced with "A3, A4".

Table 1 in the 'Occupation Categories' section on pages 4 and 5 of the PDS is to be replaced with the following:

Occupation Category	Characteristics of Occupation Category
<p>A1</p>	<ul style="list-style-type: none"> • For professionals, executives and senior management earning more than \$120,000 per annum over the last two years and in an office-based management role. • Or, for professionals, executives and senior management whose income is less than \$120,000 per annum over the last two years, then they must have a tertiary qualification* related to their current occupation and they must work in an office-based environment. <p><i>*tertiary qualification means a Bachelor's degree, Master's degree or PhD granted by a recognised third level institution.</i></p>
<p>A2</p>	<ul style="list-style-type: none"> • Primarily for Science and IT Professionals that are office and/or laboratory based. This category also includes select Engineering professionals that may not be solely office bound. Includes Civil Engineers, Research Chemists, and Computer Programmers.
<p>M</p>	<ul style="list-style-type: none"> • Select highly qualified medical professionals requiring membership of a professional or government body in order to practise that occupation. • Includes Doctor [medical], Anaesthetist, and Cardiologist. This category excludes allied health professionals such as chiropractors, osteopaths and physiotherapists.
<p>A3</p>	<ul style="list-style-type: none"> • White collar occupations that involve clerical and administrative work only, who are not working in a warehouse, manufacturing or industrial environment. Includes data entry operators, clerks, and copywriters.
<p>A4</p>	<ul style="list-style-type: none"> • Select white collar occupations that are not strictly office or deskbound and whose roles may include a degree of driving or travel. This category is also for select allied health professionals whose roles may require some clinical hands-on duties. Includes Interior Designers, Osteopaths, and Agricultural Consultants.

Occupation Category	Characteristics of Occupation Category
B	<ul style="list-style-type: none"> • Occupations not classified as white collar, involving some light manual work, including supervisors and persons in a totally administrative job within a warehouse, manufacturing or industrial environment. • The working environment may present slight injury or sickness risk.
C	<ul style="list-style-type: none"> • People who perform predominantly light manual work (more than 10% of their time) in various industries and environments with an increased accident or sickness risk. • Selected skilled tradespeople such as chefs or bakers, or occupations such as qualified care workers or retail butchers. • Supervisors of manual workers with only minimal light manual work involvement (less than 10%).
CT	<ul style="list-style-type: none"> • Selected qualified tradespeople from various industries which have a moderately high accident or sickness risk, and perform moderately heavy manual work as part of their occupation; and • Have successfully completed apprenticeship resulting in relevant trade certification and licensing; and • Currently working in that trade.
D	<ul style="list-style-type: none"> • Semi-skilled workers and unqualified tradespersons, who perform heavy manual work. e.g. fencing contractor, plasterers, cleaners.
E	<ul style="list-style-type: none"> • Unskilled workers, who perform extra heavy manual work, e.g. concreters, earth-moving workers, carpet layers. • The working environment may present a significant injury or sickness risk.
Home Duties	<ul style="list-style-type: none"> • Where you are wholly engaged in full-time unpaid domestic duties in your own residence.

The following paragraph is added after 'Premium Guarantee' within the 'Additional Information' section on page 28:

"myOwn membership

If the life insured under your Policy is also insured under an eligible private health insurance policy issued by MO Health Pty Ltd and which is packaged with a separate entitlement for that life insured to participate in the AIA Vitality Program (myOwn health insurance policy), the premium in relation to your Policy (exclusive of stamp duty, premium frequency charge, health loadings and policy fee) may be discounted by 5% as long as AIA Vitality remains attached to the myOwn health insurance policy.

This discount will be applied to premiums under your Policy which fall due on a date on which you are insured under, and have paid your first premium for, a myOwn health insurance policy.

Policies issued by MO Health Pty Ltd under a brand other than 'myOwn' will not be eligible for the myOwn membership discount.

The myOwn membership discount is not guaranteed for the life of your Policy and may be withdrawn or varied by us from time to time at our discretion."

All references to 'medical practitioner' throughout the PDS are to be replaced with "*Medical Practitioner*".

The definition of 'Medical Practitioner' on page 46 of the PDS is replaced with:

"Medical Practitioner means a legally qualified and registered medical practitioner acceptable to us, other than the policy owner or the life insured, or a family member, business partner, employee or employer of either the policy owner or the life insured."

The definition of 'Terminal Illness' on page 50 of the PDS is replaced with:

"Terminal Illness means the diagnosis of the life insured with an illness which in the opinion of an appropriate specialist Medical Practitioner, is likely to result in the death of the life insured within 24 months of the diagnosis regardless of any treatment that may be undertaken."

The reference to 'six months' under the section 'Financial Planning Reimbursement benefit' on pages 11 and 15 of the PDS is replaced with "12 months".

The last bullet point on page 52 of the PDS is replaced with:

***“Waiting Period** is stated on the policy schedule and means the number of days at the beginning of a period of disablement in respect of which no total or partial disablement benefit is payable.*

The waiting period begins on the earlier to occur of the date:

- the life insured first consults a Medical Practitioner about the condition that is causing the disablement; and*
- the life insured first ceases work due to the condition that is causing the disablement as long as it is not more than seven days before the life insured first consults a Medical Practitioner about the condition and provides reasonable medical evidence about when the disablement began.*

The life insured can return to work at any time during the Waiting Period, without the Waiting Period recommencing, subject to the following criteria being satisfied.

For A1, A2, M, A3 and A4 occupation categories only

- be continuously Totally Disabled or Partially Disabled for the duration of the Waiting Period.*

For B, C, CT, D and E occupation categories only

- be totally disabled for seven out of 12 consecutive days during the Waiting Period; and*
 - be continuously Totally Disabled or Partially Disabled for the balance of the Waiting Period.”*
-

The first paragraph under 'Partial Disablement benefit' on page 19 of the PDS is replaced with:

“We will pay a Partial Disablement benefit payment if you:

- have been Totally Disabled for seven out of 12 consecutive days during the Waiting Period^;*
- have been Totally Disabled or Partially Disabled for the balance of the Waiting Period; and*
- are now Partially Disabled.”*

The following footnote is added to the bottom of page 19 of the PDS:

“^If you are in Occupation Category A1, A2, M, A3 or A4, it is sufficient if you are only Partially Disabled during the Waiting Period as long as you meet the relevant definition at the end of the Waiting Period.”

The ‘Rehabilitation Expenses benefit’ on page 22 of the PDS is replaced with:

“Rehabilitation Expenses benefit

We will pay the cost of a rehabilitation program that is approved by us in advance. The rehabilitation program must be necessary as part of a structured return to work program and must be necessary to assist in rehabilitating the life insured back to work.

The benefit also covers the reimbursement of occupational services, aides, equipment and/or modifications that are considered necessary by your Medical Practitioner as part of a structured return to work program.

These expenses must be approved by us in advance and are limited to the maximum benefit of up to 12 times the Insured Monthly Benefit.

This benefit is payable in addition to any other benefit received.

We will not pay you this benefit for expenses that are reimbursed from any other source.”

The definition of ‘Cosmetic or Elective Surgery benefit’ on page 41 of the PDS is replaced with:

“Cosmetic or Elective Surgery benefit *means where the life insured is totally disabled as a result of cosmetic or other elective surgery or as a result of surgery to transplant an organ from the life insured into the body of another person, then the total disablement benefit is payable, provided that such surgery took place more than six months after the commencement date of the benefit or any increase or reinstatement.”*

The definition of 'Pre-existing Condition' on page 49 of the PDS is replaced with:

"Pre-existing Condition means, in relation to a claim under an insurance benefit that you have not disclosed the full details of to us, the

(a) health condition was diagnosed or investigated;

(b) symptoms leading to a diagnosis first appeared; or

(c) event giving rise to the claim occurred;

prior to the effective date of the commencement or the effective date of any increase or reinstatement of the insurance benefit, or the effective date of any improvement in the insurance benefit, as appropriate. This includes circumstances or symptoms which you or the policy owner (or a reasonable person in the same position) was aware of, or should have been aware of, including the need to consult a medical practitioner or other health professional."

All references to 'waive' throughout the PDS, where it specifically relates to the Waiver of Premium benefit, are to be replaced with "Waive".

The following definition is added to page 53 of the PDS:

"Waive, where it specifically relates to the Waiver of Premium benefit, means to waive or refund premiums in respect of the relevant period."

Important contact information

Should you have any questions or concerns about your policy please contact your adviser in the first instance or us direct on 1800 333 613.

You can also visit aia.com.au for additional contact details and further information.

Priority Protection Express



Product Disclosure Statement
and Policy Document

Version 15, Date Prepared 21 November 2015

Life's better with the right partner®



Who issues Priority Protection Express?

This booklet is issued by: AIA Australia Limited (ABN 79 004 837 861, AFSL 230043). PO Box 6111, Melbourne VIC 3004
Customer phone: 1800 333 613.

The information in this booklet is current at the date of issue. Anyone making this booklet available to another person must provide them with the entire electronic file or printout. This booklet may be updated or replaced at any time, and you can obtain a copy of the current version on request by calling AIA Australia on 1800 333 613. Changes that are not materially adverse will be updated and made available to you at www.aia.com.au, or you may request a paper copy of any updated information free of charge. You will be advised of material changes or significant events as required by law.

Priority Protection Express is only available to people who receive this booklet and who make an application in Australia. It is also not an offer, invitation or recommendation by us to purchase Priority Protection Express in any other jurisdiction. Applications from outside Australia will not be accepted. AIA Australia is not bound to accept any application.

This booklet has been prepared with the intention of providing you with important information about Priority Protection Express. Any financial product advice contained in this booklet is of a general nature only and has been prepared without taking into account your objectives, financial situation or needs. Therefore, before making any decision, you should consider the appropriateness of the advice, taking into consideration your objectives, financial situation and needs. You should read this booklet before making your decision.

We suggest that you keep this booklet in a safe place.

In this document any reference to:

- 'we', 'us', 'our', 'the insurer' or 'AIA Australia' means AIA Australia Limited (ABN 79 004 837 861 AFSL 230043);
- 'you' or 'your' means an existing customer who is, or any potential customer likely to become, the person insured under the policy. At the time of application, the person insured must also be the policy owner.
- 'this booklet' means this combined AIA Australia Priority Protection Express Product Disclosure Statement and Policy Document.

Please read this booklet carefully as it contains important information about AIA Australia's Priority Protection Express including benefit exclusions (see page 26). Some terms used in this booklet have a special meaning (whether capitalised or not). Please see pages 40–53 for definitions of these terms.

About AIA Australia

AIA Australia has been operating in Australia for over 40 years. We are a subsidiary of the AIA Group and a specialist provider of insurance products aimed at protecting the financial health and welfare of Australians. AIA Australia is authorised by the Australian Prudential Regulatory Authority (APRA) as a life insurer in Australia.

Contents

Overview	2
Getting cover is easy	2
Cover to suit your needs	3
Occupation Categories	4
Age eligibility	6
Levels of cover	6
Important notes	8
When choosing your cover	8
Statutory Fund	8
Pre-existing Condition	8
Your duty of disclosure	8
Life Cover Plan	10
Benefits	10
Life and Disablement Cover Plan	13
Benefits	13
Income Protection Plan	18
Benefits	18
Exclusions	26
Additional Information	28
What you need to know about your premium	28
Benefit Limitations	28
Benefit Indexation	29
Premium Freeze	29
What are the fees and charges?	30
Maintaining your policy	31
Making a claim	33
Tax considerations	33
Nomination of beneficiary	34
Your questions or concerns	34
Significant Risks	35
Privacy	36
Definitions	40
Direct Debit Request – Service Agreement	54
Contact Details	58
Nomination of Beneficiaries form	

Overview

Priority Protection Express provides you with a selection of plans to cater for your life insurance needs. There are three plans available under this policy:

- Life Cover Plan;
- Life and Disablement Cover Plan; and
- Income Protection Plan.

Only one plan may be purchased under a single policy. If you wish to purchase more than one plan, you will need to apply for each plan under a separate policy (subject to the Benefit Limitations on page 28).

It is also important to read the definitions on pages 40–53 to understand what is or is not covered and the exclusions on page 26 that may apply.

Getting cover is easy

Forget all those lengthy medical tests, applying for cover is easy. As long as you are:

- an Australian citizen or permanent resident living in Australia;
- between the relevant eligibility ages (refer to table 2 on pages 6–7);
- working in an eligible occupation (see pages 4–7 for details); and
- residing in Australia when you apply for cover and receive this booklet.

We ask just a few simple health questions and if your application is accepted, your policy starts straight away.

Worldwide cover

Once accepted, you will be covered 24 hours a day, 7 days a week, anywhere in the world.

28 day cooling off period

It's important to us that you're happy with the cover you have selected, so we will give you a 28 day cooling off period. For more details, see page 31.

Cover to suit your needs

There are many reasons and situations why people choose to purchase insurance cover. It is important to understand the different types of cover and whether they will deliver the benefits that are suitable for you. There are three broad reasons to apply for cover:

- to protect your ability to earn an income;
- to make provision for lifestyle adjustments due to sickness, injury or impairment; and
- to look after your family if you die.

What are some of the uses for Life Cover and Life and Disablement Cover?

- It can be used to settle debt, outstanding loans and other financial costs in the event of death or total and permanent disablement.
- It can pay out a lump sum that can be used to provide financial security for loved ones when you no longer can.
- It can assist business partners to continue running the business without added capital strain.

Preparing for the inevitable is preparing for life!

What are some of the uses for Income Protection?

- It can provide an income when you cannot earn one because you have become disabled or severely ill.
- It can help meet the expense of medical and other costs if disablement or severe illness occurs.

Get paid an income – even when you cannot earn one!

Depending on the type of plan you are considering, there are some limits, age and occupation conditions that may apply.

Occupation Categories

The following table sets out the Occupation Categories applicable to Priority Protection Express. You will select your occupation when you apply.

Table 1

Occupation Category	Characteristics of Occupation Category
AAA	<ul style="list-style-type: none"> • Professional white collar workers, other than those in medical and allied occupations, who must have tertiary qualifications, and • Other successful high income white collar workers, who have long-standing experience in their field of business.
AA	<ul style="list-style-type: none"> • Professionals, who must have tertiary qualifications in the medical and allied occupations. e.g. doctors, dentists, physiotherapists.
A	<ul style="list-style-type: none"> • Other white collar occupations that involve clerical and administrative workers only, who are not working in a warehouse, manufacturing or industrial environment. • These workers are generally office bound. • The working environment must present minimal injury or sickness risk.
B	<ul style="list-style-type: none"> • Occupations not classified as white collar, involving some light manual work, including supervisors of manual workers and persons in a totally administrative job within a warehouse, manufacturing or industrial environment. • The working environment may present slight injury or sickness risk.

Occupation Category	Characteristics of Occupation Category
C	<ul style="list-style-type: none"> • Fully qualified skilled tradespersons of various occupations, who perform a moderate level of manual work. e.g. qualified electricians, chefs and mechanics. • The working environment may present a moderate injury or sickness risk.
D	<ul style="list-style-type: none"> • Semi-skilled workers and unqualified tradespersons, who perform heavy manual work. e.g. cleaners, drivers, fencing contractors. • The working environment may present a significant injury or sickness risk.
E	<ul style="list-style-type: none"> • Unskilled workers, who perform extra heavy manual work. e.g. concreters, earth-moving workers, carpet layers. • The working environment may present a significant injury or sickness risk.
Home Duties	<ul style="list-style-type: none"> • Where you are wholly engaged in full-time unpaid domestic duties in your own residence.

Age eligibility

To be eligible for a Priority Protection Express Plan, at your next birthday you must be between the ages set out in the table below depending on the type of plan you are applying for and your occupation.

Table 2

Occupation Categories (Refer to table 1 above for definitions)	Eligibility Age Next Birthday
	Life Cover Plan ¹
AAA, AA, A	17 – 60
B	17 – 60
C	17 – 60
D	17 – 60
E	17 – 60
Home Duties	17 – 60
Other Occupations	Not available

¹ Please refer to Table 3 below for details of maximum sum insured limits that will apply depending on your age next birthday when you are applying.

Levels of cover

Table 3

	Life Cover Plan
Minimum sum insured	\$100,000
Maximum sum insured ²	17 – 50 ³ : \$1,000,000
	51 – 60 ³ : \$750,000
Increments	\$10,000
Additional note:	

² You can have more than one Priority Protection Express Plan, however the total of the sums insured under all Priority Protection Express Plans on your life at any one time must not be more than the maximum sum insured. We may also limit the sum insured we pay under Priority Protection Express as described in the 'Benefit Limitations' on page 28.

³ This refers to your age at your next birthday at the time you are applying.

Life and Disablement Cover Plan ¹	Income Protection Plan
17 – 60	17 – 60
17 – 60	Not available
17 – 60	Not available
17 – 55	Not available
Not available	Not available
17 – 60	Not available
Not available	Not available

Life and Disablement Cover Plan	Income Protection Plan
\$100,000	\$1,000 per month
17 – 50 ³ : \$1,000,000	\$5,000 per month
51 – 60 ³ : \$750,000	
\$10,000	\$1 per month
The Disablement (Total and Permanent Disablement) benefit sum insured must be equal to or less than your Death benefit sum insured.	Covers you for up to 75% of pre-disablement income

Important notes

When choosing your cover

Deciding on the right level of cover depends on you and your situation. It is important to know what level of cover is right for you to ensure that if you need to claim, you or your family will be able to manage financially. Please read the following points to be aware of some common pitfalls.

Selection of wrong product

Some insurance products may not be suitable for your needs. You should read this booklet carefully to prevent choosing a product which isn't appropriate to you and your situation.

Inadequate amount of insurance

You may select the correct insurance products for your needs, but you might not choose enough cover. This can lead to ongoing financial hardship after receiving your benefit payment. You will need to assess your needs carefully to ensure you choose the right level of cover.

Statutory Fund

Your Priority Protection Express policy will be written in the AIA Australia Statutory Fund No. 1. This is a non-participating policy and does not participate in the distribution of any surplus.

Pre-existing Condition

If a claim for an insurance benefit relates to a pre-existing condition (as defined on page 49) that you have not disclosed the full details of to us before the benefit commencement date (as shown on your policy schedule) or the date of any increase or improvement of the benefit, then the claim will not be paid in respect of that benefit.

Your duty of disclosure

Before you enter into a life insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, which may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you extend, vary or reinstate the contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

For contracts of insurance entered into, renewed, extended, varied or reinstated from 28 December 2015, if the insurance is for the life of another person and that person does not tell us everything he or she should have, this may be treated as a failure by you to tell us something that you must tell us.

If you do not tell us something

In exercising the following rights, we may consider whether different types of cover can constitute separate contracts of life insurance. If they do, we may apply the following rights separately to each type of cover.

If you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the contract within three years of entering into it.

If we choose not to avoid the contract, we may, at any time, reduce the amount you have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. However, if the contract has a surrender value, or provides cover on death, we may only exercise this right within 3 years of entering into the contract.

If we choose not to avoid the contract or reduce the amount you have been insured for, we may, at any time vary the contract in a way that places us in the same position we would have been in if you had told us everything you should have. However, this right does not apply if the contract has a surrender value or provides cover on death.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Economic sanctions

Notwithstanding the terms of your policy, we are subject to certain laws and economic sanctions (both local and international) which may prohibit us from completing some financial transactions and/or dealings with you and your beneficiary/beneficiaries.

Life Cover Plan

Providing financial security for loved ones when you no longer can.

The Life Cover Plan pays a lump sum if you die before the benefit expires or if you are diagnosed with a terminal illness.

The lump sum amount will be paid to the nominated beneficiary/ies if any nomination has been made (refer to the beneficiary/ies nomination form inside the back cover of this booklet). If no beneficiary/ies nomination has been made the lump sum amount will be paid to the policy owner (or the policy owner's estate).

Benefits

The Life Cover Plan provides the following benefits.

Death benefit

If you die prior to the expiry date we will pay a lump sum equal to the sum insured.

Terminal Illness benefit

If you are diagnosed with a terminal illness before your policy expires, we will pay 100% of your Death sum insured. Your Life Cover Plan will then cease.

For further information, please see page 50 in definitions.

Final Expenses benefit

If you die before your policy expires we will make an advanced payment of the lesser of 10% of your sum insured and \$25,000 to the nominated beneficiary/ies or if no beneficiary nomination has been made, to the policy owner to assist them in dealing with immediate financial expenses. We will need to see a certified copy of the death certificate before we pay this benefit.

Any payments we make under this benefit will be deducted from the Death sum insured. The Final Expenses benefit is not a payment in addition to the Death sum insured.

Financial Planning Reimbursement benefit

If a claim is paid for death or terminal illness, we will reimburse your nominated beneficiary/ies or the policy owner the cost of obtaining advice from one or more financial planners. This advice must be in relation to how the claim proceeds should be managed or invested. The claim is subject to the following conditions:

- the benefit will be paid in addition to the claim amount;
- each financial adviser providing and charging for financial planning advice must be a properly authorised representative;
- the financial planning costs must be incurred and paid within the first six months following the claim payment;
- the maximum total amount reimbursed will be the lower of \$3,000 and the actual financial planning costs incurred as evidenced by tax invoices etc;
- the benefit can be paid more than once (up to a maximum of \$3,000); and
- the maximum total amount we will pay out under all policies insured with us on your life will be \$3,000.

Guaranteed Future Insurability benefit

If you experience a 'personal event' or a 'business event' before the age of 55 you are eligible for the Guaranteed Future Insurability benefit. This benefit allows you to apply for increases in your Death sum insured without supplying further evidence of health or insurability.

A maximum number of increases apply.

Please refer to Levels of cover (table 3) on pages 6–7 for the Maximum Sum Insured amount under the Life Cover Plan.

For 'personal events' and 'business events' definitions, see guaranteed future insurability definitions on pages 42–43 in 'definitions'.

Family Final Expenses benefit

We will pay a lump sum benefit of the lower of:

- 10% of the Death sum insured, and
- \$20,000

upon

- the death of your child, or
- our confirmation of the diagnosis of your child with a terminal illness.

To be eligible for a lump sum payment, your child must be at least 2 years old and younger than 18 years old at the date of death or positive diagnosis. Additionally, once a policy has commenced on the life of the parent, any eligible children are automatically covered under this feature and the insured parent is not required to advise us of eligible children. This benefit covers all of your children. A claim on one child will not negate this benefit for your other children. Only one payment will be made per child under this benefit regardless of the number of policies you have with us.

Any payment made under this benefit will not reduce the sum insured of the Death benefit.

The maximum we will pay under this benefit is \$200,000 and there is no benefit indexation for this benefit.

Exclusions will apply as described on pages 26–27 and this benefit will terminate when the Life Cover Plan is terminated.

Automatic reduction of your sum insured

We will reduce the sum insured under your Death sum insured by any amount we pay for a claim under the Final Expenses benefit.

When will my cover end?

All cover will end under the Life Cover Plan on the earliest to occur of the following:

- your death;
- expiry date of the plan;
- cancellation of the plan;
- lapse of the plan (non-payment of premiums); and
- payment of the full sum insured under the plan.

Expiry age

The expiry age for the Life Cover Plan is the latest policy anniversary immediately prior to age 100.

Increases to the Life Cover Plan

Increases to the Life Cover Plan can only be obtained through benefit indexation (see page 29) and/or the Guaranteed Future Insurability benefit (see pages 42–44) if exercised.

Life and Disablement Cover Plan

The Life and Disablement Cover Plan pays a lump sum:

- (i) if you die before the benefit expires or if you are diagnosed with a terminal illness; or
- (ii) if you become Totally and Permanently Disabled as defined on pages 50–51. This benefit will also pay a partial benefit if you become Partially and Permanently Disabled as defined on page 47.

To be eligible for this Plan you must be in full-time employment or in full-time unpaid domestic duties at the time of application. We classify full-time employment as working at least 20 hours per week, for 48 weeks per year (excluding public holidays).

Additionally your full-time employment must also be working in an occupation classified as AAA, AA, A, B, C or D. For full-time unpaid domestic duties, your occupation should be classified as Home Duties. Refer to table 1 on pages 4–5.

The Disablement (Total and Permanent Disablement) sum insured must be equal to or less than your Death sum insured.

Benefits

The Life and Disablement Cover Plan provides the following benefits.

Death benefit

If you die prior to the expiry date we will pay a lump sum equal to the Death sum insured.

Terminal Illness benefit

If you are diagnosed with a terminal illness before your policy expires, we will pay you 100% of your Death sum insured. Your Life and Disablement Cover Plan will then cease.

For further information, please see page 50 in 'definitions'.

Total and Permanent Disablement (TPD) benefit

If you are deemed by us to satisfy the definition of Total and Permanent Disablement applicable under the policy (see pages 50–51) we shall pay a lump sum equal to the TPD sum insured.

TPD relates to you being 'unlikely to ever' return to work in your own occupation or any other occupation for which you are reasonably suited by reason of education, training or experience.

If, following your absence from employment solely as a result of injury or sickness, you return to work in your own occupation or perform any other reasonable occupation but your earning capacity in your occupation following your return to work is permanently restricted due to your disablement to the extent that the income you generate in the 12-month period commencing from your return to work is less than 25% of the income you generated in the previous 12 months of performing your own occupation, we will pay the TPD benefit.

Partial and Permanent Disablement benefit

We will pay you a partial benefit if you suffer the permanent loss of use of:

- one arm, or
- one leg, or
- sight in one eye

We will pay

- 25% of the TPD sum insured, and
- \$750,000.

We will only pay this benefit once during the lifetime of your policy.

Your TPD sum insured will be reduced by any amount paid for a Partial and Permanent Disablement benefit.

Home Duties

If your occupation is home duties at time of claim, you will be assessed against the 'Total and Permanent Disablement (Home Duties)' definition.

Conversion to Loss of Independence benefit

Your TPD benefit will cease when you reach the age of 70 (occupational categories AAA, AA and A) or 65 (occupational categories B, C, D and Home Duties). If there has not been a claim under the policy then instead of the benefit expiring, we will convert the benefit at the same sum insured to a 'Loss of Independence' benefit. This will enable you to keep your benefit until you reach the age of 100.

We will pay the loss of independence sum insured if you meet the loss of independence definition. We will pay the Loss of Independence benefit once only.

The sum insured for the Loss of Independence benefit issued on conversion from the TPD benefit will be the lower of:

- the TPD sum insured; and
- \$1,000,000.

For further details on loss of independence see pages 45–46 in 'definitions'.

Final Expenses benefit

If you die before your policy expires we will make an advanced payment of the lesser of 10% of your Death sum insured and \$25,000 to the nominated beneficiary/ies or if no beneficiary nomination has been made, the policy owner (or the policy owner's estate), to assist them in dealing with immediate financial expenses. We will need to see a certified copy of the death certificate before we pay this benefit.

Any payments we make under this benefit will be deducted from the Death sum insured.

Financial Planning Reimbursement benefit

If a claim is paid for death, terminal illness or TPD, we will reimburse your nominated beneficiary/ies or the policy owner the cost of obtaining advice from one or more financial planners. This advice must be in relation to how the claim proceeds should be managed or invested. The claim is subject to the following conditions:

- the benefit will be paid in addition to the claim amount;
- each financial adviser providing and charging for financial planning advice must be a properly authorised representative;
- the financial planning costs must be incurred and paid within the first six months following the claim payment;
- the maximum total amount reimbursed will be the lower of \$3,000 and the actual financial planning costs incurred as evidenced by tax invoices etc;
- the benefit can be paid more than once (up to a maximum of \$3,000); and
- the maximum total amount we will pay out for this benefit under all policies insured with us on your life will be \$3,000.

Guaranteed Future Insurability benefit

If you experience a 'personal event' or a 'business event' before the age of 55 you are eligible for the Guaranteed Future Insurability benefit. This benefit allows you to apply for increases in your Death and/or TPD benefit sums insured without supplying further evidence of health or insurability.

A maximum number of increases apply.

Please refer to Levels of cover (table 3) on pages 6–7 for the Maximum Sum Insured amount under the Life and Disablement Cover Plan.

For ‘personal events’ and ‘business events’ definitions, see guaranteed future insurability definitions on pages 42–44 in ‘definitions’.

Family Final Expenses benefit

We will pay a lump sum benefit of the lower of:

- 10% of the sum insured, and
- \$20,000

upon

- the death of your child, or
- our confirmation of the diagnosis of your child with a terminal illness.

To be eligible for a lump sum payment, your child must be at least 2 years old and younger than 18 years old at the date of death or positive diagnosis. Additionally, once a policy has commenced on the life of the parent, any eligible children are automatically covered under this feature and the insured parent is not required to advise us of eligible children. This benefit covers all of the insured parent’s children. A claim on one child will not negate this benefit for the insured parent’s other children. Only one payment will be made per child under this benefit regardless of the number of policies you have with us.

Any payment made under this benefit will not reduce the sum insured of the Death benefit.

The maximum we will pay under this benefit is \$200,000 and there is no benefit indexation for this benefit.

Exclusions will apply as described on pages 26–27 and this benefit will terminate when the Life and Disablement Cover Plan is terminated.

Automatic reduction of your sum insured

We will reduce the sums insured under your Life and Disablement Cover Plan by any amount we pay for a claim under the following benefits:

Death benefit:

- Final Expenses benefit; and
- any amount payable under the TPD benefit or Partial and Permanent Disablement benefit.

The TPD sum insured will be reduced by the amount of the claim paid. The premium for the benefit will be adjusted to reflect the reduction in the sum insured.

TPD benefit:

- any amount payable under the Partial and Permanent Disablement benefit; and
- Loss of Independence benefit.

The TPD sum insured will be reduced by the amount of the claim paid. The premium for the benefit will be adjusted to reflect the reduction in the sum insured.

When will my cover end?

All cover will end under the Life and Disablement Cover Plan on the earliest to occur of the following:

- your death;
- expiry date of the plan;
- cancellation of the plan;
- lapse of the plan (non-payment of premiums); and
- payment of the full sum insured under the plan.

Expiry age

- The Death benefit expiry age is the latest policy anniversary prior to age 100. This also applies to the Terminal Illness benefit, the Final Expenses benefit and the Loss of Independence benefit.
- The TPD benefit and Partial and Permanent Disablement benefit expiry age is the latest policy anniversary prior to:
 - age 70 for occupations AAA, AA and A
 - age 65 for occupations B, C, D and Home Duties.

If there has not been a claim under the policy then instead of the TPD benefit expiring, we will convert the benefit at the same sum insured to a 'Loss of Independence' benefit see page 14. This will enable you to keep your benefit until the latest policy anniversary prior to age 100.

Increases to the Life and Disablement Cover Plan

Increases to the Life and Disablement Cover Plan can only be obtained through benefit indexation (see page 29) and/or the Guaranteed Future Insurability benefit (see pages 42–44) if exercised.

Income Protection Plan

The Income Protection Plan will provide you with a monthly income if you become disabled due to sickness or injury.

To be eligible for this plan you must be in full-time employment. For this plan we classify full-time as working at least 25 hours per week, for 48 weeks per year (excluding public holidays).

Additionally, your full-time employment must be in occupation classification AAA, AA or A (as defined in Table 1 on page 4).

Payment of benefit

Payment of a benefit will commence at the expiry of the waiting period and will continue until the end of the benefit period as long as you remain disabled.

There are two benefit period options available under the Income Protection Plan:

- 2 years; and
- 5 years.

Waiting Period

A 90 day waiting period applies for both benefit period options.

Benefits

The Income Protection Plan provides the following benefits:

Total Disablement benefit

If you are disabled (totally or partially) for a period longer than the 90 day waiting period, we will pay you a monthly benefit from the end of the 90 day waiting period until the end of the benefit period as long as you remain totally disabled. The benefit is calculated on a daily basis and paid monthly in arrears. The amount of the Total Disablement benefit may be subject to claim offsets (see page 24).

If you become totally disabled, the monthly benefit payable in the event of total disablement is the lesser of:

- the insured monthly benefit set out in the policy schedule under the Income Protection benefit; and
- 75% of your (the life insured's) monthly pre-disablement income at the start of the total disablement (See page 49 for the definition of pre-disablement income);

The insured monthly benefit is not guaranteed and financial evidence must be provided before the payment of any claim is made and such evidence must be satisfactory to us.

Claim offsets may apply (see page 24 for further information).

Partial Disablement benefit

We will pay a Partial Disablement benefit payment if you:

- have been continuously disabled (totally or partially) for the waiting period; and
- have been continuously disabled (totally or partially) since the end of the waiting period; and
- are now partially disabled.

If you are partially disabled longer than the waiting period, we will pay you a monthly benefit from the end of the waiting period until the end of the benefit period as long as you remain partially disabled.

This benefit will not be payable during your waiting period. Claim offsets may apply (see page 24 for further information).

The benefit payment will be calculated by us (as defined in the partial disablement – income protection capability clause definition on page 48) and we will pay this to you at the end of every month. If you have other sources of income, your claim payment may be reduced according to your occupation.

If you are earning 25% or less of your pre-disablement income during any of the first three months of your partial disablement (immediately following the conclusion of your waiting period), we will pay your Total Disablement benefit amount.

We may pay this benefit more than once.

Death benefit

If you die before the expiry date of your benefit, we will pay your nominated beneficiary/ies or the policy owner six times your insured monthly benefit independent of whether you have made a claim.

Terminal Illness benefit

If you are receiving a benefit under the Income Protection Plan and are diagnosed with a Terminal Illness before the Expiry Date of your benefit and we confirm the diagnosis, we will pay you a forward payment of the Death benefit. We will pay this benefit

once only. If we make a forward payment of the Death benefit for Terminal Illness we will not also pay it upon your death.

We pay this benefit for Terminal Illness in addition to any other benefits payable while you are on claim under this cover.

For further information, please see page 50 in 'definitions'.

Benefit Indexation

The insured monthly benefit will be increased each policy year by the CPI increase for that policy year or by 5% whichever is greater.

Refer to page 29 in the 'Additional Information' section for a detailed description of this benefit.

Needlestick Injury benefit – only available to occupation category AA

To be eligible for this benefit, your occupation category must be AA at time of claim.

This benefit covers you if as a result of a needlestick injury or a splash injury occurring while performing the duties of your normal occupation, you become infected with Human Immunodeficiency Virus (HIV), Acquired Immune Deficiency Syndrome (AIDS), Hepatitis B or Hepatitis C and a reduction in your earnings is experienced as a result.

The amount of the benefit is based on the reduction in your income as at the date of loss (see definition of date of loss (needlestick) on page 41). The benefit is payable after completion of the waiting period (needlestick) (see definition on page 53).

The following conditions and limitations apply:

1. This benefit is only available to you if you have an occupation category of AA and are working in a medical or allied occupation at time of the injury.
2. Any injury giving rise to the potential claim must be reported to us in addition to your relevant licensing body within 30 days and be supported by a negative HIV, Hepatitis B or Hepatitis C antibody test taken within 7 days after the injury.
3. Sero-conversion evidence of the HIV, Hepatitis B or Hepatitis C infection must occur within six months of the injury.

4. We must be given access to independently test further, all blood samples used, if we require.
5. We retain the right to independently test further, blood tests or other medically accepted HIV tests.
6. Infection in any other manner, caused directly or indirectly, including by an intentional self-inflicted act, sexual activity or recreational intravenous drug use is specifically excluded.
7. The Needlestick Injury benefit does not cover any disease, sickness or incapacity other than your occupationally acquired infection with HIV, Hepatitis B or Hepatitis C whilst performing the normal duties of your normal occupation.
8. Cover for Needlestick Injury benefit will not apply where a cure for HIV, AIDS, Hepatitis B or Hepatitis C become available before the accident giving rise to a claim.

The initial monthly benefit payable will be:

$$(A - B) / A \times C,$$

where

A = Pre-needlestick injury income,

B = Monthly income after date of loss (needlestick): and

C = Insured monthly benefit

If your monthly income whilst the Needlestick Injury benefit is being paid is negative, we will treat 'B' above zero.

If there is a delay between when you generated the monthly income and when you actually received it, we will deem the income to have been received in the month in which it was actually generated and this income will form the basis of our calculation of 'B'.

The amount of benefit payable in a month may be reduced for any claim offsets (see page 24).

The aggregate of the Needlestick Injury benefit, your earnings in that month from personal exertion and any other payments received by you (see claim offsets on page 24), where applicable, cannot exceed the lower of the insured monthly benefit under the Needlestick Injury benefit and 100% of your pre-needlestick injury income.

Cosmetic or Elective Surgery benefit

We will pay your Total Disablement benefit if you become totally disabled as a result of:

- cosmetic surgery, or
- other elective surgery, or
- surgery to transplant an organ from you into the body of another person

and you remain totally disabled for longer than the waiting period.

The benefit will be payable from the end of the waiting period subject to your surgery taking place more than 6 months after the commencement date of your benefit.

Normal post-surgery recovery does not constitute total disablement for the purposes of this benefit and consequently we will not pay any benefit for normal post-surgery recovery.

Waiver of Premium benefit

If a total or partial disablement benefit becomes payable after the waiting period, we will reimburse premiums from the start of the waiting period. Any premiums paid during the waiting period will be refunded with the first benefit payment from us.

If a total disablement or partial disablement benefit becomes payable, we will also waive premiums you would otherwise pay until the earlier of the:

- end of the benefit period for the total or partial disablement benefit (as relevant); and
- date that the total or partial disablement ceases.

You must recommence paying premiums to us from the date on which the waiving of premium ceases.

Rehabilitation Expenses benefit

We will pay the cost of a rehabilitation program, approved by us in advance. The rehabilitation program may be necessary as part of a structured return to work program.

This benefit does not cover additional expenses such as wheelchairs, artificial limbs, home and car modifications, travelling and education expenses. The maximum claim amount paid under this benefit is 12 times your insured monthly benefit and is payable in addition to any other claim payments.

Recurrent Disablement benefit

If you have returned to work on a full-time basis following payment of a disablement benefit and the same or related disablement recurs within 12 months of returning to work, we will waive the waiting period and recommence benefit payment immediately.

We will treat the claim as a continuation of your most recent claim. We will continue to pay your claim up to the end of your benefit period.

Severity benefit

If we pay your claim payments for more than six consecutive months after the end of the waiting period, and at that time you are totally disabled to the extent that you are unable to perform at least two of the activities of daily living and you are under the continuous care and supervision by another adult, we will pay an additional 1/3 of your insured monthly benefit until the end of the benefit period as long as you continue to be totally disabled to the extent that you are unable to perform at least two of the activities of daily living (see pages 40–41 for definition).

The benefit will be subject to re-assessments, based on medical evidence, that you require ongoing continuous care and supervision by another adult. Claim offsets may apply (see page 24 for further information).

Maximum Insured Monthly Benefit

The Income Protection Plan covers you for up to 75% of income subject to a maximum of \$5,000 per month.

Maximum 2 or 5 year benefit period

Where a claim for a condition has been paid for the maximum benefit period (2 or 5 years), we will not accept any subsequent claim for the same condition or associated complications of the same condition unless you make a full recovery (as certified by a medical practitioner approved by us), and in our opinion you have returned to work and have been fully undertaking all of the important income producing duties of your occupation for a period of at least twelve (12) months prior to the subsequent claim. For a subsequent claim that is in our opinion independent of the original claim a new waiting period and benefit period will apply.

Claim Offsets

(applicable to all income protection benefits including Needlestick Injury benefit)

Occupation Categories AAA and AA (see page 4)

In the event of a claim for a Total Disablement or Partial Disablement benefit we may reduce your benefit amount by amounts received from other sources for loss of income in respect of your injury or sickness.

Amounts that can be offset include regular payments made from another insurance policy or from a superannuation/pension plan.

If the above payments are paid other than monthly or in the form of a lump sum, we will convert them to a monthly payment, equivalent to 1/60 of the lump sum payment. Total and Permanent Disablement benefit payments will not be offset against any income protection benefit payments.

Occupation Category A (see page 4)

If you make a claim for a Total Disablement or Partial Disablement benefit we may reduce your benefit amount by amounts received from other sources, or amounts that you are entitled to receive, for loss of income in respect of your injury or sickness.

Amounts that can be offset include:

- (i) regular payments made under:
 - a workers' compensation; or
 - motor accident claim; or
 - a claim made under any similar state or federal legislation; and
- (ii) regular payments made from another insurance policy or from a superannuation/pension plan.

If the above payments are paid other than monthly or in the form of a lump sum, we will convert them to a monthly payment, equivalent to 1/60 of the lump sum payment. Total and Permanent Disablement benefit payments will not be offset against any Income Protection benefit payments.

All Occupation Categories

If you make a claim under your Total Disablement benefit or Partial Disablement benefit the amount payable will be reduced such that:

- your Total Disablement benefit and any other payments made (as previously detailed according to your occupation category)

- do not exceed 75% of your monthly pre-disablement income; and
- your Partial Disablement benefit, your usual monthly income and any other payments made (as previously detailed according to your occupation category) do not exceed 100% of your monthly pre-disablement income.

Termination of benefits

Benefits in the course of payment will stop on the earliest to occur of:

- your death;
- you ceasing to be disabled;
- the end of the benefit period;
- the expiry date of the plan; and
- permanent retirement from the workforce except as a direct result of disablement.

When will my cover end?

All cover will end under the Income Protection Plan on the earliest to occur of the following:

- your death;
- expiry date of the plan;
- cancellation of the plan; and
- lapse of the plan (non-payment of premiums).

Expiry age

The expiry age for the Income Protection Plan is the latest policy anniversary prior to age 65.

Increases to the Income Protection Plan

Increases to the Income Protection Plan can only be applied via benefit indexation (see page 29) if exercised.

Pre-existing medical condition

If you have a pre-existing condition (as defined on page 49) and have not disclosed full details to us before the benefit commencement date (as shown in your policy schedule) or the date of any increase or improvement of the benefit, then the Income Protection benefit will not be payable in respect of that condition.

Please also refer to 'your duty of disclosure' on page 9.

Exclusions

Exclusions

Death from suicide in the first 13 months from commencement of the benefit.

Any disablement, directly or indirectly, wholly or partially, caused by intentional self-inflicted injury or any such attempt by you.

An event directly or indirectly caused by intentional self-inflicted injury or any such attempt by you.

Disablement due to you engaging in or taking part in service in the armed forces of any country.

Normal pregnancy, uncomplicated childbirth or miscarriage.

Where a cure for HIV, AIDS, Hepatitis B or Hepatitis C has become available prior to the accident giving rise to the claim¹.

Acquiring HIV, AIDS, Hepatitis B or Hepatitis C from activities other than from performing the duties of your normal occupation¹.

An event caused by a congenital condition until the 10th birthday of the insured child².

An event intentionally caused by the insured child's parent, guardian or relative or someone who lives with or supervises the insured child².

Any reason within three months of the benefit being activated².

An intentional act of the policy owner².

¹ In relation to the Needlestick Injury benefit under the Income Protection Plan (Occupation AA only).

² In relation to the Family Final Expenses benefit under the Life Cover Plan and Life and Disablement Cover Plan.

Benefit Type		
Life Cover Plan	Life and Disablement Cover Plan	Income Protection Plan
✓	✓	✓
	✓	✓
	✓	✓
		✓
		✓
		✓
		✓
✓	✓	
✓	✓	
✓	✓	
✓	✓	

Additional Information

What you need to know about your premium

A premium is the amount the policy owner must pay us to maintain the policy. If premiums are not paid in full within 60 days from the date the premium is due, the policy will lapse and cover will cease.

Your premium will depend on your age, sex, occupation category, smoking status and on the level of cover chosen by you, including any discounts to which you are entitled to. Your premium will increase at each policy anniversary in line with your age until the benefit expiry date.

You can choose to pay your premiums either monthly or yearly at time of application.

To the extent not prohibited by law, we may adjust the amount we charge in respect of a premium payment due to rounding.

Premium Guarantee

Premium rates under all plans may be varied from time to time. We will notify you in writing of either an increase or decrease and will not apply the change until your next policy anniversary.

Premiums can be paid monthly in advance by Direct Debit from the policy owner's financial institution or Credit Card.

Premium rates are guaranteed for a minimum of one year.

Benefit Limitations

You can have more than one Priority Protection Express Plan, however the total of the sums insured under all Priority Protection Express Plans on your life at any one time must not be more than the maximum sum insured listed in Levels of cover (table 3) on pages 6 and 7.

In the event of a claim under the Life Cover Plan or the Life and Disablement Cover Plan, we will reduce the benefit paid to the extent that the total maximum combined sums insured with us and any other insurers does not exceed \$2,000,000.

Benefit Indexation

The sum insured on your benefit will automatically increase each year by the higher of the Consumer Price Index increase and 5%.

Any sum insured increase for a policy year will be effective from the policy anniversary at the start of the policy year. Unless you advise us otherwise, we will assume that you want the benefit indexation to apply to your benefits under the policy for the following policy year.

If you refuse the offer of an indexation increase in one year we will continue to offer you indexation increases in future years. Your benefit indexation will cease at the latest policy anniversary prior to your 70th birthday or at the expiry date of the benefit, if earlier. Should you want us to stop offering you indexation increases to your sum insured, you must write to us asking for future indexation increases not to be offered to you.

The premium will be adjusted to allow for the higher sum insured and/or the higher insured monthly benefit and your age at the time.

Premium Freeze

Not applicable under the Income Protection Plan

Provided you are 35 years of age or older at the anniversary of the policy, you may select to pay in a policy year and in all subsequent policy years, the same premium as you paid for the previous policy year.

The sum insured for each benefit will decrease on the policy anniversary. This process will be repeated each year on the policy anniversary and any such advice to us must be in writing.

You or the policy owner (where applicable) must notify our office each year at least 30 days before the policy anniversary if you wish to continue with the Premium Freeze option. If our office is not notified in writing, your premium will increase in accordance with your age next birthday.

When the Premium Freeze option has been exercised, any indexation of benefit will cease and you will be unable to exercise any of the Guaranteed Future Insurability options.

What are the fees and charges?

Policy fee

The policy fee is currently \$80.19 per year per life insured regardless of the number of plans, benefits or policies purchased.

This fee is charged in addition to the premiums applicable per benefit and any other fees and charges that apply to your policy.

The policy fee will automatically increase each year effective from 1 October by the percentage increase in the Consumer Price Index (CPI) over the 12 months ending on the latest 30 June prior to the effective date of the increase in the policy fee (1 October).

There will be no more than one policy fee increase in a year. The policy fee applicable to a policy will increase from the first policy anniversary date on or after the effective date for the increased policy fee.

We may vary from time to time the method and rules we use to determine the timing and amount of any change in the policy fee. You will be notified of any variations as required by law.

Do I pay stamp duty on my policy?

Stamp duty may be payable on the policy in accordance with the stamp duty rates applicable in the State or Territory in which you live. These rates currently vary between 0% and 11% depending on your State or Territory.

Do I pay GST on my policy?

The premium applicable to your policy is input taxed for the purposes of the Goods & Services Tax (GST). This means there is no GST payable on the premiums paid when you purchase a policy.

Changes to fees and charges

We retain the right to vary any fees and charges, at our discretion, with the exception of the premium rate guarantee. Premium rates may not be altered individually but only for all policies in a group. We will notify the policy owner in writing within 30 days prior to the change taking effect. The change will be applied at your next policy anniversary.

Future Government charges may also vary which may affect your premium. The policy will not be singled out for an increase in fees or charges.

Commissions

We may pay commission payments to the distributor of Priority Protection Express and these have been included in your premium. You will not incur any additional costs for commission.

From time to time, we may make payments to the distributor and their Australian Financial Services Licensee based on commercial arrangements. When we do this, this payment is made by us and does not represent a charge or cost to you.

We may also provide the distributor with non monetary benefits (such as training or entertainment). We maintain a register of such non monetary benefits. If you would like to view the register please contact us on phone 1800 333 613.

Maintaining your policy

We will send you the policy document

When your application has been approved for cover by us, we will mail or deliver to you this booklet and your policy schedule free of charge.

Our contract with you includes this booklet and your policy schedule. Please read these documents carefully and contact us directly if you have any concerns.

What is the cooling-off period?

The cooling-off period commences from when you received the policy document from us or from the end of the 5th day after the day on which we sent the policy document to you, whichever occurred first.

From this date you will have a 28 day 'cooling off period' to check that the policy and benefits meet your needs. Within these 28 days you may cancel the policy and receive a full refund of all premiums paid.

During the cooling-off period you should ensure that the policy meets your expectations and needs.

To cancel your policy within the cooling off period, please send your request to cancel the policy to us either by letter, fax or email. Please refer to contact details on page 58.

You will lose the right to cancel your policy within the cooling off period if beforehand you exercise any other right or power

available to you under the policy other than the right to cancel your policy.

Policy upgrades

From time to time we will review the benefits provided under the policy. Should we improve the benefits under the policy and such improvements result in no increase in premium rates, we may add these benefit improvements to the policy.

The policy will include these benefit improvements on the first date on which the benefit improvements could have been purchased from us.

If you are suffering a pre-existing condition (as defined on page 49) at the effective date of the benefit improvement, the improvement will not apply to any claim affected by that pre-existing condition.

Should a situation arise where you are disadvantaged in any way as a result of the upgrade, the previous policy wording will apply.

Guaranteed renewable

We guarantee to renew your benefits each year until the expiry date of the benefit as long as the required premium is paid. This will apply regardless of changes in your health, occupation or pastimes or if a claim under the Income Protection Plan has been paid.

Changes in ownership (assignment)

The policy owner may transfer ownership of the policy to another person or company using the memorandum of transfer issued by us (and available upon request), which must be signed by the policy owner and us. An assignment will only bind us upon registration by us. We take no responsibility for the validity of the assignment.

Please contact us for additional information on effecting an assignment.

Cancelling your policy

The policy owner can cancel your policy at any time. Any request to cancel your policy must be made in writing to our office, signed by the policy owner.

Lost or destroyed policy documentation

We will replace your lost or destroyed policy documents. We may charge a fee of up to \$100 to cover the cost of reissuing the lost document, including advertising the loss – a statutory requirement in some circumstances. We may also require you or the policy owner (where applicable) to sign a statutory declaration to the effect that the policy document has been lost or destroyed.

Making a claim

Written notice with full details of any claim should be provided to us as soon as possible.

All claims will require medical certification. Payment of claims is subject to our confirmation of the diagnosis.

Once we receive written notice of a claim, we will send the appropriate form(s) to enable proof of positive diagnosis to be filed with us. You may need to be medically examined by a medical practitioner approved by us.

Tax considerations

Premiums paid for the Income Protection plan should generally be tax deductible and any benefits paid by us under the Income Protection Plan should form part of your assessable income for tax purposes.

Premiums paid for the Life Cover Plan and/or the Life and Disablement Cover Plan are generally non-deductible for tax purposes and any benefits paid by us under these plans would not be taxable or subject to capital gains tax.

As this information is based on current taxation laws and regulations and may vary depending on your circumstances, we recommend that you seek professional tax advice relating to your own circumstances.

Where we are, or believe we will become, liable for any tax or other imposts levied by any Commonwealth, State or Territory Government, authority or body in connection with a plan, we may reduce, vary or otherwise adjust any amounts (including but not limited to premiums, charges and benefits) under the plan in the manner and to the extent we determine to be appropriate to take account of the tax or impost.

Nomination of beneficiary

You may nominate beneficiaries to receive all death claim proceeds payable under your policy.

Any such nomination or any revocation or amendment of such nomination must be made in writing and in the form acceptable to AIA Australia. Your valid written nomination will ensure your death claim proceeds are paid directly to the nominated beneficiaries and in the designed portions in your nomination and will not be paid to your estate.

Your questions or concerns

If you or the policy owner (where applicable) have any questions or concerns about your policy please contact us direct on 1800 333 613. We will promptly investigate your enquiry. If necessary we will refer you or the policy owner (where applicable) to our Internal Dispute Resolution Committee.

Internal complaints are normally resolved within 45 days. In special circumstances we may take longer. If this is the case we will advise you or the policy owner (where applicable).

Should you or the policy owner (where applicable) not be satisfied with our response to your or the policy owner's concerns after they have been ruled upon by the Committee, then you or the policy owner may take the matter up with the independent Financial Ombudsman Service (FOS) (formerly known as the Financial Industry Complaints Service Ltd).

Details as follows:

Financial Ombudsman Service (FOS)

GPO Box 3

MELBOURNE VIC 3001

Telephone: 1300 78 08 08

Facsimile: (03) 9613 6399

Email: info@fos.org.au

Significant Risks

There are some significant risks associated with life insurance:

Selection of wrong product

You may choose an insurance product that does not meet your needs. You should read this booklet carefully to prevent this.

Inadequate amount of insurance

You may select the correct insurance product for your needs, but you might not choose enough cover. This might cause you to suffer financial hardship after receiving your benefit payment. You will need to assess your needs carefully to ensure that this does not occur.

Inability to obtain an increase in cover

You will not be able to increase the level of cover under this policy after it has been issued to you.

You will need to assess your needs carefully to ensure that you choose the right level of cover

Premium rates

Notwithstanding the premium rates guarantee, your premiums may be varied from time to time. (See page 28 for more information about premiums and the premium rates guarantee.)

Late payment of premiums

If you do not pay your premiums within 60 days of the premium due date, your policy will lapse and your cover will cease.

Electing to freeze premiums

If you elect to freeze premiums, your sum insured will reduce on each policy anniversary date. This may not suit your insurance needs.

Privacy

This section summarises key information in the AIA Australia Privacy Policy, which may be updated from time to time. For further information, please review the most up to date full version of the AIA Australia Privacy Policy on AIA Australia's website at www.aia.com.au.

AIA Australia Limited is part of the AIA Group. Your privacy is important to us and AIA Australia and we are both bound by the privacy principles which apply to private sector organisations under the Privacy Act, and other laws which protect your privacy. AIA Australia Limited, AIA Financial Services Limited, AIA Group and their related bodies corporate and joint venture partners (together referred to as 'AIA Australia'), provide you the following notification and information about AIA Australia's Privacy Policy and your rights.

Why AIA Australia collects Personal Information

AIA Australia collects, uses and discloses personal and sensitive information ('**Personal Information**') for purposes set out in the AIA Australia Privacy Policy, including to process your applications, enquiries and requests in relation to insurance, AIA Vitality and other products, for underwriting and reinsurance purposes, to administer, assess and manage your insurance and other products, including claims, and to provide, manage and improve our products and services. AIA Australia may not be able to do these things without your Personal Information. AIA Australia may also collect, use and disclose Personal Information to understand your needs, interests and behaviour, personalise our dealings with you, to verify your identity, authority to act on behalf of a customer, maintain and update their records, manage our relationship with you, comply with local and foreign laws and regulatory requests, detect, manage and deal with improper conduct and commercial risks and for reporting, research and marketing purposes. Where you agree or AIA Australia is otherwise permitted by law, AIA Australia may contact you on an ongoing basis by email, phone and otherwise, with offers and other promotional information about products or services AIA Australia think may interest you. If you do not wish to receive these direct marketing communications you may indicate this where prompted or by contacting AIA Australia as set out in AIA Australia's Privacy Policy.

How AIA Australia collects, uses and discloses Personal Information

AIA Australia may collect your Personal Information from various sources including forms you submit and AIA Australia's records about your use of AIA Australia's products and services and dealings with AIA Australia, including any telephone, email and online interactions. AIA Australia may also collect your information from public sources, social media and from the parties described in AIA Australia's Privacy Policy. AIA Australia is required or authorised to collect Personal Information under various laws including the Life Insurance Act, Insurance Contracts Act, Corporations Act and other laws set out in AIA Australia's Privacy Policy. Where you provide AIA Australia with Personal Information about someone else, you must have their consent to provide their Personal Information to AIA Australia in the manner described in AIA Australia's Privacy Policy.

AIA Australia may collect your Personal Information from, and exchange your Personal Information with, AIA Australia's related bodies corporate including without limitation, joint venture entities ('**Affiliates**') and third parties, including the life insured, policy owner or beneficiaries of your insurance policy, AIA Australia service providers or contractors or service providers or contractors of AIA Australia's Affiliates, your representatives (including without limitation, your financial adviser and the Australian Financial Service Licensee they represent, the distributor of your insurance policy, the trustee and administrator of your superannuation fund, your employer, unions of current and former staff members of AIA Australia (including contractors) or anyone acting on your behalf including any other representative or intermediary) ('**Representatives**'), your employer or bank, health providers, partners used in AIA Australia's activities or business initiatives, reinsurers, insurance brokers and intermediaries, distributors, regulatory and law enforcement agencies, and other parties as described in AIA Australia's Privacy Policy. Parties to whom AIA Australia disclose Personal Information may be located in Australia, South Africa, the US, the United Kingdom, Europe, Asia and other countries including those set out in AIA Australia's Privacy Policy and you acknowledge that Australian Privacy Principle 8.1 (which relates to cross-border disclosure) will not apply to the disclosure, AIA Australia will not be accountable for those overseas parties under the Privacy Act and you may not be able to seek redress under the Privacy Act.

Where AIA Australia provides your Personal Information to a third party, the third party may collect, use and disclose your Personal Information in accordance with their own privacy policy and procedures. These may be different to those of AIA Australia.

Other important information

By providing information to AIA Australia or your Representatives, the trustee or administrator of a superannuation fund, submitting or continuing with a form or claim, or otherwise interacting or continuing your relationship with AIA Australia, you confirm that you agree and consent to the collection, use (including holding and storage), disclosure and handling of Personal Information in the manner described in AIA Australia's Privacy Policy on AIA Australia's website as updated from time to time, and that you have been notified of the matters set out in the AIA Australia Privacy Policy before providing Personal Information to AIA Australia. You agree that AIA Australia may not issue a separate notice each time Personal Information is collected.

You must obtain and read the most up to date version of the AIA Australia Privacy Policy from AIA Australia's website at www.aia.com.au or by contacting AIA Australia on 1800 333 613 to obtain a copy. You have the right to access the Personal Information AIA Australia holds about you, and can request the correction of your Personal Information if it is inaccurate, incomplete or out of date. Requests for access or correction can be directed to AIA Australia using the details in the 'Contact AIA Australia' section below. AIA Australia's Privacy Policy provides more detail about AIA Australia's collection, use (including handling and storage), disclosure of Personal Information and how you can access and correct your Personal Information, make a privacy related complaint and how AIA Australia will deal with that complaint, and your opt-out rights.

For the avoidance of doubt, the AIA Australia Privacy Policy applicable to the management and handling of Personal Information will be the most current version published at www.aia.com.au, which shall supersede and replace all previous AIA Australia Privacy Policies and/or Privacy Statements and privacy summaries that you may receive or access, including but not limited to those contained in or referred to in any telephone recordings and calls, applications, websites, underwriting and claim forms, Product Disclosure Statements and other insurance and disclosure statements and documentation.

Contact AIA Australia

If you have any questions or concerns about your Personal Information, please contact AIA Australia as set out below:

The Compliance Manager
AIA Australia Limited
PO Box 6111
Melbourne VIC 3004
Phone 1800 333 613

Definitions

In this booklet, there are some words that have a special meaning (whether or not they are capitalised in the text). The definitions of these words are set out below.

Activities of Daily Living means the following activities:

Bathing

Means the ability of the life insured to wash himself or herself either in the bath or shower or by sponge bath without the assistance of another person. The life insured will be considered to be able to bathe himself or herself even if the above tasks can only be performed by using equipment or adaptive devices.

Dressing

Means the ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them, without the assistance of another person. The life insured will be considered able to dress himself or herself even if the above tasks can only be performed by using modified clothing or adaptive devices such as tape fasteners or zipper pulls.

Eating

Means the ability to get nourishment into the body by any means once it has been prepared and made available to the life insured without the assistance of another person.

Toileting

Means the ability to get to and from and on and off the toilet, to maintain a reasonable level of personal hygiene, and to care for clothing without the assistance of another person. The life insured will be considered able to toilet himself or herself even if he or she has an ostomy and is able to empty it himself or herself, or if the life insured uses a commode, bedpan or urinal, and is able to empty and clean it without the standby assistance of another person.

Transferring

Means the ability to move in and out of a chair or bed without the assistance of another person. The life insured will be considered able to transfer himself or herself even if equipment such as canes, quad canes, walkers, crutches or grab bars or other support devices including mechanical or motorised devices is used.

In respect to all of these activities, the life insured would be required to be under continuous care and supervision by another adult person for at least six consecutive months. At the end of

that six month period, the life insured must, in our opinion on the basis of the medical evidence, require ongoing continuous care and supervision by another adult person.

Benefit Period is the maximum period during which the monthly income benefit is payable.

Child means the natural child, the stepchild or the legally adopted child of the life insured.

Consumer Price Index Increase (CPI increase) means the percentage increase in the average CPI for the eight state capital cities published by the Australian Bureau of Statistics and covering the most recent period of 12 months for which figures are available at the date of the policy fee, sum insured or insured monthly benefit is to be increased. In the event of any suspension or discontinuance of the CPI as defined above, such other index as we shall consider appropriate shall be adopted for the purposes of the policy.

Cosmetic or Elective Surgery benefit means where the life insured is totally disabled as a result of cosmetic or other elective surgery or as a result of surgery to transplant an organ from the life insured into the body of another person, then the total disablement benefit is payable, provided that such surgery took place more than six months after the commencement date of the benefit.

Date of Loss (Needlestick) is determined as the date that sero-conversion takes place (i.e. the date upon which the life insured is diagnosed as HIV positive, Hepatitis B positive or Hepatitis C positive).

Dependant of the life insured includes:

- spouse (including a de facto spouse and certain same-sex partners), or
- children (including children of same-sex partners), or
- a person who is financially dependent on the life insured.

Expiry Date for a benefit means the premium expiry date shown on the policy schedule for that benefit.

Full-time Employment means, for the Total and Permanent Disablement benefit working a minimum of 20 hours per week, 48 weeks per year excluding public holidays.

For the Income Protection benefit, 'full-time employment' means working a minimum of 25 hours per week, 48 weeks per year excluding public holidays.

Full-time Unpaid Domestic Duties means for the Total and Permanent Disablement benefit, the Life Insured is wholly engaged in performing unpaid normal domestic duties on a full-time basis in his or her own residence.

Guaranteed Future Insurability

The Guaranteed Future Insurability benefit allows the policy owner to apply for increases in the Life Cover and/or Total and Permanent Disablement sum insured on the occurrence of certain 'personal events' and 'business events' before age 55 without supplying further evidence of health or insurability. A maximum number of increases applies.

Personal Events covered are:

- marriage;
- permanent separation;
- first anniversary of marriage;
- first anniversary of permanent separation;
- death of a spouse;
- birth or adoption of a child;
- dependent child commences tertiary education;
- becoming a carer (the life insured must become a full time carer for the first time, who continuously provides constant in home care for at least 20 hours per week, 48 weeks per year to a dependant. The dependant requires assistance due to their disability or medical condition or due to being frail aged); and
- effecting a first mortgage on the purchase of a home, or increasing an existing first mortgage for the purpose of building or renovation works on the home. (The mortgage must be on the life insured's principal place of residence with a mortgage provider.)

If the Life Cover and/or Total and Permanent Disablement sum insured is increased on the occurrence of 'marriage' or 'first anniversary of marriage', it cannot be increased again on the occurrence of either of these personal events.

If the Life Cover and/or Total and Permanent Disablement sum insured is increased on the occurrence of 'separation' or 'first anniversary of separation', it cannot be increased again on the occurrence of either of these personal events.

For 'marriage', 'first anniversary of marriage', permanent separation', 'first anniversary of permanent separation', 'death of a spouse', 'birth or adoption of a child' and 'dependent child commences tertiary education' events, the Life Cover/Total and Permanent Disablement sum insured may be increased under this option by the lesser of:

- 25% of the original Life Cover/Total and Permanent Disablement sum insured; and
- \$200,000.

For the 'effecting a first mortgage on the purchase of a home, or increasing an existing first mortgage' event, the Life Cover/Total and Permanent Disablement sum insured may be increased under this option by the lesser of:

- 50% of the original Life Cover/Total and Permanent Disablement sum insured;
- amount of the first mortgage;
- amount of the increase of the first mortgage; and
- \$200,000.

Business Events covered are:

- where the life insured is a key person in a business (e.g. working partner or director, significant shareholder) and the value of their financial interest, including loan guarantees in the business, averaged over the last three years, increases;
- where the life insured is a key person in a business, and the life insured's value to the business, averaged over the last three years, increases;
- where the policy forms part of a written buy/sell, share purchase or business succession agreement and the life insured is a partner, shareholder or unit holder in the business, and the value of the life insured's financial interest in the business, averaged over the last three years, increases;
- where the policy forms part of a loan guarantee from the life insured.

For a business event, the Life Cover/Total and Permanent Disablement sum insured may be increased under this option by the lesser of:

- 25% of the original Life Cover/Total and Permanent Disablement sum insured;
- the increase in the value of the life insured's financial interest in the business or of the life insured's value to the business, whichever is appropriate, averaged over the last three years; and
- \$500,000.

The provision of this option is subject to the following conditions:

1. the original application for insurance cover was accepted by us on standard terms and without any specific policy exclusions;
2. the Guaranteed Future Insurability option can only be exercised up to the latest policy anniversary prior to the life insured's 55th birthday;

3. the policy owner or life insured must not have made or be eligible to make a claim on a life insurance policy issued by us;
4. the maximum increase made from all circumstances under this option over a five-year period will be the lesser of:
 - Twice the original sum insured, and
 - \$1,000,000.
5. there is a maximum of one increase in any twelve-month period, and a maximum of five increases in total;
Benefit Limitations on page 28 may apply.
6. the application to increase the Life Cover/Total and Permanent Disablement sum insured under this option must occur within 30 days after the occurrence of a personal event and before that date which is 30 days after the first policy anniversary following the business event; and
7. the Life Cover/Total and Permanent Disablement sum insured increases will be approved under this option upon our receipt of proof, satisfactory to us, of the occurrence and the date of the personal event or business event.
8. during the first six months after the increase in the Life Cover sum insured the cover for the increase will be death by accident only;
9. a suicide exclusion will apply to the increase in the Life Cover sum insured in the first 13 months following the increase; and
10. the Total and Permanent Disablement sum insured under the Life Cover benefit cannot be increased without a corresponding increase in the Life Cover sum insured occurring simultaneously i.e. both sums insured must increase by the same amount and at the same effective date. However the Life Cover sum insured can be increased without any increase in the Total and Permanent Disablement sum insured occurring simultaneously i.e. the Life Cover sum insured can be increased with the Total and Permanent Disablement sum insured remaining unchanged.

Income (Employed Persons) in the case of an employed person is the pre-tax remuneration paid by an employer, including salary, fees and fringe benefits for the last financial year. This will include any statutory superannuation contributions and any other superannuation contributions made by an employer including those that are part of a salary sacrifice arrangement between the employed person and the employer. Where commissions and bonuses form over 40% of the pre-tax remuneration for the last financial year, we will take them into

account. Where the employed person is a professional person employed by a professional practice company, income will include all commissions and bonuses paid, in addition to salary, fees, fringe benefits and superannuation contributions made by an employer, for the last financial year.

Income (Self-employed Persons) in the case of a self-employed person, a working director or partner in a partnership, is the income generated by the business or practice due to his or her personal exertion or activities, less his or her share of necessarily incurred business expenses, for the last financial year.

Income does not include other unearned income such as dividends, interest, rental income or proceeds from the sale of assets, or ongoing commission or royalties.

Injury means a physical injury which occurs whilst the policy is in force and which results solely and directly and independently of a pre-existing condition or any other cause, in Total or Partial Disablement within one year of the date of its occurrence. Sickness directly resulting from medical or surgical treatment rendered necessary by the physical injury will not constitute an 'injury'.

Insured Monthly Benefit is stated on the policy schedule and may be adjusted by any benefit alterations the policy owner has effected, or which have been imposed by us and notified to the policy owner.

Loss of Independence means:

- A condition as a result of injury or sickness, where the life insured is totally and irreversibly unable to perform at least two of the activities of daily living (see pages 40–41 for definition). The condition should be confirmed by a consultant physician.
- or
- Cognitive impairment, meaning a deterioration or loss in the life insured's intellectual capacity which requires another person's assistance or verbal cueing to protect himself or herself as measured by clinical evidence and standardised tests which reliably measure the impairment in the following areas:
 - short or long term memory;
 - orientation as to person (such as personal identity), place (such as location), and time (such as day, date and year);
 - deductive or abstract reasoning.
- or

- Loss of use of limbs and/or sight (see page 46 for definitions).

The life insured would be required to be under continuous care and supervision by another adult person for at least six consecutive months. At the end of that six-month period, the life insured must, in our opinion on the basis of medical evidence, require ongoing continuous care and supervision by another adult person.

Loss of Use of Limbs and/or Sight means the total and irrecoverable loss by the life insured of any of the:

- use of both hands;
- use of both feet;
- sight of both eyes (to the extent of 6/60 or less);
- use of one hand and one foot;
- use of one hand and the sight of one eye; or
- use of one foot and the sight of one eye.

Manifests means that symptoms exist which would cause an ordinarily prudent person to seek diagnosis, care or treatment, or that medical advice or treatment has been recommended by or received from a medical practitioner.

Marriage means:

- a marriage or customary union as recognised in terms of the laws of Australia;
- a union recognised as a marriage in accordance with the tenets of any religion;
- two adults who are in a relationship as a couple (whether or not legally married to each other), regardless of their sex, where the two adults live with each other on a permanent and genuine domestic basis and have done so for a continuous period of at least two years; and
- the life insured must be a party to the marriage.

Medical Practitioner means a legally qualified and registered medical practitioner other than the policy owner or the life insured, or a family member, business partner, employee or employer of either the policy owner or the life insured.

Non Smoker means that, at a point in time, not having smoked tobacco or any other substance for a continuous period of 12 months ending at that point in time.

Normal Domestic Duties means the household duties normally performed by a person who remains at home and is not working in a regular occupation including part time and/or paid voluntary work.

Normal domestic duties specifically include:

- Cooking and preparing meals – meaning the ability to prepare meals using kitchen appliances;
- Cleaning the home – meaning the ability to carry out the basic internal household chores using domestic equipment such as a vacuum and mop;
- Washing clothes – meaning the ability to do the household’s laundry to a basic standard;
- Shopping for groceries – meaning the ability to purchase general household grocery items;
- Caring for children – meaning the ability to care for and supervise children (where applicable).

The life insured will not be considered to be unable to carry out all normal domestic duties if the life insured is able to perform any one of these duties.

Partial and Permanent Disablement means the life insured has suffered a permanent loss of use of:

- one arm, or
- one leg, or
- sight in one eye.

Partial Disablement (Income Protection) means that **solely due to injury or sickness**, the life insured is:

- unable to work in his or her own occupation at full capacity but working in a reduced capacity in any occupation;
- earning a monthly income which is less than his or her pre-disablement income; and
- under the regular care of and following the advice of a medical practitioner.

The life insured is ‘Partially Disabled (Income Protection)’ or ‘disabled (partially) (Income Protection)’ if the life insured satisfies the definition of Partial Disablement (Income Protection).

Partial Disablement – Income Protection Capability Clause

Partial Disablement benefit amount will be:

$$(A - B)/A \times C,$$

where

A = Pre-disablement income,

B = Monthly income while partially disabled; and

C = Insured monthly benefit

If the life insured's monthly income while partially disabled is negative, we will treat it as zero.

If there is a delay between the time the life insured generated the monthly income and when the life insured actually received it, we will deem the income to have been received in the month in which it was actually generated and this income will form the basis of our calculation of 'B'.

If the life insured is partially disabled and is not working to the extent of his/her capability as a result of causes other than injury or sickness and this situation continues for at least two months, then 'B' will be calculated based on what the life insured could reasonably be expected to earn if he/she were working to the extent of his/her capability.

In determining what the life insured could reasonably be expected to earn if he/she were working to the extent of his/her capability, we will take into account available medical evidence (including the opinion of the life insured's medical practitioner) and any other relevant considerations directly related to the life insured's medical condition (including information provided by the life insured).

If we are making monthly benefit payments and intend to adjust future payments due to a change in how we calculate 'B', we will notify the policy owner 30 days prior to this taking place.

If the life insured is unable to perform the important income-producing duties of his/her usual occupation for more than 10 hours per week then we will not change how we calculate 'B'.

The amount of benefit payable will be adjusted for any claim offsets (see page 24).

If the life insured is earning 25% or less of pre-disablement income during any of the first three months immediately after the end of the waiting period, we will pay the total disablement benefit for that month.

Permanent Separation means:

- a permanent separation of two parties to a marriage as defined;
- permanent separation to be evidenced by an order of divorce or a statutory declaration signed by both parties; and
- the life insured must be a party to the permanent separation.

Policy Anniversary means an anniversary of the due date of the first premium shown on the policy schedule.

Pre-disablement Income is the greater of the life insured's average monthly income for:

- the 12 consecutive months preceding the commencement of disablement; and
- the latest financial year preceding the commencement of disablement.

During disablement the pre-disablement income amount will be increased every 12 months, following the date of disablement, by the Consumer Price Index (CPI) increase.

Pre-existing Condition means, in relation to a claim under an insurance benefit that you have not disclosed the full details of to us, the

- health condition was diagnosed or investigated;
- symptoms leading to a diagnosis first appeared; or
- event giving rise to the claim occurred;

prior to the effective date of the commencement of the insurance benefit, or the effective date of any improvement in the insurance benefit, if appropriate. This includes circumstances or symptoms which you or the policy owner (or a reasonable person in the same position) was aware of, or should have been aware of, including the need to consult a medical practitioner or other health professional.

Pre-Needlestick Injury Income is the greater of the life insured's average monthly income:

- for the 12 consecutive months preceding the date of loss (Needlestick); and
- for the latest financial year preceding the date of loss (Needlestick).

Whilst the Needlestick Injury benefit is being paid, pre-needlestick injury (Indemnity) amount will be increased every 12 months, following the date of commencement of claim payments for the Needlestick Injury benefit, by the CPI Increase.

Sickness means illness or disease which manifests itself after the policy is in force and which results in Total or Partial Disablement.

Spouse means:

- a person to whom the life insured is legally married; or
- a person (whether of the same or a different sex) who, although not legally married to the life insured, lives with the life insured on a genuine domestic basis in a relationship as a couple (de facto); or
- a person (whether of the same or a different sex) with whom the life insured is in a relationship that is registered under a relevant law of an Australian state or territory.

Sum Insured means the sum insured for that benefit stated on the policy schedule adjusted by any benefit alterations the policy owner has effected, or which have been imposed by us and notified to the policy owner.

Terminal Illness means the diagnosis of the life insured with an illness which in the opinion of an appropriate specialist physician approved by us, is likely to result in the death of the life insured within 12 months of the diagnosis regardless of any treatment that may be undertaken.

Tertiary Education means in respect of a person, that person's education through an accredited university or a Technical and Further Education institution except where such education is in connection with that person's enlistment, training or service in the armed forces of any country.

Total and Permanent Disablement (Life and Disablement Cover Plan) means that:

- (a) the life insured has suffered the total and irrecoverable loss of the:
 - sight of both eyes;
 - use of two limbs; or
 - sight of one eye and use of one limb;
 or
- (b) the life insured:
 - has been absent from employment **solely** as a result of injury or sickness for an uninterrupted period of at least three consecutive months; and
 - is attending a medical practitioner and has undergone all reasonable and usual treatment including rehabilitation for the injury or sickness; and

- at the end of the period of three months, after consideration of all the medical evidence and such other evidence as we may require, has become in our opinion incapacitated to such an extent as to render the life insured unlikely ever to engage in any business, profession or occupation for which the life insured is reasonably suited by education, training or experience;

or

- (c) the life insured has suffered Loss of Independence.

The life insured is 'Totally and Permanently Disabled' if the life insured satisfies the definition of Total and Permanent Disablement.

Total and Permanent Disablement (Home Duties) (Life and Disablement Cover Plan) means that:

- (a) the life insured has suffered the total and irrecoverable loss of the:
- sight of both eyes;
 - use of two limbs; or
 - sight of one eye and use of one limb;

or

- (b) the life insured, where wholly engaged in full-time unpaid domestic duties in his or her own residence:
- has been unable to perform normal domestic duties and engage in any employment for an uninterrupted period of at least three consecutive months **solely** as a result of injury or sickness; and
 - is attending a medical practitioner and has undergone all reasonable and usual treatment including rehabilitation for the injury or sickness; and
 - at the end of the period of three months, after consideration of all the medical evidence and such other evidence as we may require, has become in our opinion incapacitated to such an extent as to render him or her likely to require indefinite ongoing medical care and unable ever to perform normal domestic duties and engage in any form of employment;

or

- (c) the life insured has suffered Loss of Independence.

The life insured is 'Totally and Permanently Disabled (Home Duties)' if the life insured satisfies the definition of Total and Permanent Disablement (Home Duties).

Total Disablement (Income Protection) means that, **solely due to injury or sickness**, the life insured is:

- unable to perform one or more duties of his or her occupation, that is important or essential in producing income; and
- under the regular care of and following the advice of a medical practitioner; and
- not working (whether paid or unpaid).

However, if the life insured has been unemployed or on maternity or paternity leave for more than 12 consecutive months immediately preceding the occurrence of an event giving rise to a claim, then Total Disablement (Income Protection) means that, **solely due to injury or sickness**, the life insured is:

- unable to perform any occupation for which the life insured is reasonably suited by education, training or experience; and
- under the regular care of and following the advice of a medical practitioner; and
- not working (whether paid or unpaid).

If the life insured is on sabbatical leave it will not be considered as unemployment. Sabbatical leave must be for the purpose of research and cannot exceed 12 months or the sabbatical period specified in the Award covering the life insured, whichever is the shorter period.

The life insured is 'Totally Disabled (Income Protection)' or 'disabled (totally) (Income Protection)' if the life insured satisfies the definition of Total Disablement (Income Protection).

Waiting Period is stated on the policy schedule and means the number of days at the beginning of a period of disablement or of total disablement, in respect of which no total or partial disablement benefit is payable.

The waiting period begins on the earlier to occur of the date:

- the life insured first consults a medical practitioner about the condition that is causing the disablement; and
- the life insured first ceases work due to the condition that is causing the disablement as long as it is not more than seven days before the life insured first consults a medical practitioner about the condition and provides reasonable medical evidence about when the disablement began.

If during the waiting period the life insured returns to work, as defined in our definition of 'full time' employment for:

- 10 consecutive days or a shorter period than the waiting period will not recommence but will be extended by the number of days worked.

If the life insured returns to work for a longer period, the waiting period will restart from the day after the last day worked, provided a medical practitioner confirms that the life insured is totally disabled.

Waiting Period (Needlestick) is stated on the policy schedule and means the number of days at the beginning of a Needlestick Injury benefit claim (applicable to occupational category AA only) in respect of which no Needlestick Injury benefit is payable.

The waiting period begins at the date of loss (Needlestick).

Direct Debit Request Service Agreement

This is *your* Direct Debit Request Service Agreement with AIA Australia Limited (ABN 79 004 837 861 AFSL 230043). It explains what *your* obligations are when undertaking a Direct Debit arrangement with *us*. It also details what *our* obligations are to *you* as *your* Direct Debit provider.

Please keep this agreement for future reference. It forms part of the terms and conditions of *your* Direct Debit Request (DDR) and should be read in conjunction with *your* DDR authorisation.

Definitions

account means the account held at *your financial institution* from which we are authorised to arrange for funds to be debited.

agreement means this Direct Debit Request Service Agreement between *you* and *us*.

business day means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

debit day means the day that payment by *you* to *us* is due.

debit payment means a particular transaction where a debit is made.

direct debit request means the Direct Debit Request between *us* and *you*.

us or **we** means AIA Australia Limited (ABN 79 004 837 861), Direct Debit User ID 000142 (the Debit User) *you* have authorised by requesting a *Direct Debit Request*.

you means the customer who has signed or authorised by other means the *Direct Debit Request*.

your financial institution means the financial institution nominated by *you* on the DDR at which the *account* is maintained.

1. Debiting *your account*

1.1 By signing a *Direct Debit Request* or by providing *us* with a valid instruction, *you* have authorised *us* to arrange for funds to be debited from *your account*. *You* should refer to the *Direct Debit Request* and this *agreement* for the terms of the arrangement between *us* and *you*.

1.2 We will only arrange for funds to be debited from *your account* as authorised in the *Direct Debit Request*.

or

We will only arrange for funds to be debited from *your account* if we have sent to the address nominated by *you* in the *Direct Debit Request*, a billing advice which specifies the amount payable by *you* to *us* and when it is due.

Except where:

We have agreed to a temporary variation in accordance with *your* instructions under clause 3 of this *agreement*; or
A credit tribunal or other legal tribunal has instructed *us* to vary the arrangement.

1.3 If the *debit day* falls on a day that is not a *business day*, we may direct *your financial institution* to debit *your account* on the following *business day*. If *you* are unsure about which day *your account* has or will be debited *you* should ask *your financial institution*.

2. Amendments by us

2.1 We may vary any details of this *agreement* or a *Direct Debit Request* at any time by giving *you* at least 14 days written notice.

2.2 We reserve the right to cancel this *agreement* if the first debit from *your account* is returned unpaid or two or more debit attempts are returned unpaid by *your financial institution*.

3. Amendments by you

3.1 *You* may change*, stop or defer a *debit payment*, or terminate this *agreement* by providing *us* with at least 14 days notification by writing to:

Policy Services Department,
AIA Australia, PO Box 6111,
Melbourne VIC 3004;

or

by telephoning *us* on 1800 333 613 during business hours;

or

arranging it through *your financial institution*, which is required to act promptly on *your* instructions.

*Note: in relation to the above reference to 'change', *your financial institution* may 'change' *your debit payment* only to the extent of advising *us* *your* new account details.

4. Your obligations

- 4.1 It is *your* responsibility to ensure that there are sufficient clear funds available in *your account* to allow a *debit payment* to be made in accordance with the *Direct Debit Request* and this *agreement*.
- 4.2 If there are insufficient clear funds in *your account* to meet a *debit payment*:
 - (a) *you* may be charged a fee and/or interest by *your financial institution*;
 - (b) *you* may also incur fees or charges imposed or incurred by *us*; and
 - (c) *you* must arrange for the *debit payment* to be made by another method or arrange for sufficient clear funds to be in *your account* by an agreed time so that we can process the *debit payment*.
- 4.3 *You* should check *your account* statement to verify that the amounts debited from *your account* are correct.

5. Dispute

- 5.1 If *you* believe that there has been an error in debiting *your account*, *you* should notify *us* directly on 1800 333 613 and confirm that notice in writing with *us* as soon as possible so that *we* can resolve *your* query more quickly. Alternatively *you* can take it up directly with *your financial institution*.
- 5.2 If *we* conclude as a result of our investigations that *your account* has been incorrectly debited *we* will respond to *your* query by arranging for *your financial institution* to adjust *your account* (including interest and charges) accordingly. *We* will also notify *you* in writing of the amount by which *your account* has been adjusted.
- 5.3 If *we* conclude as a result of our investigations that *your account* has not been incorrectly debited *we* will respond to *your* query by providing *you* with reasons and any evidence for this finding in writing.
- 5.4 Any queries *you* may have about an error made in debiting *your account* should be directed to *us* in the first instance and, if *we* are unable to resolve the matter, *you* can refer such queries to *your financial institution* which will obtain details from *you* of the disputed transaction and may lodge a claim on *your* behalf.

6. Accounts

You should check:

- (a) with *your financial institution* whether direct debiting is available from *your account* as direct debiting is not available on all accounts offered by financial institutions.
- (b) *your account* details which *you* have provided to *us* are correct by checking them against a recent *account* statement; and
- (c) with *your financial institution* before completing the *Direct Debit Request* if *you* have any queries about how to complete the *Direct Debit Request*.

7. Confidentiality

- 7.1 Subject to clause 7.2, we will keep any information (including *your account* details) collected as part of your *Direct Debit Request* confidential. We will make reasonable efforts to keep any such information that we have about *you* secure and to ensure that any of our employees or agents who have access to information about *you* do not make any unauthorised use, modification, reproduction or disclosure of that information.
- 7.2 We will only disclose information about *you* that we have collected as part of *your Direct Debit Request*:
 - (a) to the extent specifically required or permitted by law or under our privacy policy or procedures; or
 - (b) for the purposes of this *agreement* (including disclosing information in connection with any query or claim).

8. Notice

- 8.1 If *you* wish to notify *us* in writing about anything relating to this *agreement*, *you* should write to
Policy Services Department,
AIA Australia,
PO Box 6111,
Melbourne VIC 3004.
- 8.2 We will notify *you* by sending a notice in the ordinary post or via email to the address *you* have given *us* in the *Direct Debit Request*.
- 8.3 Any notice will be deemed to have been received on the third *business day* after posting.

Contact Details

Important contact information

Should have any questions or concerns about your policy contact us direct on 1800 333 613 or visit www.aia.com.au

Policy Services Department

AIA Australia
PO Box 6111
MELBOURNE VIC 3004
Call: 1800 333 613
Fax: 1800 832 266 or 03 9009 4824

Claims Department

AIA Australia
PO Box 6111
MELBOURNE VIC 3004
Call: 1800 333 613
Fax: 03 9009 4127

Privacy Concerns

Compliance Manager

AIA Australia
PO Box 6111
MELBOURNE VIC 3004

The Privacy Commissioner

Office of the Federal Privacy Commissioner
GPO Box 5218
SYDNEY NSW 2001
Phone: 1300 363 992

Complaints

Complaints Coordinator

AIA Australia
PO Box 6111
MELBOURNE VIC 3004

Financial Ombudsman Service (FOS)

GPO Box 3
MELBOURNE VIC 3001
Phone: 1300 78 08 08
Fax: (03) 9613 6399
Email: info@fos.org.au

AIA Australia

509 St Kilda Road
Melbourne VIC 3004
aia.com.au