

Personal Insurance Portfolio

Reference Document (RD)

Dated 3 March 2008

This RD contains information about the following products:

- **Income Care**
basic income protection insurance
- **Income Care Plus**
income protection insurance with extras
- **Business Overheads Cover**
business expenses insurance
- **Total Care Plan**
life, total and permanent disability and trauma insurance.



Important information

This RD is issued by The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (referred to in this RD as 'CMLA'). Apart from CMLA, neither Commonwealth Bank of Australia ABN 48 123 123 124 nor its subsidiaries are responsible for any of the statements contained in this RD. CommInsure is a registered business name of CMLA.

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CMLA (the Insurer) is a wholly owned but non-guaranteed subsidiary of Commonwealth Bank of Australia.

Commonwealth Bank of Australia and its subsidiaries do not guarantee the Personal Insurance Portfolio products.

The information in this RD is general information only and does not take into account your individual objectives, financial situation or needs. You should assess whether the product is appropriate for you and consider talking to an adviser before making a decision.

In this RD, 'we', 'us' and 'our' refer to CMLA and 'you' and 'your' refer to the person to be insured and/or the proposed policy owner (where applicable).

While every effort has been made to ensure the information in this RD is reliable, the Policy Documents form the basis of the products and should be read carefully.

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This is the Reference Document (RD) referred to in the current Personal Insurance Portfolio Product Disclosure Statement (PDS). The RD is valid until it is replaced by a later version. You should use the RD to obtain further information about the Personal Insurance Portfolio (PIP) product that is of interest to you. The RD must be read in conjunction with the PDS and is not intended to be read as a document in its own right. The PDS gives an overview of the purpose of the PIP products, the key features and benefits available and the costs, risks and other important aspects of the products, and makes specific reference to sections of this RD.

If you do not have a PDS, it is available, free of charge, from your adviser or from CommInsure by calling **13 10 56** from 8am to 8pm (Sydney time), Monday to Friday, or writing to:

The Manager, Customer Communication
CommInsure Life Insurance
PO Box 320
Silverwater NSW 2128

Section 1

Income Care Range

1.1 Understanding some technical expressions

Some common terms are used in relation to the Income Care Range. We explain below what we mean when we use them. These terms are specifically defined in the policy and our explanations of them are subject to the policy definitions.

1.1.1 Benefit period

The maximum amount of time that we will pay you benefits for each claim.

1.1.2 Disability/disabled

These are the words we use to describe your inability to work due to sickness or injury. Totally disabled is when you can't work at all, and partially disabled is when you can only work in a reduced capacity.

1.1.3 Monthly benefit

This is the amount you insure for, that we will pay you if you make a valid claim. You can insure up to 75% of your income from personal exertion, excluding superannuation contributions and business expenses, but before tax. If you are self-employed, you can include your superannuation contributions in the determination of your monthly benefit amount.

1.1.4 Cover expiry date

When you take out a policy, you choose how long you want your cover in place – the available choices are until you reach age 60 or age 65. Cover under your policy will cease on the cover expiry date, which is the anniversary of your policy start date before you reach the selected age.

1.1.5 Income producing duty

A duty of your occupation that we could consider primarily essential to producing your monthly income.

1.1.6 Waiting period

This is the amount of time you have to be disabled before you can qualify for any disability benefits. You select your waiting period based on how long you can wait before you need a benefit to be paid.

There are some important aspects of the waiting period which you should understand:

- You need to be totally disabled for at least 14 days out of the first 19 consecutive days of the waiting period.
- You can return to work at full capacity for up to five consecutive days during the waiting period without having to start the waiting period again. The days you work are added to the end of the waiting period. (If your waiting period is more than one month, you can return to work for up to ten days.)
- You can select the waiting period that best suits you.

The waiting period starts:

- when you first consult a medical practitioner about the condition that is causing total disability, or
- when you first stop working due to that condition (as long as you consult a medical practitioner within seven days

and provide reasonable medical evidence about when the condition began).

If your condition is directly or indirectly related to pregnancy, childbirth or miscarriage, the waiting period will not begin any earlier than the last day of the three-month period:

- immediately following the end of the pregnancy, and
- during which you are totally disabled or partially disabled from the relevant condition.

If you are not totally or partially disabled from your condition for this three-month period, the waiting period will not begin and no benefit is payable.

If your occupation group is 'S', 'K', 'J' or 'P' and you take out Income Care Plus and/or Business Overheads Cover, you do not have to be totally disabled in the waiting period to qualify for a disability benefit. Provided you are partially disabled for 14 out of the first 19 consecutive days of the waiting period and you otherwise satisfy the waiting period, you will be eligible to receive a disability benefit.

1.2 Income Care

1.2.1 Total Disability Benefit

Total disability means that because of sickness or injury, you are:

- unable to perform an income producing duty of your occupation
- following the advice of a medical practitioner, and
- not working.

If you have been unemployed or on maternity, paternity or long service leave for twelve months or more immediately preceding a claim, then the definition of total disability and totally disabled changes to mean that, because of sickness or injury, you are unable to perform any occupation for which you are reasonably suited by education, training or experience, and you are following the advice of a medical practitioner and not working.

If you are categorised as belonging to our heavy risk occupation group, and you have selected a five-year benefit period, after two years of total disability, total disability will mean that due to sickness or injury you are:

- i) unable to perform any occupation for which you are reasonably suited by education, training or experience
- ii) following the advice of a medical practitioner, and
- iii) not working.

If you are categorised as an eligible commercial airline pilot/flight engineer belonging to our aviation occupation group, then from age 55, total disability will mean that due to sickness or injury you are:

- i) unable to perform any occupation for which you are reasonably suited by education, training or experience
- ii) following the advice of a medical practitioner, and
- iii) not working.

1.2.2 Partial Disability Benefit

Meaning of partial disability

Partial disability means that, due to sickness or injury, you are unable to work in your own occupation at full capacity and:

- you are not totally disabled and you are working in your own occupation in a reduced capacity, or working in another occupation
- your monthly income is less than your pre-disability income, and
- you are following the advice of a medical practitioner.

If you become unemployed or go on leave without pay while a Partial Disability Benefit is payable, then the definition of partial disability and partially disabled changes to mean that, because of sickness or injury, you are not totally disabled and are only capable of working in your own occupation in a reduced capacity, or working in another occupation, and your monthly income would be less than your pre-disability income and you are following the advice of a medical practitioner.

Calculation of Partial Disability Benefit

We calculate the Partial Disability Benefit in accordance with the following formula:

$$\frac{(A - B) \times (\text{monthly benefit} + \text{any super continuance monthly benefit})}{A}$$

where 'A' is your pre-disability income and 'B' is your monthly income for the month for which partial disability is claimed.

For example, if you suffer a partial disability which results in your pre-disability income decreasing from \$4,000 to \$2,000 per month and your monthly benefit is \$3,000 and your super continuance monthly benefit is \$360, we will calculate the Partial Disability Benefit to which you may be entitled as follows:

$$\frac{(\$4,000 - \$2,000) \times (\$3,000 + \$360)}{4,000}$$

$$= \$1,680$$

If you have been totally disabled throughout the waiting period and then return to work on a partial basis, we will pay the Total Disability Benefit instead of the Partial Disability Benefit for up to six months from the end of the waiting period if you are earning 20% or less of your pre-disability income or you are working for ten hours or less per week.

If you become unemployed or go on leave without pay while a Partial Disability Benefit is payable, the maximum benefit we will pay is 75% of your monthly benefit.

Limitations

If you are categorised as belonging to our heavy risk or aviation occupation groups, the maximum payment period for Partial Disability Benefits is two years.

1.2.3 Recurrent Disability Benefit

You won't have to go through the waiting period again if you suffer a recurrence of the same, or a related, sickness or injury which results in total or partial disability within twelve months of returning to work on a full-time basis after receiving Total or Partial Disability Benefits or, if you select Income Care Plus, specific injuries or six months after receiving the Crisis Benefit. The recurrence of your sickness or injury will be treated as a continuation of the original claim.

Limitations

- If your benefit period is two or five years, this feature will only apply for recurrences within six months from the date you were last on claim.

1.2.4 Medical Professionals Benefit

If you are a medical professional, this benefit provides a lump sum if:

- you are registered to practise your profession as regulated by an Act of Parliament of a state or territory of the Commonwealth of Australia
- you were performing or assisting in exposure-prone medical procedures (as defined on page 4) monthly on average or more frequently
- you cease to perform or assist in exposure-prone medical procedures as a result of you contracting HIV (Human Immunodeficiency Virus), Hepatitis B or Hepatitis C infection, and
- you cease this part of your practice in compliance with your demonstrable professional obligations to the public and the demonstrable policies of the body that authorises you to practise your profession.

The lump sum benefit we will pay you is the lesser of:

- six times the total of your monthly benefit and any super continuance monthly benefit
- \$100,000.

In no event will we pay you a benefit less than \$10,000.

To illustrate, if you become entitled to the Medical Professionals Benefit and your monthly benefit is \$3,000 and your super continuance monthly benefit is \$360, the lump sum benefit we will pay you is \$20,160 (i.e. 6 x (\$3,000 + \$360)) as this is less than \$100,000.

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Limitations and exclusions

- This benefit is only available to occupations classified as medical (occupation group 'K') who have made reasonable efforts to comply with relevant and readily available current state and Commonwealth departmental guidelines dealing with infection of healthcare workers, including anaesthetists, dental prosthetists, dermatologists, gastroenterologists, gynaecologists, haematologists, nephrologists, neurologists, oncologists, ophthalmologists, orthodontists, paediatricians, pathologists (degree qualified), radiologists (medical degree qualified) and rheumatologists.
- Exposure-prone medical procedures are those procedures where there is potential for contact between the skin (usually finger or thumb) of the healthcare worker and sharp surgical instruments, needles or tissues (splinters/pieces of bone/tooth) in body cavities or in poorly visualised or confined body sites including the mouth. Procedures which lack these characteristics do not constitute exposure-prone medical procedures because they are unlikely to pose a risk of transmission of blood-borne viruses from infected healthcare worker to patient.
- Eligibility for this benefit continues for as long as your occupation continues to fall within occupation group 'K' or one of the occupations listed in the first bullet point.
- This benefit can only be paid once, but can be paid in addition to other benefits payable under the policy.
- This benefit will not be payable if, before you contract HIV, Hepatitis B or Hepatitis C, the Australian Government or relevant government body has approved a medical treatment which, if applied to you:
 - i) would be likely to make it improbable that the relevant infection could be transmitted to patients for whom you perform or assist in medical procedures, and
 - ii) would allow the body which authorises or licenses you to practise your occupation group 'K' profession or one of the occupations listed in the first bullet point, to approve of your performing or assisting in exposure-prone medical procedures.

1.2.5 Reward Cover Benefit

After your cover has been in place for three years, we will provide you with \$50,000 of Accidental Death Cover at no additional cost. On each of the following five anniversaries, the Accidental Death Cover will increase by \$10,000. Accidental Death Cover is a benefit that is paid if you die as a result of an accident, within 90 days of the accident, but before your cover ends.

Exclusions

A benefit will not be paid if death is caused directly or indirectly by suicide or any attempt at suicide, self-inflicted injury or infection, the taking of drugs other than prescribed by a medical practitioner, the taking of alcohol, participation in criminal activity or an act of war (whether declared or not).

1.2.6 Rehabilitation Benefit

A Rehabilitation Benefit is payable if you are totally disabled while you participate in a rehabilitation program approved by us. The benefit we will pay is 50% of the monthly benefit (and any super continuance monthly benefit). For example, if you become entitled to the benefit and your monthly benefit is \$3,000 and your super continuance monthly benefit is \$360, we will pay \$1,680 (i.e. 50% x (\$3,000 + \$360)).

The benefit starts to accrue as soon as you begin the program and is paid monthly in arrears.

Limitations and exclusions

An approved rehabilitation program is one approved by us. This excludes programs providing hospital treatment or general treatment as defined in the Private Health Insurance Act 2007 (Cth) or any other program that legislation prevents us from paying a benefit for.

1.2.7 Unemployment Cover Benefit

To be eligible for this benefit, you must be:

- a borrower under a Commonwealth Bank loan
- involuntarily unemployed for more than 60 consecutive days
- employed for at least 180 consecutive days immediately prior to the period of unemployment, and
- registered with a recognised employment agency and actively seeking employment. You are not required to be receiving unemployment benefits from the Australian Government.

Limitations, exclusions and other information

- Only home and investment home loans, line of credit facilities, business loans, margin loans and personal loans issued by the Commonwealth Bank Group are covered. All other loans are excluded.
- Under this benefit, we will pay monthly in arrears to your loan account 1/30th of the unemployment benefit for each additional day that the unemployment continues and your loan remains in place.
- This benefit only covers you for your minimum monthly loan repayment up to the monthly benefit amount under your Income Care or Income Care Plus policy. If there is no minimum monthly loan repayment, the benefit is nil. If you have more than one loan in place, the unemployment benefit will be payable with respect to each loan but for all applicable loans we will pay no more in total than the monthly benefit.
- If the Unemployment Cover Benefit has been paid for a continuous period of unemployment, a benefit can only become payable on account of a subsequent period of unemployment if you have first returned to employment for at least 180 consecutive days. However, any unemployment that occurs within 90 days of a previous period of unemployment is treated as one continuous period of unemployment and the benefit period of three months will apply to the claim in total.

- If you are both totally disabled and unemployed at the same time, we will only pay the highest of the Total Disability Benefit or the Unemployment Cover Benefit.
- The Unemployment Cover Benefit does not apply if:
 - i) the unemployment commences or occurs, or you were aware of your impending unemployment, prior to, or on or within 60 days after the policy commencement date or the reinstatement of the policy
 - ii) the unemployment occurs from ceasing work of a casual, seasonal or temporary nature, the expiration of a fixed term contract or specified period of work or your deliberate or serious misconduct
 - iii) the unemployment occurs from you resigning, accepting voluntary redundancy, retiring early or abandoning your employment
 - iv) at the time of your involuntary unemployment, you are self-employed or employed by an employer with less than five employees or employed for less than 20 hours per week
 - v) the unemployment occurs while you are working outside Australia.
- This benefit ends when any of the following events occurs:
 - i) you no longer have a covered loan
 - ii) you have returned to any gainful occupation
 - iii) we have paid the Unemployment Cover Benefit for three months for any one continuous period of unemployment
 - iv) you cease to be a permanent Australian resident
 - v) the cover expiry date is reached
 - vi) if you become unemployed during the term of a fixed term contract, the expiry date of that contract
 - vii) a total and permanent disablement, terminal illness or trauma benefit is payable under this or any other insurance policy
 - viii) your death.

1.2.8 Waiver of premium while on claim

For a waiver to apply, you must continue to pay premiums throughout the waiting period, however, if your waiting period is three months or less and a benefit becomes payable, we will refund any premiums which you pay during the waiting period.

1.2.9 Waiver of premium if you are unemployed

If you become involuntarily unemployed prior to turning age 65, we will waive your premium for up to three months over the duration of your policy.

To be eligible for this benefit, you must notify us and register with a recognised employment agency within 30 days of first becoming involuntarily unemployed. However, you do not need to be receiving unemployment benefits from the Australian Government to qualify for this benefit.

Limitations and exclusions

- The waiver of premium will not apply if, immediately before becoming involuntarily unemployed, you were self-employed.
- For the waiver to apply, your policy must have been in force for a continuous period of six months before you became involuntarily unemployed.

1.2.10 Waiver of premium if you are on maternity leave

If you go on maternity leave, we will waive your premium for up to three months over the duration of your policy.

To be eligible for this benefit, you must notify us within 30 days of commencing maternity leave together with proof to our satisfaction of your maternity leave.

Limitations

- For the waiver to apply, your policy must have been in force for a continuous period of six months before you go on maternity leave.
- If you are self-employed prior to going on maternity leave then for the waiver to apply, you must have been in self-employment for at least six months.
- Proof to our satisfaction must be provided.

1.2.11 Waiver of waiting period for specific medical conditions

We will waive the waiting period once under your policy if you make a claim for a Total or Partial Disability Benefit and the sickness or injury which causes your disability is one of the medical conditions specified below:

- you:
 - have been absent from active employment as a result of Cardiomyopathy, Primary Pulmonary Hypertension, Major Head Trauma, Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Paraplegia, Quadriplegia, Hemiplegia, Diplegia, Tetraplegia, Dementia and Alzheimer's Disease, Parkinson's Disease, Blindness, Loss of Speech, Loss of Hearing, Chronic Lung Disease or Severe Rheumatoid Arthritis (as these conditions are defined in Section 4)
 - continue to be incapacitated to such an extent that you will be unlikely to ever again engage in the full-time gainful occupation you engaged in before your disability, and
 - are under the regular treatment, and following the advice, of a medical practitioner
- or
- Loss of Limbs or Sight (as defined in Section 4.5.3)
- or
- Loss of Independent Existence (as defined in Section 4.5.5).

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However, if you have been engaged in full-time domestic duties or child rearing at the time you become disabled, then for the waiver to apply, the sickness or injury which causes your disability must be one of the medical conditions specified below:

- you:
 - have been unable to perform domestic duties or child rearing and have been confined to the home as a result of Cardiomyopathy, Primary Pulmonary Hypertension, Major Head Trauma, Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Paraplegia, Quadriplegia, Hemiplegia, Diplegia, Tetraplegia, Dementia and Alzheimer’s Disease, Parkinson’s Disease, Blindness, Loss of Speech, Loss of Hearing, Chronic Lung Disease or Severe Rheumatoid Arthritis (as these conditions are defined in Section 4)
 - continue to be so incapacitated to the extent that you are unable to engage in (whether or not for reward) any occupation for which you are reasonably suited by education, training or experience and are likely to be so disabled for life, and
 - are under the regular treatment, and following the advice, of a medical practitioner

or

- Loss of Limbs or Sight (as defined in Section 4.5.3)

or

- Loss of Independent Existence (as defined in Section 4.5.5).

Limitations

For the waiver to apply, your policy must have a waiting period of three months or less and you must provide us with proof to our satisfaction that you meet the specified medical condition.

1.2.12 Indexation

Each year we will provide you with an automatic increase in cover to ensure your insurance keeps pace with movements in the Consumer Price Index (CPI). If the CPI increases by less than 3%, we will increase your cover by 3%. Your premium will also be adjusted to allow for the higher level of cover. You can elect not to accept the increase in any year.

We will not index your cover if you are receiving any benefits under this policy.

1.2.13 Guaranteed insurability

You can only apply for an increase under this feature once every three years and the increase you apply for must be in line with an increase in your monthly income.

To increase your cover, you must apply in writing. Also, if you have selected the agreed value option or the monthly benefit exceeds the limits as per our financial guidelines, proof to our satisfaction must be provided of your income over the previous two years.

Limitations

- You must apply for an increase within 30 days of the policy anniversary date. The increase will take effect from the next premium due date after we accept the increase in cover.
- No benefit will be payable on account of the increased cover if, at the time you apply for it, a benefit is payable.

1.2.14 Flexibility to reduce waiting period

If you apply for an income protection policy to complement existing group income protection cover which has a two-year benefit period, and you notify us that you have that group insurance, we will allow you to reduce your waiting period without the need to supply further medical evidence in the event that your group income protection cover ceases. You can apply to reduce your waiting period from two years to one of these three options: three months, six months or one year.

To reduce your waiting period under this feature, you must apply in writing within 30 days of your group income protection cover ceasing. The reduced waiting period and new premium will take effect from your next premium due date after we accept your change of the waiting period.

Limitations

- This feature is only available if you apply for an income protection policy with a two-year waiting period and a benefit period to cover expiry date, and no benefits are payable for you under your Income Care or Income Care Plus policy when you make your application to reduce your waiting period.
- Upon application to reduce your waiting period, the group income protection policy must be in force and you must be ineligible to exercise any continuation or similar option under that policy and you must not have exercised any such option.
- The group income protection policy under which you are insured must be held by a trustee of a superannuation fund of which you were a standard employer-sponsored member in terms of the Superannuation Industry (Supervision) Act.

1.2.15 Extended Cover

Under Extended Cover, we will extend your Total Disability Cover beyond your cover expiry date of age 65 and up until the policy anniversary date prior to your 70th birthday. If cover is extended, it will be based on the following conditions:

- the waiting period will be the greater of one month and the waiting period which applied as at your cover expiry date
- the benefit period will be one year
- any benefit payable will be determined on an indemnity basis
- the maximum monthly benefit we will pay is \$30,000.

Limitations and other information

- Extended Cover is only available to the following occupation groups: 'C', 'G', 'P', 'J', 'K', 'S'.
- Cover will only be extended if your cover expiry date is to age 65 and you are not entitled to receive a benefit for the month before your cover expiry date.
- If you select the Total and Temporary Disability (TTD) Cover Option you are not eligible for extended cover.
- If you have selected the Premium Saver Option, the option will cease on the policy anniversary date prior to your 65th birthday and the premium discount on your policy will not apply during the Extended Cover period.
- Only a Total Disability Benefit and, if applicable, Reward Cover Benefit will be payable on account of the Extended Cover. No other benefits will be payable.
- If you select the Level Premium Rate option, the Stepped Premium Rate option will apply once cover is extended beyond the cover expiry date.

1.2.16 Increasing Claim Option

Once you have received Total or Partial Disability Benefits for more than twelve months, the Increasing Claim Option will increase the monthly benefit and any super continuance monthly benefit by the indexation factor every twelve months for as long as you continue to receive the benefits.

Limitations

This option is not available to heavy risk occupations and does not apply under Extended Cover.

1.2.17 Accident Option

The benefit under this option is 1/30th of the monthly benefit for each day that you are totally disabled and, in the case of Income Care Plus, not eligible for any Specific Injuries Benefit, Crisis Benefit or Bed Confinement Benefit. That is, if you become entitled to this benefit and your monthly benefit is \$3,000, we will pay you \$100 a day (i.e. 1/30th of \$3,000).

Limitations

- This option is only available if you select a 14-day or one-month waiting period.
- This option is not available to heavy risk occupations.

1.2.18 Super Continuance Option

The super continuance monthly benefit is the amount that we will pay as a personal contribution in your name to your nominated superannuation plan during periods of disability. You can insure 100% of superannuation contributions made by you or your employer in the twelve months preceding the application, to a maximum of 15% of your annual income. Contributions exceeding 15% of your annual income can be included in income for the purpose of determining the monthly benefit.

When we determine your total cover, we combine any super continuance monthly benefit you apply for with the monthly benefit amount. The maximum is generally \$30,000.

Any time you receive a Total or Partial Disability Benefit, the super continuance monthly benefit, or a proportion of that benefit, will be paid directly to your nominated superannuation plan. The amount we will pay is the lesser of the insured amount and the actual average monthly contributions made by you or your employer in the twelve months prior to claim.

For example, if the super continuance monthly benefit for which you are insured is \$360 but the average monthly contributions made by you or your employer in the twelve months before you became entitled to a Total Disability Benefit was \$300, we will only pay a super continuance monthly benefit of \$300 and not the \$360 for which you were insured.

If the Increasing Claim Option applies, we will also increase the super continuance monthly benefit.

1.2.19 Cash Back Option

The Cash Back Option entitles you to a refund of some premiums paid, provided you do not make a claim on your policy. The potential refund applies after your policy has been in place for three years, and the refund is only made to you when your policy ends, other than on your death.

The amount of the refund will depend on how long you keep your policy for. If you cancel your policy after three years, you will receive a refund of 13% of premiums, increasing each year until the maximum refund of 20% (after the policy continues for ten years or more) is reached.

For example, if over twelve years you pay total premiums of \$22,000 and you then become entitled to a refund under the Cash Back Option, you will receive a refund of \$4,400 (i.e. 20% of \$22,000).

Limitations and other information

- If there is more than one person covered by the policy, everyone must have the Cash Back Option.
- The option must be selected when you first apply for your policy and, if selected, cannot be cancelled.
- This option cannot be selected if you select the Premium Saver Option, Essential Cover Option, TTD Cover Option or the TPD Cover Option.
- No interest is payable on a refund.

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Income Care Range

1.2.20 Total and Permanent Disability (TPD) Cover Option

Lump sum benefit

If we pay you a lump sum benefit under this option, no other benefit will be payable and your cover will end.

If you choose to receive a lump sum benefit, it will be treated as a tax-free payment, unlike a monthly benefit which is treated as income and taxable for income tax purposes (see Section 3.4).

The lump sum benefit we pay is calculated as the lesser of the following:

- \$3,000,000
- an amount equal to 'A' times the Annualised Monthly Benefit, where:

Annualised Monthly Benefit is twelve times the total of your monthly benefit and any super continuance monthly benefit, increased with indexation but is reduced by any benefit offsets which would have applied to your monthly benefit had you not chosen to receive a lump sum benefit.

'A' is:

- 15, if your age next birthday is less than 40 years
- 13, if your age next birthday is between the ages of 40 and 44 inclusive
- 11, if your age next birthday is between the ages of 45 and 49 inclusive
- 9, if your age next birthday is between the ages of 50 and 55 inclusive
- 65 minus your age next birthday when the lump sum benefit becomes payable, if your age next birthday is 56 or more

when the lump sum benefit becomes payable.

If the lesser of the above amounts is nil or a negative amount, no lump sum benefit is payable.

To illustrate, if:

- at age 42 you become TPD, become entitled to the TPD Cover benefit and choose to receive that benefit, and
- your Annualised Monthly Benefit is \$40,320

the lump sum TPD Cover benefit we will pay is \$524,160 (i.e. 13 x \$40,320), as this is less than the maximum of \$3,000,000.

TPD definition

For the purpose of this option, the following TPD definition will apply:

Total and permanent disablement means you:

- have been absent from active employment as a result of sickness or injury for a period of three consecutive months
- at the end of the three months you continue to be incapacitated to such an extent that you will be unlikely to engage in your own occupation ever again, and
- are under the regular treatment, and following the advice, of a medical practitioner

or

- have been absent from active employment as a result of Cardiomyopathy, Primary Pulmonary Hypertension, Major Head Trauma, Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Paraplegia, Quadriplegia, Hemiplegia, Diplegia, Tetraplegia, Dementia and Alzheimer's Disease, Parkinson's Disease, Blindness, Loss of Speech, Loss of Hearing, Chronic Lung Disease or Severe Rheumatoid Arthritis (as these conditions are defined in Section 4)
- continue to be incapacitated to such an extent that you will be unlikely to engage in your own occupation ever again, and
- are under the regular treatment, and following the advice, of a medical practitioner

or

- have suffered Loss of Limbs or Sight (as defined in Section 4.5.3)

or

- have suffered Loss of Independent Existence (as defined in Section 4.5.5).

Despite the above, if you have been engaged in full-time domestic duties or child rearing at the time of the sickness or injury that causes your total and permanent disablement, then total and permanent disablement means you:

- have been, through sickness or injury, unable to perform domestic duties or child rearing and have been confined to the home for a period of three consecutive months
- are under the regular treatment, and following the advice, of a medical practitioner
- continue to be so incapacitated to the extent that you are unable to engage in (whether or not for reward) any occupation for which you are reasonably suited by education, training or experience, and
- will be so disabled for life

or

- have been unable to perform domestic duties or child rearing and have been confined to the home due to Cardiomyopathy, Primary Pulmonary Hypertension, Major Head Trauma, Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Paraplegia, Quadriplegia, Hemiplegia, Diplegia, Tetraplegia, Dementia and Alzheimer's Disease, Parkinson's Disease, Blindness, Loss of Speech, Loss of Hearing, Chronic Lung Disease or Severe Rheumatoid Arthritis (as these conditions are defined in Section 4)
- continue to be so incapacitated to the extent that you are unable to engage in (whether or not for reward) any occupation for which you are reasonably suited by education, training or experience
- are under the regular treatment, and following the advice, of a medical practitioner, and
- are likely to be so disabled for life

or

- have suffered Loss of Limbs or Sight (as defined in Section 4.5.3)

or

- have suffered Loss of Independent Existence (as defined in Section 4.5.5).

Limitations and exclusions

- If you select this option, you cannot select the TTD Cover Option, the Cash Back Option or the Premium Saver Option.
- This option must be selected when you first apply for your policy and, if selected, cannot be cancelled.
- You cannot choose to receive your benefit as a lump sum if, in our opinion, the sickness or injury that causes your TPD will lead to your death within twelve months.
- This option is only available if you select a benefit period to age 65.

1.2.21 Essential Cover Option

If you select the Essential Cover Option, a premium discount will apply to your policy but your policy will only cover you for accidents. For instance, you will not be considered to be totally or partially disabled unless you satisfy the additional requirement that your disability results from an injury that first occurred in the 60 days immediately before you suffered your disability. Benefits will not apply or be payable under your policy for sickness of any kind.

Injury definition

For the purpose of this option, an injury is defined to mean a bodily injury occurring while your policy is in force and which is caused solely and directly by violent, accidental, external and visible means, independent of any other cause. The following are excluded from the definition of injury and a benefit will not apply for them:

- self-inflicted injury
- a dental injury caused by chewing, biting or malocclusion
- an injury which is caused directly or indirectly by attempt at suicide, self-inflicted infection, participation in criminal activity, an act of war (whether declared or not), the taking of alcohol or the taking of drugs other than prescribed by a medical practitioner
- an injury in connection with a condition which first occurred, or first became apparent, before the cover under your policy or an increase in cover came into effect (for this purpose, a condition includes, but is not limited to, a disease, infection, hernia or cerebral vascular accident).

Limitations

- This option must be selected when you first apply for your policy and, if selected, cannot be cancelled.
- This option is not available with Income Care Plus or an agreed value type policy.
- If you select this option, you cannot select the Cash Back Option or Premium Saver Option.

1.2.22 Total and Temporary Disability (TTD)

Cover Option

- If you select this option, you cannot select the TPD Cover Option, Cash Back Option or Premium Saver Option.
- If you select this option, the Extended Cover feature will not apply.
- The option must be selected when you first apply for your policy and, if selected, cannot be cancelled.
- This option is only available if you select a benefit period to age 65.

1.2.23 Premium Saver Option

If you make a claim for a benefit due to mental illness and this option applies, we will only ever make up to 24 monthly benefit payments in total for that sickness over the life of the policy. Once those 24 payments are made, no further benefits will be payable for that mental illness or any other mental illness which is directly or indirectly caused by, or related to, that mental illness.

Definitions

For the purpose of this option:

- benefit payments mean Total and/or Partial Disability Benefits or, in the case of Income Care Plus, the Crisis Benefit and may be for one or more periods of disability or for one or more claims, and
- mental illness means any disorder classified in Axis I of the Diagnostic and Statistical Manual of Mental Disorders, Volume IV, published by the American Psychiatric Association (APA) or such successor or replacement publication (or, if none, such comparable publication selected by us) current at the time the disability or condition, to which the relevant claim relates, first became apparent, and
 - includes, but is not limited to, mood and anxiety disorders, depressive illness, eating disorders and disorders related to substance abuse or dependency, but
 - despite the above, excludes Alzheimer's Disease and Dementia, as well as any illness or disorders caused by head injuries (except where the Dementia or head injury is related to any substance abuse or dependency).

Limitations

- You can only apply for the Premium Saver Option if you have selected a benefit period to age 60 or age 65 and you have not selected the Cash Back Option, TPD Cover Option, Essential Cover Option or TTD Cover Option.
- The Premium Saver Option must be taken out when you first apply for cover and, if taken out, cannot be cancelled.
- The Premium Saver Option is not available with a one or two-year waiting period.

Section 1

Income Care Range

1.2.24 Limitations and benefit offsets

You need to be aware of the following limitations which will affect the cover provided by Income Care and Income Care Plus:

- A benefit will not be paid where it arises in connection with intentional self-inflicted injury, any attempt at suicide, acts of war or postnatal depression.
- You cannot claim any benefits for disability resulting from surgery or treatment which you voluntarily undergo in the first six months of your policy or within six months of reinstatement, such as cosmetic or other elective surgery, or surgery to transplant your body organs to the body of another person.
- We will not pay a benefit for a condition which first occurred, or for a condition the circumstances leading to which first became apparent, before the policy (or any increase in cover) came into effect unless you were unaware of the condition or the circumstances or you told us about the condition or circumstances in your Application and we agreed to provide cover.

Your benefits may be reduced if you receive other disability payments which exceed 10% of your pre-disability income:

- as a result of a workers compensation or motor accident claim, or any claim under similar state or federal legislation, or
- from any other insurance that provides income payments due to sickness or injury, unless we have expressly agreed not to apply a reduction.

Any lump sum payment you receive will, for the purpose of the reduction, be treated as a series of 60 monthly payments with each monthly payment equal to 1/60th of the lump sum.

The reduction in your benefits will only be made to the extent that:

- a Total Disability Benefit, when combined with any other payment, exceeds the greater of either 75% of your pre-disability income or the total of the monthly benefit and any super continuance monthly benefit
- a Partial Disability Benefit, when combined with your monthly income and any other payment, exceeds 100% of your pre-disability income.

A reduction will not be made to your benefits if the other payment received is:

- a lump sum compensation payment for pain or suffering or loss of use of part of the body
- a lump sum trauma benefit or total and permanent disablement benefit paid under an insurance policy
- a sick, long service or annual leave payment.

If your benefits are reduced, part of the premium you paid us in the last twelve months will be refunded in proportion to the reduction of the benefit.

1.3 Income Care Plus

1.3.1 Rehabilitation Expenses Benefit

This benefit pays up to six times the monthly benefit (and any super continuance monthly benefit). If, therefore, your monthly benefit is \$3,000 and your super continuance monthly benefit is \$360, the maximum amount you can receive under this benefit is \$20,160 (i.e. 6 x \$3,360). However, if the rehabilitation expenses incurred are \$10,000, we will only pay \$10,000 on account of the benefit, as that is less than \$20,160.

We must approve the expense before it is incurred. We will not pay you amounts for which you have already been reimbursed.

1.3.2 Accommodation Benefit

If you are totally disabled and confined to bed, and on medical advice you stay more than 100 kilometres from home or travel to a place more than 100 kilometres from home, you will be eligible to receive \$250 a day to help cover the costs of accommodating an immediate family member (i.e. your spouse, de facto spouse, parent, parent-in-law, sibling or child) who has to be away from home to be near you. This benefit is payable for up to 30 days in any twelve-month period.

1.3.3 Family Support Benefit

If, due to total disability, you are totally dependent on an immediate family member for essential everyday home care needs to enable you to live at home (excluding nursing or similar services), and this causes a reduction in the family member's income, we will pay a benefit to you to subsidise his or her income. We will pay the lesser of the reduction in income or 50% of the monthly benefit (and any super continuance monthly benefit), for up to three months, starting from the end of the waiting period.

If, therefore, your monthly benefit is \$3,000 and your super continuance monthly benefit is \$360, the maximum amount you can receive under this benefit is \$1,680 (i.e. 50% x \$3,360). However, if the reduction in the family member's income is \$1,000, we will only pay \$1,000 on account of the benefit as that is less than \$1,680.

1.3.4 Home Care Benefit

If you are still totally disabled after the waiting period, are confined to or near a bed (other than in a hospital or similar institution) and are totally dependent upon a paid professional housekeeper for essential everyday home care needs (excluding nursing and similar services), we will pay the lesser of \$150 a day or 100% of the monthly benefit (and any super continuance monthly benefit) to you for up to six months to help cover the cost, provided you continue to qualify for the benefit and are not receiving the Family Support Benefit or Accommodation Benefit.

1.3.5 Bed Confinement Benefit

If you are totally disabled and confined continuously to bed for at least three days during the waiting period and a medical practitioner certifies that the continuous care of a registered nurse is required, we will pay 1/30th of the monthly benefit (and any super continuance monthly benefit) for each day (including the first three days) you continue to qualify for the benefit. This benefit is payable for up to a maximum of 90 days or till the end of the waiting period, if shorter. For example, if you become entitled to this benefit and your monthly benefit is \$3,000 and you have no super continuance monthly benefit, we will pay you \$100 a day (i.e. 1/30th of \$3,000).

1.3.6 Overseas Assist Benefit

If you are totally disabled for at least a month while outside Australia and decide to return to Australia because of continuing total disability, we will reimburse your return economy airfare to Australia by the most direct route, including connecting flights, less amounts that are reimbursed elsewhere. The maximum amount payable is three times the monthly benefit (and any super continuance monthly benefit). If, therefore, your monthly benefit is \$3,000 and your super continuance monthly benefit is \$360, the maximum amount you can receive under this benefit is \$10,080 (i.e. 3 x \$3,360). However, if your return economy airfare to Australia by the most direct route, including connecting flights, less amounts that are reimbursed elsewhere is \$5,000, we will only pay \$5,000 on account of the benefit as that is less than \$10,080.

1.3.7 Specific Injuries Benefit

If, as a result of an injury, you suffer one of the events in the adjacent table, we will pay the monthly benefit (and any super continuance monthly benefit) each month up to the payment period shown below, whether you are capable of returning to work or not. Benefits begin from the date of the injury. If you are totally or partially disabled at the end of the payment period, then a Total or Partial Disability Benefit may be payable. This benefit only applies if you have a waiting period of three months or less.

For example, if you become entitled to this benefit and your monthly benefit is \$3,000 and your super continuance monthly benefit is \$360, we will pay a benefit of \$3,360 per month.

Limitations and other information

- This benefit will be paid instead of any Total or Partial Disability Benefit or the Bed Confinement Benefit.
- If one injury causes more than one listed event, we will only pay for the event with the longest payment period.
- You cannot claim a Crisis Benefit at the same time as a Specific Injuries Benefit (you will only be paid for the one with the longest payment period).

Covered specific events	Payment period
Paraplegia Quadriplegia	60 months*
Total and permanent loss of use of:	
Both hands or both feet or sight in both eyes	24 months
One hand and one foot	24 months
One hand and sight in one eye	24 months
One foot and sight in one eye	24 months
One arm or one leg	18 months
One hand or one foot or sight in one eye	12 months
Thumb and index finger from the same hand	6 months
Fracture requiring a plaster cast or other immobilising device of the following bones:	
Thigh (shaft)	3 months
Pelvis (except coccyx)	3 months
Skull (except bones of the face or nose)	2 months
Arm, between elbow and shoulder (shaft)	2 months
Shoulder blade	2 months
Leg (above the foot)	2 months
Kneecap	2 months
Elbow	2 months
Collarbone	1.5 months
Forearm, between wrist and elbow (shaft)	1.5 months

* If your benefit period is two years, the maximum payment period is 24 months.

Section 1

Income Care Range

1.3.8 Crisis Benefit

If you suffer one of the specified medical conditions listed below and you have a waiting period of three months or less, we will pay a lump sum equal to six times the monthly benefit (and any super continuance monthly benefit), whether or not you are capable of returning to work. For example, if you become entitled to this benefit and your monthly benefit is \$3,000 and your super continuance monthly benefit is \$360, we will pay a lump sum benefit of \$20,160. There may be some tax advantages that you may be able to take advantage of – see Section 3.4.

Heart Disorders

- Heart Attack
- Out of Hospital Cardiac Arrest
- Coronary Artery Disease Requiring By-pass Surgery
- Replacement of a Heart Valve
- Surgery of the Aorta
- Cardiomyopathy
- Primary Pulmonary Hypertension
- Open Heart Surgery

Body Organ Disorders

- Cancer
- Chronic Kidney Failure
- Major Organ or Bone Marrow Transplant
- Severe Burns

Nervous System Disorders

- Stroke
- Major Head Trauma
- Multiple Sclerosis
- Hemiplegia
- Diplegia

Other Events

- Loss of Independent Existence

Each of these conditions has a specific medical definition and no claim will be accepted unless that specific definition is met. The specific definitions are contained in Section 4.

Limitations and other information

- If you are totally or partially disabled at the end of the six-month period after we pay the Crisis Benefit, then a Total or Partial Disability Benefit may be paid.
- This benefit will be paid instead of any Total or Partial Disability Benefit or the Bed Confinement Benefit.
- No waiting period applies to the Crisis Benefit.
- You can only claim a Crisis Benefit once in any twelve-month period.
- You cannot claim a Specific Injuries Benefit at the same time as a Crisis Benefit (you will only be paid for the one with the longest payment period). For this purpose the Crisis Benefit will be considered a six-monthly payment.

1.3.9 Death Benefit

In the event of death, this benefit pays four times the monthly benefit (and any super continuance monthly benefit) up to \$75,000 to help meet any expenses at the time. For example, if this benefit becomes payable and your monthly benefit is \$3,000 and your super continuance monthly benefit is \$360, we will pay a benefit of \$13,440 (i.e. 4 x \$3,360).

1.4 Business Overheads Cover

1.4.1 Business Overheads Cover Benefit

For each month you are totally disabled beyond the waiting period, we will cover your usual, regular, fixed operating expenses incurred in the month, up to the amount you have insured, i.e. the Business Overheads Cover monthly benefit. For example, if your usual, regular, fixed operating expenses during the month are \$2,000 and you have insured yourself for \$3,000 a month, we will only pay you the \$2,000 in expenses you incurred in the event you become entitled to a benefit for that month.

Where an expense has been paid prior to the month of disability, and reasonable proof to our satisfaction can be provided that the expense applied in the month of disability, then we will consider paying a proportion of that expense. For example, if you are totally disabled in the month of March, but paid an expense in the month of February that applied for March, then we will consider paying a proportion of that expense in March.

Totally disabled definition

Totally disabled means that because of sickness or injury, you are:

- unable to perform an income producing duty of your occupation
- following the advice of a medical practitioner, and
- not working for more than ten hours per week. (You will be considered to be working irrespective of whether income is generated or the work is carried out in the context of the business.)

The benefit will be payable after the waiting period has ended and will continue while you remain totally disabled.

Limitations

- The maximum payment is twelve times the Business Overheads Cover monthly benefit either for any one continuous period of total disability or for any one sickness or injury.
- If the ownership of the business changes, we may vary the amount of the Business Overheads Cover monthly benefit in a way that reflects those changes.
- Some business expenses are not covered.

1.4.2 Covered business expenses

The business expenses covered are the regular fixed operating expenses of running a business including: principal and interest loan repayments for the purposes of the business, business insurance premiums, rent, property rates, leasing costs, accounting fees, contracted advertising, audit fees, bank fees and charges, business vehicle registration and insurance, equipment hire, gas, professional membership fees, postage, printing, professional subscriptions, contracted repairs and maintenance, contracted security costs, stationery and utility charges.

You may have to hire a locum to take over the day-to-day operations of your business. Depending on your occupation, you may be eligible to include the cost of a locum as a covered business expense.

1.4.3 Reward Cover Benefit

After your cover has been in place for three years, we will provide you with \$50,000 of accidental death cover at no additional cost. On each of the following five anniversaries, the accidental death cover will increase by \$10,000. Accidental death cover is a benefit that is paid if you die as a result of an accident, within 90 days of the accident, but before your cover ends.

Where you are covered under both Business Overheads Cover and Income Care/Income Care Plus, the Reward Cover Benefit will apply in respect of each.

Exclusions

A benefit will not be paid if death is caused directly or indirectly by suicide or any attempt at suicide, self-inflicted injury or infection, the taking of drugs other than prescribed by a medical practitioner, the taking of alcohol, participation in criminal activity or an act of war (whether declared or not).

1.4.4 Waiver of premium while on claim

For a waiver to apply, you must continue to pay premiums throughout the waiting period. However, if your waiting period is three months or less and a benefit becomes payable, we will refund any premiums which you pay during the waiting period.

1.4.5 Indexation

Each year we will provide you with an automatic increase in cover to ensure your insurance keeps pace with movements in the Consumer Price Index (CPI). If the CPI increases by less than 3%, we will increase your cover by 3%. Your premium will also be adjusted to allow for the higher level of cover. You can elect not to accept the increase in any year.

We will not index your cover if you are receiving any benefits.

1.4.6 Cash Back Option

The Cash Back Option entitles you to a refund of some premiums paid, provided you do not make a claim on your policy. The potential refund applies after your policy has been in place for three years, and the refund is only made to you when your policy ends, other than on your death.

The amount of the refund will depend on how long you keep your policy for. If you cancel your policy after three years, you will receive a refund of 13% of premiums, increasing each year until the maximum refund of 20% (after the policy continues for ten years or more) is reached. For example, if over twelve years you pay total premiums of \$22,000 and you then become entitled to a refund under the Cash Back Option, you will receive a refund of \$4,400 (i.e. 20% of \$22,000).

Limitations and other information

- If there is more than one person covered by the policy, everyone must have the Cash Back Option.
- The option must be selected when you first apply for your policy and, if selected, cannot be cancelled.
- No interest is payable on a refund.

1.4.7 Limitations and benefit offsets

You need to be aware of the following limitations which will affect the cover provided by Business Overheads Cover.

- A benefit will not be paid where it arises in connection with intentional self-inflicted injury, any attempt at suicide, acts of war or postnatal depression.
- You cannot claim any benefits for disability resulting from surgery or treatment which you voluntarily undergo in the first six months of your policy, such as cosmetic or other elective surgery, or surgery to transplant your body organs to the body of another person.

We will not pay a benefit for a condition which first occurred, or for a condition the circumstances leading to which first became apparent, before the policy (or any increase in cover) came into effect unless you were unaware of the condition or the circumstances or you told us about the condition or circumstances in your Application and we agreed to provide cover.

We may reduce the Business Overheads Cover Benefit by:

- your portion of the business income earned while you are totally disabled
- the income generated by any employee/s, hired after you become totally disabled, to perform the work normally performed by you, or
- any payments from other business expenses insurance, but we will only make this reduction to the extent the total insurance payments would be more than your covered business expenses.

Section 2

Total Care Plan

2.1 Life Care

2.1.1 Life Care benefit

The Life Care benefit is not payable if death is due to suicide within twelve months of the date of commencement, reinstatement or increase of the cover (but only in relation to the increased amount).

The Life Care benefit ceases on the policy anniversary date before your 99th birthday.

2.1.2 Terminal Illness Benefit

If this benefit is payable, your Life Care, Trauma and TPD Cover will be reduced by the total benefit payable. The maximum benefit that may be paid is \$2,000,000.

This benefit will not be payable after the Life Care benefit ceases.

2.1.3 Life Care Advance Payment Benefit

On production of a death certificate, this benefit provides a cash advance of up to \$20,000 of the Life Care benefit to assist with the cost of a funeral or other similar expenses. The Life Care benefit is reduced by the amount advanced.

Limitations and exclusions

- Payment of this benefit is not an admission of our liability to pay the Life Care benefit.
- This benefit will not be payable if death is due to suicide within twelve months of the date of commencement, reinstatement or increase of the cover.

2.1.4 Life Care Buy Back Benefit

If you have a policy which combines Life Care, TPD Cover and/or Trauma Cover, the amount of your Life Care will automatically be reduced by the total amount of TPD Cover and/or Trauma Cover benefit paid. However, under the Life Care Buy Back Benefit, 100% of the amount of any Life Care reduced by the claim will be reinstated, with no further medical evidence, one year from the date your TPD Cover or Trauma Cover claim was accepted.

2.1.5 Accidental Death Cover

Accidental Death Cover pays a lump sum in the event of your death by accident, provided death occurs within 90 days of the accident but before your cover under the policy ends. The lump sum is payable in addition to any Life Care benefit payable. The lump sum paid is the amount for which you are insured.

Limitations, exclusions and other information

- The maximum amount of Accidental Death Cover you can select is \$1,000,000.
- Depending on your occupation, Accidental Death Cover is available to people between the ages of 17 and 69 inclusive.
- Accidental Death Cover ceases on the policy anniversary date before your 99th birthday.
- If you take out Accidental Death Cover in combination with Life Care, then the Accidental Death Cover will cease when your Life Care ceases.

- A benefit will not be paid if death is caused directly or indirectly by suicide or any attempt at suicide, self-inflicted injury or infection, the taking of drugs other than prescribed by a medical practitioner, the taking of alcohol, participation in criminal activity, or an act of war (whether declared or not).

2.1.6 Guaranteed Insurability Option (Personal Events)

This option allows you to increase your Life Care cover and, if applicable, your Trauma Cover without having to provide any further medical information.

Up to the policy anniversary date before your 46th birthday, you can increase your Life Care and, if applicable, Trauma Cover once every twelve months following certain events.

In the event of:

- your marriage
- the birth or adoption of a child
- your child commencing secondary school, or
- your divorce

your Life Care and, if applicable, Trauma Cover can be increased by up to 25%. The maximum increase is \$200,000 per event.

In the event that you mortgage a home or increase a home mortgage, the increase you can make to your Life Care and, if applicable, Trauma Cover is limited to the lesser of the following:

- 50% of the Life Care benefit and, if applicable, 25% of your Trauma Cover
- the value of the new mortgage
- the value of the latest increase to an existing mortgage, and
- \$200,000.

In the event that you change employment and, as a result of the change in employment, your annual income increases by more than \$10,000 within 30 days of the change, the increase you can make to your Life Care and, if applicable, Trauma Cover is limited to the lesser of the following:

- 25% of the benefit
- ten times the increase in your income, and
- \$200,000.

You cannot increase your cover under this option if you remain in self-employment or if your change in employment involves a move to self-employment.

Limitations and other information

- You can only exercise a right to increase your cover by writing to us within 30 days before or after the relevant event, and you must provide proof to our satisfaction of the event.
- The increase in cover will take effect from your next premium due date after we accept the increase in cover.

- The total increases made to Trauma Cover under this option cannot exceed the amount of Trauma Cover which applied when it was taken out.
- This option:
 - i) is not available with Trauma Cover where Life Care does not apply
 - ii) cannot be exercised in relation to Trauma Cover if the cover is issued subject to special conditions or exclusions or if the premium payable for the cover is subject to a premium loading
 - iii) cannot be exercised while we are waiving premiums under the Plan Protection Option.
- If you select this option, you cannot select the Guaranteed Insurability Option (Business Events) or the Business Safe Cover Option.
- The Trauma Cover benefit cannot be increased under this option if the benefit exceeds \$2,000,000 or the increase would result in the benefit exceeding \$2,000,000.
- A Trauma Cover benefit cannot be increased under this option if a death, trauma or disablement benefit has been paid or is payable by us for you.

2.1.7 Guaranteed Insurability Option (Business Events)

You can, without supplying further medical information, increase your Life Care and, if applicable, TPD and Trauma Cover on the occurrence of one of the following business events:

- increase in the value of your business ('business growth')
- increase in the value of a person who is crucial to the operation of your business ('key person')
- increase in the value of your financial interest in a business, which interest you hold as a shareholder, partner or unit holder and which is the subject of a buy/sell share purchase or business succession agreement ('financial interest')
- increase in the amount of a business loan ('business loan').

The business event for which you can exercise this option will depend on the purpose for which you take out your cover. For example, if you indicate in your Application that you are applying to cover a business loan, then you will only be able to exercise this option if there is an increase in the amount of that loan.

The maximum increase you can make to your Life Care benefit and, if applicable, your TPD and Trauma Cover upon the occurrence of the relevant business event is the lesser of the following:

- 25% of the Life Care benefit and, if applicable, the TPD and Trauma Cover benefit
- \$2,000,000 per annum, and
- the amount of the increase in respect of the business event.

To increase your cover under this option, evidence of the relevant business event satisfactory to us needs to be provided as follows:

Business event	Evidence required
Business growth	✓ A revised valuation of the value of the business calculated by a qualified accountant or by a valuer approved by us.
Key person	✓ A revised valuation of the value of the key person to the business calculated by a qualified accountant or by a valuer approved by us.
Financial interest	✓ A revised valuation of the value of the financial interest in the business calculated by a qualified accountant or by a valuer approved by us.
Business loan	✓ Loan documentation acceptable to us.

Limitations and other information

- The maximum age at which this option can be taken out for a life insured is 59 but, if the Level Premium Rate option applies, the maximum age is 54.
- If the maximum of any of Life Care, TPD or Trauma Cover has been reached, then this option no longer applies and any increases will require underwriting.
- The maximum sum insured for a life insured before medical underwriting recommences for any and all increases under this option is \$10,000,000 for Life Care, \$3,000,000 for TPD Cover and \$2,000,000 for Trauma Cover.
- You can increase your Life Care and, if applicable, your TPD Cover up to the policy anniversary date before your 66th birthday. However, your Trauma Cover can only be increased up to the policy anniversary date before your 50th birthday.
- You must apply for an increase within 30 days of the required valuation being issued or the business loan being increased, as applicable.
- The increase in cover will take effect from your next premium due date after we accept the increase in cover.
- If you have Life Care, TPD and Trauma Cover, you must increase each type of cover in the same proportion subject to the maximum increases as outlined above.
- Your TPD Cover benefit and Trauma Cover benefit cannot exceed your Life Care benefit.
- If you select this option, you cannot select the Guaranteed Insurability Option (Personal Events) or the Business Safe Cover Option.

Section 2

Total Care Plan

- This option:
 - i) is not available with TPD Cover or Trauma Cover where Life Care does not apply
 - ii) cannot be exercised in relation to TPD Cover or Trauma Cover if that cover is issued subject to special conditions or exclusions, or if the premium payable for the cover is subject to a premium loading
 - iii) cannot be exercised while we are waiving premiums under the Plan Protection Option.
- A Life Care benefit, Trauma Cover benefit and TPD Cover benefit can only be increased once every twelve months under this option and the event to which the increase relates must not have occurred more than three years before you apply for the increase.
- The total increases made to Trauma Cover under this option cannot exceed the amount of Trauma Cover which applied when it was taken out.

2.1.8 Business Safe Cover Option

The business events to which this option applies are as follows:

- increase in the value of your business ('business growth')
- increase in the value of a person who is crucial to the operation of your business ('key person')
- increase in the value of your financial interest in a business, which interest you hold as a shareholder, partner or unit holder and which is the subject of a buy/sell share purchase or business succession agreement ('financial interest')
- increase in the amount of a business loan ('business loan').

The business event for which you can exercise this option will depend on the purpose for which you take out your cover. For example, if you indicate in your Application that you are applying to cover a business loan, then you will only be able to exercise this option if there is an increase in the amount of that loan.

The maximum increase you can make to your cover is the actual increase in the amount of the business loan or the increase in the value of the business, the financial interest in the business or the key person, as applicable.

The maximum Life Care benefit you can have before medical underwriting is required is the lesser of the following:

- \$10,000,000
- three times the amount of the Life Care benefit as at the date the benefit was issued (plus indexation increases), or
- the amount of the business loan or the value of the business, the financial interest in the business or the key person, as applicable.

The maximum TPD Cover benefit you can have before medical underwriting is required, is the lesser of the following:

- \$3,000,000
- three times the amount of the TPD Cover benefit as at the date the benefit was issued (plus indexation increases)
- the amount of any Life Care benefit or, if a Life Care benefit does not apply, the amount of any Trauma Cover benefit
- the amount of the business loan or the value of the business, the financial interest in the business or the key person, as applicable.

The maximum Trauma Cover benefit you can have before medical underwriting is required, is the lesser of the following:

- \$2,000,000
- three times the amount of the Trauma Cover benefit as at the date the benefit was issued (plus indexation increases)
- the amount of any Life Care benefit
- the amount of the business loan or the value of the business, the financial interest in the business or the key person, as applicable.

To increase your cover under this option, evidence of the relevant business event satisfactory to us needs to be provided as follows:

Business event	Evidence required
Business growth	✓ A revised valuation of the value of the business calculated by a qualified accountant or by a valuer approved by us.
Key person	✓ A revised valuation of the value of the key person to the business calculated by a qualified accountant or by a valuer approved by us.
Financial interest	✓ A revised valuation of the value of the financial interest in the business calculated by a qualified accountant or by a valuer approved by us.
Business loan	✓ Loan documentation acceptable to us.

Limitations and other information

- The maximum age at which this option can be taken out for a life insured is 59 but, if the Level Premium Rate option applies, the maximum age is 54.
- You can increase your cover until the option expires on the policy anniversary preceding your 70th birthday for Life Care and the policy anniversary preceding your 60th birthday for TPD Cover and Trauma Cover. The option also ceases when a benefit becomes payable under your policy.
- You must apply for an increase within 30 days of the date the qualified accountant or valuer issues the revised revaluation or the business loan is increased, as applicable.

- The increase in cover will take effect from your next premium due date after we accept the increase in cover.
- Only one increase in any Life Care benefit, Trauma Cover benefit and TPD Cover benefit is permitted each twelve months under this option and the event to which the increase relates must not have occurred more than three years before you apply for the increase.
- If you have Life Care and TPD Cover and/or Trauma Cover, the TPD Cover and/or Trauma Cover cannot be increased without increasing Life Care and you must increase each type of cover in the same proportion subject to the maximum increases as outlined above.
- If only Trauma Cover and TPD Cover benefits apply, one benefit cannot be increased unless the other is also increased and both must be increased by the same proportion subject to the maximum increases as outlined above.
- If you have Life Care and TPD Cover and/or Trauma Cover, and you apply for an increase under this option after the expiry of the option for TPD Cover and Trauma Cover, then any increase will only apply to the Life Care cover.
- If you select this option, you cannot select the Guaranteed Insurability Option (Personal Events) or the Guaranteed Insurability Option (Business Events).
- By increasing your cover under this option, you cannot increase the ratio of the amount of your cover to the value of your business, the key person, your financial interest in the business or the amount of your loan, as applicable, as at the time your cover was issued.
- This option cannot be exercised while we are waiving premiums under the Plan Protection Option.

2.1.9 Plan Protection Option

Provided you are under age 60, and are totally disabled for three months or more, we will waive premiums that fall due after the first three months of total disability, up to the policy anniversary date before your 65th birthday.

Under this option, you are totally disabled if due to sickness or injury you:

- have been continually and significantly unable to perform your occupation for a period of three consecutive months
- have been throughout the three-month period, and continue to be, under the regular care and treatment of, or following treatment prescribed by a medical practitioner, and
- are not engaged in any occupation for wage or profit during that time.

Limitations and exclusions

- This option is not available to occupations we categorise as heavy risk, manual or aviation.
- The option does not apply if total disability is caused directly or indirectly by any intentional self-inflicted injury or any attempt at suicide or an act of war (whether declared or not).

2.2 Total and Permanent Disability (TPD) Cover

2.2.1 TPD definitions

2.2.1.1 Absent From Active Employment – ‘any occupation’
Under the ‘any occupation’ version of the Absent From Active Employment TPD definition, you are TPD if you:

- have been absent from active employment as a result of:
 - any of the following conditions as defined in Section 4: Cardiomyopathy, Primary Pulmonary Hypertension, Major Head Trauma, Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Paraplegia, Quadriplegia, Hemiplegia, Diplegia, Tetraplegia, Dementia and Alzheimer’s Disease, Parkinson’s Disease, Blindness, Loss of Speech, Loss of Hearing, Chronic Lung Disease, Severe Rheumatoid Arthritis (for TPD Cover where Life Care does not apply, the TPD Cover benefit will not be payable if you die from any cause within eight days of first being found to have had the relevant condition), or
 - any other sickness or injury for a period of three consecutive months

and

- during the period for which you must be absent from active employment, you have been unable to engage in (whether or not for reward) any occupation for which you are reasonably suited by education, training or experience and you have been under the regular treatment and following the advice of a medical practitioner and you are likely to be so disabled for life.

2.2.1.2 Absent From Active Employment – ‘own occupation’

Under the ‘own occupation’ version of the Absent From Active Employment TPD definition, you are TPD if you:

- have been absent from active employment as a result of:
 - any of the following conditions as defined in Section 4: Cardiomyopathy, Primary Pulmonary Hypertension, Major Head Trauma, Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Paraplegia, Quadriplegia, Hemiplegia, Diplegia, Tetraplegia, Dementia and Alzheimer’s Disease, Parkinson’s Disease, Blindness, Loss of Speech, Loss of Hearing, Chronic Lung Disease, Severe Rheumatoid Arthritis (for TPD Cover where Life Care does not apply, the TPD Cover benefit will not be payable if you die from any cause within eight days of first being found to have had the relevant condition), or
 - any other sickness or injury for a period of three consecutive months

and

- after the period for which you must be absent from active employment, you continue to be incapacitated to such an extent that you will be unlikely to engage in your own occupation ever again and you are under the regular treatment and following the advice of a medical practitioner.

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If you are unemployed or on leave without pay for twelve months or more before the event causing the claim, the definition in Section 2.2.1.1 will automatically apply even if you chose this definition at the time of applying for cover.

2.2.1.3 Homemakers

If you are performing full-time domestic duties or child rearing at the time of the event causing the claim, a 'homemakers' TPD definition will automatically apply instead of the Absent From Active Employment TPD definition that was chosen at the time of applying for cover.

Under the 'homemakers' definition, you are TPD if you:

- have been unable to perform domestic duties or child rearing and have been confined to the home as a result of:
 - any of the following conditions as defined in Section 4: Cardiomyopathy, Primary Pulmonary Hypertension, Major Head Trauma, Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Paraplegia, Quadriplegia, Hemiplegia, Diplegia, Tetraplegia, Dementia and Alzheimer's Disease, Parkinson's Disease, Blindness, Loss of Speech, Loss of Hearing, Chronic Lung Disease, Severe Rheumatoid Arthritis (for TPD Cover where Life Care does not apply, the TPD Cover benefit will not be payable if you die from any cause within eight days of first being found to have had the relevant condition), or
 - any other sickness or injury for a period of three consecutive months
- and
- you are under the regular treatment, and following the advice, of a medical practitioner and you continue to be so incapacitated that you are unable to engage in (whether or not for reward) any occupation for which you are reasonably suited by education, training or experience and you are likely to be so disabled for life.

2.2.1.4 Loss of Limbs or Sight/ Loss of Independent Existence

You are also TPD if you suffer:

- Loss of Limbs or Sight (as defined in Section 4.5.3), or
- Loss of Independent Existence (as defined in Section 4.5.5).

2.2.2 Limitations, exclusions and other information

- If you still have TPD Cover on or after the policy anniversary date before your 65th birthday, only a Loss of Independent Existence TPD definition will apply and this cover will cease on the policy anniversary date before your 80th birthday.
- The TPD Cover benefit also ceases to apply upon payment of the benefit, termination of the policy, the cover expiry date (if any) or if the TPD Cover benefit reduces to less than \$10,000, whichever happens first.
- No TPD Cover benefit is payable if total and permanent disablement is caused directly or indirectly by any intentional self-inflicted injury or any attempt at suicide.

- If a TPD Cover benefit is payable, any Trauma Cover benefit will be reduced by the amount of TPD Cover benefit payable. If, as a result, the Trauma Cover benefit would be less than \$10,000, the Trauma Cover benefit will cease.
- If a TPD Cover benefit is payable, any Life Care benefit will be reduced by the amount of TPD Cover benefit payable. The Life Care benefit then becomes subject to the Buy Back Benefit described in Section 2.1.4.

2.2.3 Continuation Option

The Life Care provided for under this option will provide a death benefit no greater than the amount of the TPD Cover benefit which applied on the day before the TPD Cover benefit ceased, and will be issued effective from the date you validly exercise the option and no earlier.

Limitations and other information

- The new Life Care policy will be on the terms and at the premium rates current for the individual policy as at the time it is issued, without the benefit of any of the optional features a person can select under the individual policy, unless we agree otherwise, and with the same premium loadings, exclusions and special conditions that applied to you under your stand-alone TPD Cover.
- To take up this option after a TPD Cover benefit becomes payable under your stand-alone TPD Cover, you must give us notice in writing of the exercise of the option after the first anniversary of the payment of the TPD Cover benefit but within 30 days of that first anniversary.
- To take up this option after your stand-alone TPD Cover ceases to apply from the policy anniversary date preceding your 80th birthday, you must give us notice in writing of the exercise of the option after the policy anniversary date preceding your 80th birthday but within 30 days of that policy anniversary date. It is also a condition of the exercise of the option that no TPD Cover benefit is payable or about to be payable on the date your TPD Cover ceases.
- The new Life Care policy will only be issued under this option if we receive the first premium payable under the Life Care policy within the relevant 30-day period and the premium payable under your stand-alone TPD Cover is not overdue as at the date the TPD Cover benefit ceases. We also require that our minimum Life Care policy issue requirements and our Life Care underwriting requirements for residency, occupation and pastimes are met and, if necessary, a non-smoking declaration is completed.

2.3 Trauma Cover

2.3.1 Trauma Cover benefit

Limitations and exclusions

- We may reduce the amount of the Trauma Cover benefit if you receive a benefit under any other similar policies which we were not told about at the time of application.
- No Trauma Cover benefit is payable if the insured condition is caused directly or indirectly by any intentional self-inflicted injury or any attempt at suicide.
- If a Trauma Cover benefit is payable, any TPD Cover benefit will be reduced by the amount of Trauma Cover benefit payable. If, as a result, the TPD Cover benefit would be less than \$10,000, the TPD benefit will cease.
- If a Trauma Cover benefit is payable, any Life Care benefit will be reduced by the amount of Trauma Cover benefit payable. The Life Care benefit then becomes subject to the Buy Back benefit described in Section 2.1.4.

Qualifying period

- Some of the Trauma Cover conditions are not covered in the first three months of cover (i.e. Coronary Artery Disease Requiring By-pass Surgery, Coronary Artery Angioplasty, Coronary Artery Angioplasty – Triple Vessel, Cancer, Stroke, Heart Attack and the conditions covered under the Trauma Plus Cover Option). This three-month period is known as the 'qualifying period'.
- The qualifying period begins on the date insured from, or the date cover is reinstated, or when cover is first issued.
- Similarly, if you increase the amount of Trauma Cover, the qualifying period applies to the increased amount of benefit.

Replacing an existing trauma policy

- If you already have a trauma insurance policy, either with us or with another company, provided we agree to issue you with a new policy, we will consider waiving the qualifying period.
- If the amount of cover has not increased, and you have already been through the qualifying period under your existing policy, you will not have to go through another qualifying period for the same medical conditions.
- If you have not already satisfied the qualifying period under your existing policy, you will still need to wait the unexpired qualifying period of that policy or satisfy the qualifying period under your new Trauma Cover (whichever is shorter).
- Where the benefit amount of your new Trauma Cover exceeds that of the policy being replaced, the full qualifying period will apply to the increased amount.

When Trauma Cover ends

- You are covered for 48 medical conditions or events (58, if you select the Trauma Plus Cover Option) up to the policy anniversary date before your 70th birthday. If you still have Trauma Cover on or after the policy anniversary date before your 70th birthday, only Loss of Independent

Existence is covered by the Trauma Cover benefit and this cover will cease on the policy anniversary date before your 80th birthday.

- Once you make a valid claim for one of the Trauma Cover conditions or events, the total benefit is paid and the Trauma Cover ends, unless the Trauma Cover Buy Back Benefit applies (see Section 2.3.3). However, some conditions can result in a partial benefit without ending the cover (see Section 2.3.2).
- Your Trauma Cover will end if it is reduced to below \$10,000.

If TPD Cover applies in conjunction with Trauma Cover (and Life Care does not apply), the TPD Cover will also end if the Trauma Cover is reduced to below \$10,000.

2.3.2 Partial Trauma Cover benefit

The amount of the Trauma Cover benefit (excluding any Loyalty Bonus Benefit) payable for any of the following:

- the procedure that is Coronary Artery Angioplasty
 - Serious Injury
 - Critical Care
 - Removal of Carcinoma in situ of the Breast
 - Loss of One Hand or One Foot
 - Placement on a Waiting List for Major Organ Transplant
- is 10% of the Trauma Cover benefit (up to a maximum of \$25,000 for Coronary Artery Angioplasty), but will be no less than \$10,000.

The amount of the Trauma Cover benefit (excluding any Loyalty Bonus Benefit) payable for Multiple Sclerosis of limited extent is 25% of the Trauma Cover benefit (up to a maximum of \$50,000), but will be no less than \$10,000.

If you have selected the Trauma Plus Cover Option, the amount of the Trauma Cover benefit (excluding any Loyalty Bonus Benefit) payable for any of the following:

- Carcinoma in situ of the Cervix Uteri
- Carcinoma in situ of the Vulva or Perineum of limited extent
- Carcinoma in situ of the Vagina
- Chronic Lymphocytic Leukaemia
- Hydatidiform Mole
- Partial Blindness
- Partial Loss of Hearing
- Severe Osteoporosis

is 20% of the Trauma Cover benefit (up to a maximum of \$100,000), but will be no less than \$10,000.

If you have selected the Trauma Plus Cover Option, the amount of the Trauma Cover benefit (excluding any Loyalty Bonus Benefit) payable for either of the following:

- Diabetes Complication
- Melanoma

is 40% of the Trauma Cover benefit (up to a maximum of \$200,000), but will be no less than \$10,000.

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Limitations and other information

In addition to the limitations and exclusions set out in Section 2.3.1, the following applies to partial payments:

- When a partial benefit is paid, the Trauma Cover will be reduced by the amount paid. As long as the remaining cover is \$10,000 or more, it will continue in force. To illustrate, if your Trauma Cover benefit is \$300,000 and you become entitled to a partial Trauma Cover benefit for Serious Injury, we will pay you \$30,000 (i.e. 10% of \$300,000). Your Trauma Cover benefit of \$300,000 would then be reduced by \$30,000 to \$270,000.
- If a partial benefit is payable, any TPD Cover benefit will be reduced by the amount of partial benefit payable. If, as a result, the TPD Cover benefit would be less than \$10,000 the TPD benefit will cease.
- If a partial benefit is payable, any Life Care benefit will be reduced by the amount of partial benefit payable. The Life Care benefit then becomes subject to the Buy Back benefit described in Section 2.1.4.
- With the exception of Coronary Artery Angioplasty, a partial trauma benefit can only be paid once for each of the applicable conditions.
- Multiple claims for Coronary Artery Angioplasty are allowed, but we will not pay the Trauma Cover benefit for that procedure where it occurs within six months after a prior procedure for which the Trauma Cover benefit was paid.

2.3.3 Trauma Cover Buy Back Benefit

The Trauma Cover Buy Back Benefit applies to Trauma Cover selected on its own, in conjunction with Life Care or in conjunction with TPD Cover where Life Care does not apply.

If payment of a Trauma Cover claim reduces your Trauma Cover to less than \$10,000, 100% of your Trauma Cover will, without further evidence of health, automatically be reinstated one year from the date your Trauma Cover claim was paid.

Limitations and exclusions

The Trauma Cover Buy Back Benefit does not apply:

- if a partial Trauma Cover benefit is paid. (However, if multiple partial Trauma Cover benefits are paid that reduce your Trauma Cover to less than \$10,000, the Trauma Cover Buy Back Benefit will apply.)
- if a TPD Cover benefit or a Terminal Illness benefit has been paid to you, or
- if a Trauma Cover benefit has been paid to you for Loss of Independent Existence.

Any medical, occupational or pastime loadings or exclusions which applied to the original Trauma Cover will also apply to the Trauma Cover reinstated under the Trauma Cover Buy Back Benefit.

We will not pay a claim under the reinstated Trauma Cover, including any reinstated Trauma Plus Cover, for:

- any trauma condition that first occurred or was first diagnosed, or the symptoms of which first became reasonably apparent, before the date of reinstatement of the Trauma Cover

- the same trauma condition for which we paid a claim under the original cover
- a trauma condition which, in our opinion (as confirmed by an appropriate specialist medical practitioner nominated by us):
 - arises in connection with
 - is a complication of
 - results from, or
 - is a treatment fora condition for which we previously paid a Trauma Cover claim
- Cancer, Cancer of the Vulva or Perineum, Removal of Carcinoma in situ of the Breast, Benign Brain Tumour, Carcinoma in situ of the Cervix Uteri, Carcinoma in situ of the Vulva or Perineum of limited extent, Carcinoma in situ of the Vagina, Hydatidiform Mole, Melanoma or Chronic Lymphocytic Leukaemia, if we paid a claim for any one or more of those conditions under the original cover
- Stroke, if under the original cover we paid a claim for any condition listed under Heart Disorders or for Paraplegia, Quadriplegia, Hemiplegia, Diplegia or Tetraplegia as a result of a Stroke
- Paraplegia, Quadriplegia, Hemiplegia, Diplegia or Tetraplegia as a result of a Stroke, if under the original cover we paid a claim for Stroke or for any condition listed under Heart Disorders
- any condition listed under Heart Disorders, if under the original cover we paid a claim for Stroke or for any condition listed under Heart Disorders or for Paraplegia, Quadriplegia, Hemiplegia, Diplegia or Tetraplegia as a result of a Stroke.

Other information

- The Trauma Cover Buy Back Benefit will apply once for each life insured and will expire on the policy anniversary date before your 70th birthday.
- When your Trauma Cover is reinstated under the Trauma Cover Buy Back Benefit, your premium will be based on your age next birthday at the time of reinstatement and include any relevant indexation increases.
- Increases under the Guaranteed Insurability Option (Personal or Business Events) will not apply to the Trauma Cover Buy Back Benefit.
- The Trauma Cover Loyalty Bonus Benefit and the Trauma Cover Severe Hardship Booster Benefit will not apply to the Trauma Cover Buy Back Benefit.

2.3.4 Evidence of Severity Option

The additional requirements that apply under this option are as follows. You must survive the Trauma Cover condition for at least 28 days and throughout those 28 days:

- be absent from active employment as a result of the condition
- be unable to engage in any occupation (whether or not for reward), and
- be under the regular treatment, and following the advice, of a medical practitioner.

If you are unemployed or engaged in full-time domestic duties or child rearing when you first suffer the Trauma Cover condition, the additional requirements you must satisfy are different to those set out above. In this case you must survive the condition for at least 28 days and throughout those 28 days:

- be unable, as a result of the condition, to perform domestic duties or child rearing
- be confined to your home or a hospital, nursing home or rehabilitation unit, and
- be under the regular treatment, and following the advice, of a medical practitioner.

Once the Evidence of Severity Option is taken out it cannot be cancelled.

2.4 Child Cover Option

2.4.1 Child Cover benefit

Heart Disorders	Nervous System Disorders
Heart Attack	Stroke
Out of Hospital Cardiac Arrest	Major Head Trauma
Cardiomyopathy	Muscular Dystrophy
Open Heart Surgery	Paraplegia
Coronary Artery Angioplasty	Quadriplegia
Coronary Artery Angioplasty – Triple Vessel	Hemiplegia
Surgery of the Aorta	Subacute Sclerosing Panencephalitis
Coronary Artery Disease Requiring By-pass Surgery	Tetraplegia
	Coma
Body Organ Disorders	Encephalitis
Cancer	Bacterial Meningitis
Benign Brain Tumour	Diplegia
Blindness	Blood Disorders
Chronic Kidney Failure	Medically Acquired HIV
Major Organ or Bone Marrow Transplant	Aplastic Anaemia
Placement on a Waiting List for Major Organ Transplant	Other Events
Severe Burns	Serious Injury
Loss of Speech	Critical Care
Loss of Hearing	Loss of Limbs or Sight
Chronic Liver Disease	Loss of One Hand or One Foot
Chronic Lung Disease	
Severe Rheumatoid Arthritis	

Limitations, exclusions and other information

- The minimum amount of cover that can be applied for is \$10,000 and the maximum is \$100,000. Cover must be taken out in multiples of \$10,000.
- If we pay the Child Cover benefit for death, we will not pay the benefit for any of the Child Trauma Cover conditions.
- Once you make a valid claim for one of the Child Cover trauma conditions or events, the total benefit is paid and the Child Cover ends. However, some conditions can result in a partial benefit without ending the cover. See Section 2.4.2 'Partial Child Cover benefit'.
- If we pay the Child Cover benefit for a Child Trauma Cover condition other than Coronary Artery Angioplasty, Serious Injury, Critical Care, Loss of One Hand or One Foot or Placement on a Waiting List for Major Organ Transplant, we will not pay the benefit for death or any other Child Trauma Cover condition.
- We may reduce the amount of the Child Cover benefit if you receive a benefit under any other similar policies which we were not told about at the time of application.
- No Child Cover benefit is payable when:
 - the Child Trauma Cover condition is caused directly or indirectly by any intentional self-inflicted injury or any attempt at suicide, or
 - the child life insured's death or Child Trauma Cover condition is caused directly or indirectly by an injury or infection inflicted on the child life insured by a policy owner or life insured or by the child life insured's parent or legal guardian or by any other person who has responsibility for the care of the child life insured or who resides with the child life insured.
- No Child Cover benefit is payable when the child life insured (whether sane or insane) commits suicide within one year from:
 - the date the policy commenced
 - the date the Child Cover Option came into force
 - the date the Child Cover Option first applied to the child life insured
 - the date on which the policy was last reinstated, or
 - the date of an increase to the Child Cover benefit (the exclusion will then apply only to the amount of the increase).

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Qualifying period

- Some of the Child Trauma Cover conditions are not covered in the first three months of cover (i.e. Coronary Artery Disease Requiring By-pass Surgery, Coronary Artery Angioplasty, Coronary Artery Angioplasty – Triple Vessel, Cancer, Stroke or Heart Attack). This three-month period is known as the 'qualifying period'.
- The qualifying period begins on the date insured from, or the date cover is reinstated, or when cover is first issued.
- Similarly, if you increase the amount of Child Cover, the qualifying period applies to the increased amount of the benefit.

Replacing an existing trauma policy

- If you already have a trauma insurance policy for your child, either with us or with another company, provided we agree to issue you with the Child Cover Option, we will consider waiving the qualifying period.
- If the amount of cover for your child has not increased, and you have already been through the qualifying period under your existing policy, you will not have to go through another qualifying period for the same medical conditions.
- If you have not already satisfied the qualifying period under your existing policy, you will still need to wait the unexpired qualifying period of that policy or satisfy the qualifying period under the Child Cover Option (whichever is shorter).
- Where the benefit amount of your Child Cover exceeds that of the policy being replaced, the full qualifying period will apply to the increased amount.

When Child Cover ends

Child Cover for a child life insured will end on the earliest of the following:

- the policy anniversary date preceding the child life insured's 18th birthday
- once the Child Cover benefit becomes payable for any Child Trauma Cover condition other than Coronary Artery Angioplasty, Serious Injury, Critical Care, Loss of One Hand or One Foot or Placement on a Waiting List for Major Organ Transplant
- the death of the child life insured
- if the Child Cover benefit reduces to less than \$10,000
- when the policy ends.

The Child Cover Option remains in-force even if the primary cover to which it is linked ceases as a result of the payment of a benefit under the primary cover or the expiry of that cover. Ownership of the policy remains with the existing policy owner or, if they die, their estate.

2.4.2 Partial Child Cover benefit

The conditions which result in a partial Child Cover benefit are listed below:

- Coronary Artery Angioplasty
- Serious Injury
- Critical Care
- Loss of One Hand or One Foot
- Placement on a Waiting List for Major Organ Transplant.

The amount payable for the conditions listed is the greater of \$10,000 and 10% of the Child Cover benefit. When this amount is paid, the Child Cover will be reduced by the same amount. As long as the remaining cover is \$10,000 or more, it will continue in force.

To illustrate, if your Child Cover benefit is \$90,000 and you become entitled to a partial Child Cover benefit for Serious Injury, we will pay you the minimum Child Cover benefit of \$10,000 because it exceeds 10% of \$90,000 (i.e. \$9,000). Your Child Cover benefit of \$90,000 would then be reduced by \$10,000 to \$80,000.

Limitations

In addition to the limitations and exclusions set out in Section 2.4.1, the following applies to partial payments:

- We will not pay the Child Cover benefit for the procedure that is Coronary Artery Angioplasty where the procedure occurs within six months after a prior procedure for which the Child Cover benefit was paid.
- We will not pay the Child Cover benefit for Serious Injury, Critical Care, Loss of One Hand or One Foot or Placement on a Waiting List for Major Organ Transplant on more than one occasion for a child life insured.

2.4.3 Continuation of cover

Under the Child Cover Continuation Option, a child life insured has the opportunity to continue his or her death and trauma cover under a new policy on his or her life, without having to provide any evidence of health. The death and trauma cover issued under the new policy will be no greater than the amount of Child Cover under the Child Cover Option.

To continue cover, the child life insured must apply to us within 30 days before the policy anniversary date preceding his or her 18th birthday.

2.5 Standard features in Total Care Plan

2.5.1 Severe Hardship Booster Benefit

Under the Severe Hardship Booster benefit we will double the amount of benefit payable, if:

- your death or terminal illness is due to Meningococcal Disease, Legionnaires' Disease or Motor Neurone Disease and we pay a Life Care or Terminal Illness Benefit
- you suffer Loss of Limbs or Sight (as defined in Section 4.5.3) as a direct result of injury and the TPD Cover is payable in respect of that disability, or
- we pay a Trauma Cover benefit for Severe Burns, Diplegia, Hemiplegia, Quadriplegia, Paraplegia, Tetraplegia or Loss of Limbs or Sight (as defined in Section 4).

For example:

- if your Life Care benefit is \$200,000 and you are entitled to this booster benefit on your death, we will pay you a benefit of \$400,000 instead of a benefit of \$200,000
- if your Life Care benefit is \$500,000, your TPD Cover benefit is \$200,000 and you are entitled to this booster benefit on your TPD, we will pay you a benefit of \$400,000 instead of a benefit of \$200,000
- if your Life Care benefit is \$500,000, your Trauma Cover benefit is \$200,000 and you are entitled to this booster benefit on suffering a Trauma Cover condition, we will pay you a benefit of \$400,000 instead of a benefit of \$200,000
- if your Trauma Cover benefit is \$500,000, your TPD Cover benefit is \$200,000, Life Care does not apply and you are entitled to this booster benefit on your TPD, we will pay you a benefit of \$400,000 instead of a benefit of \$200,000

Limitations

- Each boosted benefit is limited to a maximum of \$250,000.
- Under Life Care, the Severe Hardship Booster Benefit will only apply to either terminal illness or death – the benefit will not be boosted twice.
- This benefit cannot boost your TPD or Trauma Cover benefit above your Life Care Benefit (if any). Where Trauma Cover and TPD Cover apply to your policy and Life Care does not apply, this benefit cannot boost the TPD Cover benefit above your Trauma Cover.

2.5.2 Loyalty Bonus Benefit

After your policy has been in place for five years or more, any Life Care, Terminal Illness, TPD Cover, Trauma Cover or Child Cover benefit which becomes payable will automatically be increased by 5%. For example, if your Life Care benefit is \$200,000 and you are entitled to this bonus benefit on your death, we will pay you a benefit of \$210,000 instead of a benefit of \$200,000.

2.5.3 Accommodation Benefit

You will be eligible for this benefit if you are confined to bed due to a condition for which a Terminal Illness, TPD or Trauma Cover is payable, and on medical advice you stay more than 100 kilometres from home or travel to a place more than 100 kilometres from home.

This benefit provides up to \$250 a day to help cover the costs of accommodating an immediate family member (i.e. your spouse, de facto spouse, parent, parent-in-law, sibling or child) who has to be away from home to be near you. This benefit is payable for up to 30 days in any twelve-month period.

2.5.4 Indexation

Each year we will provide you with an automatic increase in cover to ensure your insurance keeps pace with movements in the Consumer Price Index (CPI). If the CPI increases by less than 3%, we will increase your cover by 3%. Your premium will also be adjusted to allow for the higher level of cover. You can elect not to accept the increase in any year. Indexation will not apply while premiums are waived under the Plan Protection Option.

Section 3

Costs of cover

3.1 Premium rate options

3.1.1 Change in your level of cover under the Level Premium Rate option

Where the Level Premium Rate option applies and your cover is increased due to indexation, we will calculate the premium payable for the increase in cover based on your age next birthday at the time we accepted your application for cover.

Where, however, you decide to increase your cover, we will calculate the premium payable for the increase in cover based on your age next birthday at the date of the increase; while the premium payable for your existing cover will continue to be based on your age next birthday at the time we accepted your application for that cover.

3.1.2 Change in your level of cover under the Stepped Premium Rate option

Where the Stepped Premium Rate option applies and you increase your cover or it is increased as a result of indexation, we will calculate the premium payable for the increase in cover based on your age next birthday at the date of the increase.

If you want to change from the Stepped Premium Rate to the Level Premium Rate, you will have to apply for a new policy. However, to reduce the inconvenience of applying for a new policy, we have developed a short form Application for this purpose.

3.2 Premium calculation

Depending on the cover applied for, the factors affecting the cost of insurance include:

Factor	How it may affect the cost of your cover
Age	Generally, the older you are the higher the cost of your cover will be.
Health	The better the state of your health, the cheaper your cover will be.
Gender	Mortality and illness rates differ between men and women, resulting in differing premium rates.
Occupation	Each occupation group has different duties associated with it. The greater the risk associated with the general duties of that occupation group the greater the cost of cover for that occupation group.
Smoker status	Smoker premiums are generally higher than the premiums for a non-smoker.
Sporting or recreational activities	Certain sporting or recreational activities carry more risk than others, therefore the riskier the sporting or recreational activities that you undertake, the higher the cost of your cover will be.
Policy features you select	Generally, the more policy features you select, the higher the cost of your cover will be.
The premium rate option you select	Premiums vary depending on the premium rate option selected. The effect of each option on the premiums you pay is described above.
Combination of cover	The more cover types you include in your policy, the higher the cost of your cover will be.
Type and amount of cover	The cost of your cover depends on the amount of the cover you select. Generally, the greater your cover amount, the more expensive your cover will be.
Any options selected	Optional extras generally provide you with additional cover or benefits at an extra cost. However, some options provide for premium discounts.
Stamp duty	Where charged, stamp duty increases the cost of your cover because it is included in your premium.
Any loadings applied to the policy	Loadings increase the cost of your cover.

3.3 Sample premiums

The following premiums are samples only. They are based on a person who resides in NSW and apply as at the date of this RD. In each case a basic quote is provided, then one factor is altered to give you an indication of how premiums vary.

Income Care				
Basic quote				
<ul style="list-style-type: none"> • 35-year-old • male • non-smoker • accountant • benefit period five years • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • agreed value • includes Increasing Claim Option 	<ul style="list-style-type: none"> • 35-year-old • male • non-smoker • accountant • benefit period five years • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • indemnity cover • includes Increasing Claim Option 	<ul style="list-style-type: none"> • 35-year-old • male • non-smoker • accountant • benefit period to age 65 • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • agreed value • includes Increasing Claim Option 	<ul style="list-style-type: none"> • 35-year-old • female • non-smoker • accountant • benefit period five years • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • agreed value • includes Increasing Claim Option 	<ul style="list-style-type: none"> • 35-year-old • male • non-smoker • electrician • benefit period five years • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • agreed value • includes Increasing Claim Option
Stepped Premium Rate option \$34.28 per month	Stepped Premium Rate option \$30.00 per month	Stepped Premium Rate option \$46.72 per month	Stepped Premium Rate option \$47.13 per month	Stepped Premium Rate option \$84.07 per month
Level Premium Rate option \$52.46 per month	Level Premium Rate option \$43.29 per month	Level Premium Rate option \$67.84 per month	Level Premium Rate option \$67.81 per month	Level Premium Rate option \$134.98 per month

Income Care Plus				
Basic quote				
<ul style="list-style-type: none"> • 35-year-old • male • non-smoker • accountant • benefit period five years • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • agreed value • includes Increasing Claim Option 	<ul style="list-style-type: none"> • 35-year-old • male • non-smoker • accountant • benefit period five years • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • indemnity cover • includes Increasing Claim Option 	<ul style="list-style-type: none"> • 35-year-old • male • non-smoker • accountant • benefit period to age 65 • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • agreed value • includes Increasing Claim Option 	<ul style="list-style-type: none"> • 35-year-old • female • non-smoker • accountant • benefit period five years • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • agreed value • includes Increasing Claim Option 	<ul style="list-style-type: none"> • 35-year-old • male • non-smoker • electrician • benefit period five years • policy expiry date age 65 • monthly benefit \$3,125 • waiting period one month • agreed value • includes Increasing Claim Option
Stepped Premium Rate option \$40.58 per month	Stepped Premium Rate option \$33.79 per month	Stepped Premium Rate option \$52.63 per month	Stepped Premium Rate option \$58.83 per month	Stepped Premium Rate option \$101.41 per month
Level Premium Rate option \$59.23 per month	Level Premium Rate option \$48.70 per month	Level Premium Rate option \$76.75 per month	Level Premium Rate option \$77.35 per month	Level Premium Rate option \$153.46 per month

Section 3

Costs of cover

Business Overheads Cover				
Basic quote				
<ul style="list-style-type: none"> 35-year-old male non-smoker accountant policy expiry date age 65 monthly benefit \$6,000 one-month waiting period 	<ul style="list-style-type: none"> 45-year-old male non-smoker accountant policy expiry date age 65 monthly benefit \$6,000 one-month waiting period 	<ul style="list-style-type: none"> 35-year-old male non-smoker accountant policy expiry date age 65 monthly benefit \$6,000 three-month waiting period 	<ul style="list-style-type: none"> 35-year-old female non-smoker accountant policy expiry date age 65 monthly benefit \$6,000 one-month waiting period 	<ul style="list-style-type: none"> 35-year-old male non-smoker electrician policy expiry date age 65 monthly benefit \$6,000 one-month waiting period
Stepped Premium Rate option \$47.31 per month	Stepped Premium Rate option \$73.70 per month	Stepped Premium Rate option \$35.10 per month	Stepped Premium Rate option \$63.21 per month	Stepped Premium Rate option \$120.19 per month
Level Premium Rate option \$62.77 per month	Level Premium Rate option \$99.00 per month	Level Premium Rate option \$45.92 per month	Level Premium Rate option \$82.71 per month	Level Premium Rate option \$163.34 per month

Total Care Plan				
Basic quote				
<ul style="list-style-type: none"> 35-year-old male non-smoker accountant Life Care \$200,000 	<ul style="list-style-type: none"> 35-year-old male non-smoker accountant Life Care \$500,000 	<ul style="list-style-type: none"> 35-year-old male non-smoker accountant Life Care \$200,000 TPD \$200,000 	<ul style="list-style-type: none"> 35-year-old male non-smoker accountant Life Care \$200,000 TPD \$200,000 Trauma \$200,000 	<ul style="list-style-type: none"> 35-year-old female non-smoker accountant Life Care \$200,000
Stepped Premium Rate option \$25.00 per month	Stepped Premium Rate option \$32.11 per month	Stepped Premium Rate option \$28.77 per month	Stepped Premium Rate option \$51.55 per month	Stepped Premium Rate option \$25.00 per month
Level Premium Rate option \$36.67 per month	Level Premium Rate option \$62.32 per month	Level Premium Rate option \$53.62 per month	Level Premium Rate option \$128.83 per month	Level Premium Rate option \$27.90 per month

Please note

- Unless otherwise stated, no optional benefits have been included in these premium calculations.
- Where TPD Cover is included, it is assumed that the 'any occupation' definition applies.
- The premium calculations include the policy fee and frequency charge.
- The premium calculations assume no loadings are applied due to health, occupation or pastime risks.

3.4 Taxation

This section provides general information about tax implications. As your individual circumstances may be quite different, you should discuss any taxation issues with your tax adviser. All taxation information is based on the continuance of taxation laws and their interpretation that were current at the date this RD was prepared.

3.4.1 Income Care Range

The premium for your policy will generally be an allowable deduction from your assessable income under Section 8-1 of the Income Tax Assessment Act 1997. In the case of Income Care/Income Care Plus, this deductibility applies regardless of whether you are self-employed or an employed person.

Generally, any Income Care/Income Care Plus benefits (including any super continuance monthly benefit) and Business Overheads Cover benefits will be treated as income and taxed accordingly. However, special considerations apply to the Cash Back Option and TPD Cover Option:

- **Cash Back Option**

If you select the Cash Back Option, the additional premium paid for this option is not tax deductible. When we refund premiums to you under this option, the refund consists of two components:

1. a refund of a percentage of premiums paid for the option, which is not assessable as income, and
2. the balance of the refund, which is assessable as income and should be included in your income tax return.

- **TPD Cover Option**

If you select this option, approximately 10% of your premiums will not be tax deductible. The exact dollar amount of non-deductible premiums will be detailed in an annual statement that we will provide you with.

However, if you receive a lump sum under this option, it will not be treated as income and will not be taxable.

- **Crisis Benefit**

This benefit is only payable if you choose Income Care Plus. Payment of a lump sum benefit in the event of suffering one of the specific medical conditions will not be treated as income and will not be taxable.

- **Super continuance monthly benefit**

Super continuance monthly benefit is paid to your nominated superannuation fund as your personal contribution. Accordingly, it should be treated by the fund trustee as an undeducted contribution. However, if you satisfy the tests for claiming a tax deduction for personal superannuation contributions and give the trustee the appropriate notices, you will receive a deduction for some or all of the super continuance monthly benefit and the equivalent amount will be treated by the fund trustee as a taxable contribution.

3.4.2 Life Care, TPD Cover and Trauma Cover under Total Care Plan

Generally, premiums for your policy are not tax deductible. However, in most situations, benefits paid to the policy owner or their estate are not subject to personal tax.

In some circumstances it is possible to claim a tax deduction for premiums, and benefits paid could be assessable. This could apply if an employer or business owns the policy and is paying the premiums.

Section 4

Medical condition definitions

4.1 Heart Disorders

4.1.1 Heart Attack

The death of part of the heart muscle (myocardium) as a result of inadequate blood supply. The diagnosis must be based on either:

- the following medical evidence:
 - i) elevation of cardiac enzyme CK-MB, or
 - ii) elevation in levels of Troponin I greater than 2.0 mcg/L or Troponin T greater than 0.6 mcg/L or their equivalent and
 - iii) confirmatory new electrocardiogram (ECG) changes, or
 - iv) medical evidence satisfactory to us that the heart attack reduced the Left Ventricular Ejection Fraction to below 50% when measured at least six weeks after the heart attack, or
- any other medical evidence satisfactory to us which demonstrates that myocardial damage has occurred to at least the same degree of severity as would be evidenced by the medical evidence required under the first bullet point.

4.1.2 Out of Hospital Cardiac Arrest

Cardiac arrest which is not associated with any medical procedure and is documented by an electrocardiogram, occurs out of hospital and is due to:

- cardiac asystole, or
- ventricular fibrillation with or without ventricular tachycardia.

4.1.3 Coronary Artery Disease Requiring By-pass Surgery

The actual undergoing of by-pass surgery (including saphenous vein or internal mammary graft/s) for the treatment of coronary artery disease. Any other operations are specifically excluded from this definition.

4.1.4 Coronary Artery Angioplasty

The undergoing of coronary artery angioplasty, that is considered necessary by a cardiologist to treat coronary artery disease. The cardiologist's opinion that the procedure is necessary must be supported by angiographic evidence.

4.1.5 Coronary Artery Angioplasty – Triple Vessel

Undergoing, in the same procedure, coronary artery angioplasty to three or more coronary arteries, where the procedure is considered necessary by a cardiologist to treat coronary artery disease.

4.1.6 Repair and Replacement of a Heart Valve

Surgery to replace or repair heart valves but does not include percutaneous valvuloplasty, trans-arterial procedures or other non-surgical techniques.

4.1.7 Surgery of the Aorta

Surgery to correct a narrowing, dissection or aneurysm of the thoracic or abdominal aorta but not its branches.

4.1.8 Cardiomyopathy

Condition of impaired ventricular function of variable aetiology (often not determined) resulting in significant physical impairment, i.e. Class 3 on the New York Heart Association classification of cardiac impairment.

4.1.9 Primary Pulmonary Hypertension

Primary Pulmonary Hypertension associated with right ventricular enlargement established by cardiac catheterisation resulting in significant permanent physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment.

4.1.10 Open Heart Surgery

Open Heart Surgery for treatment of cardiac defect/s, cardiac aneurism or benign cardiac tumour/s.

4.2 Nervous System Disorders

4.2.1 Stroke

A cerebrovascular accident or incident producing neurological sequelae. This includes infarction of brain tissue, intracranial and/or subarachnoid haemorrhage, or embolisation from an extracranial source. The following are excluded:

- Cerebral symptoms due to:
 - transient ischaemic attacks
 - reversible ischaemic neurological deficit
 - migraine
- Cerebral injury resulting from:
 - trauma
 - hypoxaemia
 - vascular disease affecting the eye, optic nerve or vestibular function.

4.2.2 Major Head Trauma

Injury to the head resulting in neurological deficit causing either:

- a permanent loss of at least 25% whole person function (as defined in the edition of the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment' current as at the preparation date of this RD), or
- the permanent and irreversible inability to perform without the assistance of another person any one of the 'Activities of Daily Living' (as defined under Loss of Independent Existence in Section 4.5.5), as certified by a consultant neurologist.

4.2.3 Motor Neurone Disease

Motor Neurone Disease diagnosed by a consultant neurologist.

4.2.4 Multiple Sclerosis

The unequivocal diagnosis of Multiple Sclerosis as confirmed by a consultant neurologist and characterised by demyelination in the brain and spinal cord evidenced by Magnetic Resonance Imaging or other investigations acceptable to us. There must have been more than one episode of well-defined neurological deficit with persisting neurological abnormalities.

4.2.5 Multiple Sclerosis of limited extent

The unequivocal diagnosis of Multiple Sclerosis as defined above but without the existence of persisting neurological abnormalities.

4.2.6 Muscular Dystrophy

The unequivocal diagnosis of Muscular Dystrophy by a consultant neurologist.

4.2.7 Paraplegia

The permanent loss of use of both legs or both arms, resulting from spinal cord sickness or injury.

4.2.8 Quadriplegia

The permanent loss of use of both arms and both legs, resulting from spinal cord sickness or injury.

4.2.9 Hemiplegia

The total loss of function of one side of the body due to sickness or injury, where such loss of function is permanent.

4.2.10 Diplegia

The total loss of function of both sides of the body due to sickness or injury, where such loss of function is permanent.

4.2.11 Tetraplegia

The total and permanent loss of use of both arms and both legs, together with loss of head movement, due to brain sickness or injury, or spinal cord sickness or injury.

4.2.12 Dementia and Alzheimer's Disease

Clinical diagnosis of Dementia (including Alzheimer's Disease) as confirmed by a consultant neurologist, psycho-geriatrician, psychiatrist or geriatrician. The diagnosis must confirm permanent, irreversible failure of brain function resulting in significant cognitive impairment for which no other recognisable cause has been identified. Significant cognitive impairment means a deterioration in the life insured's Mini-Mental State Examination scores to 24 or less, and deterioration would continue but for any effective treatments.

Dementia related to alcohol, drug abuse or AIDS is excluded.

4.2.13 Coma

A state of total unconsciousness with no reaction to external stimuli or internal needs, requiring continuous assisted ventilation to maintain life for at least 72 consecutive hours.

4.2.14 Encephalitis

The severe inflammation of brain substance which results in significant neurological sequelae, causing either:

- a permanent loss of at least 25% whole person function (as defined in the edition of the American Medical Association's publication 'Guides to the Evaluation of Permanent Impairment' current as at the date of this RD), or
- the permanent and irreversible inability to perform without the assistance of another person any one of the 'Activities of Daily Living' (as defined under Loss of Independent Existence in Section 4.5.5), as certified by a consultant neurologist.

Encephalitis as a result of HIV infection is excluded.

4.2.15 Parkinson's Disease

The unequivocal diagnosis of Parkinson's Disease by a consultant neurologist where the consultant neurologist confirms that the condition:

- is the established cause of two or more of the following:
 - muscular rigidity
 - resting tremor
 - bradykinesia
- has caused significant progressive physical impairment, likely to continue progressing but for any treatment benefit.

The life insured must be under the established care and following the advice of a specialist neurologist.

4.2.16 Bacterial Meningitis

The unequivocal diagnosis of Bacterial Meningitis resulting in a neurological deficit causing permanent and significant functional impairment. The Bacterial Meningitis must be caused by a proven organism.

4.2.17 Subacute Sclerosing Panencephalitis

The unequivocal diagnosis of Subacute Sclerosing Panencephalitis.

4.3 Body Organ Disorders

4.3.1 Cancer

Any malignant tumour characterised by the uncontrolled growth and spread of malignant cells that requires treatment by surgery, radiotherapy, chemotherapy, biological response modifiers, or any other major interventionist treatment and includes cancers that are completely untreatable.

The following are included:

- Leukaemia.
- Hodgkin's disease.
- Malignant lymphoma.
- Malignant bone marrow disorders.
- Melanomas which have a depth of invasion of Clark Level 3 or 1.5mm or more in Breslow thickness.
- Carcinoma in situ of the breast which results directly in the removal of the entire breast (with or without removal of lymph nodes). The procedure must be performed specifically to arrest the spread of malignancy and be considered the appropriate and necessary treatment.

Section 4

Medical condition definitions

The following are excluded:

- Tumours showing the malignant changes of ‘carcinoma in situ’ or which are histologically described as premalignant. The following are examples of tumours categorised as either being carcinoma in situ or premalignant and are excluded:
 - i) cervical dysplasia, CIN1, CIN2 and CIN3
 - ii) all non-melanoma skin tumours and cancers unless there has been evidence of metastatic spread.
- Any colorectal cancer classified as TNM (Tumour, Nodes, Metastases) Stage 0 (Tis, NO, MO).
- Prostatic cancers which remain histologically described as TNM Classification T1a or T1b or are of another equivalent or lower classification.
- Prostatic cancers which remain histologically described as TNM Classification T1c unless curative intent therapy has been administered in connection with such cancer.
- All AIDS-related malignancies.
- Tumours treated by endoscopic procedures alone.
- Chronic Lymphocytic Leukaemia (as defined in Section 4.3.3).
- Removal of Carcinoma in situ of the Breast (as defined in Section 4.3.5).
- Melanoma (as defined in Section 4.3.2).
- Hydatidiform Mole (as defined in Section 4.3.9).
- Carcinoma in situ of the Cervix Uteri (as defined in Section 4.3.6).
- Carcinoma in situ of the Vagina (as defined in Section 4.3.8).
- Carcinoma in situ of the Vulva or Perineum of limited extent (as defined in Section 4.3.7).

The last seven exclusions do not apply to Income Care Plus.

4.3.2 Melanoma

A melanoma which has a depth of invasion of:

- Clark level 2, or
- more than 1.25mm, but less than 1.5mm, in Breslow thickness

as determined by histological examination. The malignancy must be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.

4.3.3 Chronic Lymphocytic Leukaemia

The presence of chronic lymphocytic leukaemia diagnosed as RAI stage 0 or 1, which is defined to be in the blood and bone marrow and/or lymph nodes only.

4.3.4 Cancer of the Vulva or Perineum

Any lesion described by a histopathologist as carcinoma of the vulva or perineum that meets the criteria of either Stage 3 or 4 (tumour of any size with contiguous invasion of local organs) of the 1988 International Federation of Gynecology and Obstetrics (FIGO) surgical staging system.

4.3.5 Removal of Carcinoma in situ of the Breast

Surgical removal of a carcinoma in situ of the breast, where the carcinoma in situ of the breast:

- is characterised by a focal autonomous new growth of carcinomatous cells which has not yet resulted in the invasion of normal tissues
- does not result in the removal of the entire breast, and
- is classified as TNM (Tumour Nodes Metastasis) stage Tis or FIGO (International Federation of Gynecology and Obstetrics) Stage 0.

The procedure must be performed specifically to arrest the spread of malignancy and be considered the appropriate and necessary treatment.

4.3.6 Carcinoma in situ of the Cervix Uteri

Confirmation by biopsy of localised pre-invasive cancer in the cervix uteri at severe dysplasia of the level of CIN 3 grading where cancer cells do not penetrate the basement membrane nor invade the surrounding tissues or stroma. For the purposes of this definition, ‘invade’ means to infiltrate and/or destroy the tissue of origin or surrounding tissue.

4.3.7 Carcinoma in situ of the Vulva or Perineum of limited extent

Any lesion described by a histopathologist as carcinoma or intraepithelial neoplasia of the vulva or perineum that meets the criteria of either of the following stages of the 1988 International Federation of Gynecology and Obstetrics (FIGO) surgical staging system:

- Stage 0. Carcinoma in situ; intraepithelial neoplasia
- Stage 1A, 1B or 2 where the cancer is confined to the Vulva or Perineum.

4.3.8 Carcinoma in situ of the Vagina

Any lesion described by a histopathologist as carcinoma or intraepithelial neoplasia of the vagina that meets the criteria of Stage 0, (carcinoma in situ; vaginal intraepithelial neoplasia) of the 1988 International Federation of Gynecology and Obstetrics (FIGO) surgical staging system.

4.3.9 Hydatidiform Mole

The surgical removal of a Hydatidiform mole as confirmed by a histopathologist.

4.3.10 Benign Brain Tumour

A non-cancerous tumour in the brain giving rise to characteristic symptoms of increased intracranial pressure such as papilloedema, mental symptoms, seizures and sensory impairment as confirmed by a medical practitioner who is a consultant neurologist. The tumour must result in permanent neurological deficit:

- causing at least a permanent 25% impairment of whole person function (as defined in the edition of the American Medical Association's publication 'Guides to the Evaluation of Permanent Impairment' current as at the date of this RD) or
- requiring cranial surgery for its removal.

The presence of the underlying tumours must be confirmed by imaging studies such as CT Scan or MRI. Cysts, granulomas, malformations in or of the arteries or veins of the brain, haematomas, and tumours in the pituitary gland or spine are excluded.

4.3.11 Blindness

The permanent loss of sight in both eyes, whether aided or unaided, due to sickness or injury to the extent that visual acuity is 6/60 or less in both eyes, or to the extent that the visual field is reduced to 20 degrees or less of arc, as certified by an ophthalmologist.

4.3.12 Partial Blindness

The permanent loss of sight in one eye, whether aided or unaided, due to sickness or injury to the extent that visual acuity is 6/60 or less in one eye, or to the extent that the visual field is reduced to 20 degrees or less of arc, as certified by an ophthalmologist.

4.3.13 Chronic Kidney Failure

End stage renal failure presenting as chronic irreversible failure of both kidneys to function as a result of which regular renal dialysis is instituted or renal transplantation is performed.

4.3.14 Major Organ or Bone Marrow Transplant

The human to human transplant from a donor to the life insured of

- one or more of the following organs:
 - kidney
 - lung
 - pancreas
 - heart
 - liver
- bone marrow.

The transplantation of all other organs or parts of organs or any other tissue transplant is excluded.

4.3.15 Placement on a Waiting List for Major Organ Transplant

The life insured must:

- be diagnosed with a sickness or injury which necessitates a Major Organ or Bone Marrow Transplant (as defined in Section 4.3.14) and
- meet the Recipient Suitability Criteria of an Organ Allocation Protocol of the Transplantation Society of Australia and New Zealand and
- be on a waiting list for the transplant of the relevant organ for at least six months

where 'waiting list' means the waiting list of a Transplantation Society of Australia and New Zealand recognised transplant unit.

The diagnosis, suitability and placement on a waiting list must be certified by an appropriate medical specialist.

4.3.16 Severe Burns

Tissue injury caused by thermal, electrical or chemical agents causing deep (third degree) burns to:

- 20% or more of the body surface area as measured by the age-appropriate use of 'The Rule of Nines' or the Lund & Browder Body Surface Chart
- both hands, requiring surgical debridement and/or grafting, or
- the face, requiring surgical debridement and/or grafting.

4.3.17 Loss of Speech

The total and irrecoverable loss of the ability to produce intelligible speech as a result of sickness or injury which causes permanent damage to the larynx or its nerve supply or the speech centres of the brain. The loss must be certified by an appropriate medical specialist.

4.3.18 Loss of Hearing

Complete and irrecoverable loss of hearing, both natural and assisted, from both ears as a result of sickness or injury, as certified by a specialist we consider appropriate.

4.3.19 Partial Loss of Hearing

Complete and irrecoverable loss of hearing, both natural and assisted, from one ear as a result of sickness or injury, as certified by a specialist we consider appropriate.

4.3.20 Chronic Liver Disease

Permanent liver failure resulting in permanent jaundice, ascites and/or encephalopathy.

4.3.21 Chronic Lung Disease

Permanent end stage respiratory failure, with FEV1 test results of consistently less than one litre, requiring continuous permanent oxygen therapy.

Section 4

Medical condition definitions

4.3.22 Severe Rheumatoid Arthritis

The unequivocal diagnosis of severe rheumatoid arthritis by a rheumatologist. The diagnosis must be supported by, and evidence, all of the following criteria:

- at least a six-week history of Severe Rheumatoid Arthritis which involves three or more of the following joint areas:
 - i) proximal interphalangeal joints in the hands
 - ii) metacarpophalangeal joints in the hands
 - iii) metatarsophalangeal joints in the foot, wrist, elbow, knee, or ankle
- simultaneous bilateral and symmetrical joint soft tissue swelling or fluid (not bony overgrowth alone)
- typical rheumatoid joint deformity

and at least two of the following criteria:

- morning stiffness
- rheumatoid nodules
- erosions seen on X-ray imaging
- the presence of either a positive rheumatoid factor or the serological markers consistent with the diagnosis of Severe Rheumatoid Arthritis.

Degenerative osteoarthritis and all other arthritides are excluded.

4.3.23 Severe Osteoporosis

The life insured suffers at least two vertebral body fractures or a fracture of the neck of femur, due to osteoporosis and has a bone mineral density reading with a T-score of -2.5 or worse (i.e. 2.5 standard deviations below the young adult mean for bone density). This must be measured in at least two sites by dual energy x-ray absorptiometry (DEXA). The life insured must suffer from this condition before he or she reaches his or her 50th birthday and must at the time be covered for the condition.

4.4 Blood Disorders

4.4.1 Occupationally Acquired HIV

Infection with Human Immunodeficiency Virus (HIV) where it was acquired as a result of an accident occurring during the currency of the policy. The accident must occur during the course of carrying out normal occupational duties, with seroconversion indicating HIV infection occurring within six months of the accident. Infection in any other manner, including sexual activity or recreational intravenous drug use, is specifically excluded.

A HIV antibody test must be taken within seven days after the accident and reported within 30 days and produce negative results. Access to all blood samples taken is required for independent tests, with the right to take additional samples as necessary.

The benefit will not apply if:

- before the injury, the Australian Government has recommended an HIV vaccine for use in the occupation of the life insured but the life insured has not taken this vaccine, or
- the Australian Government has approved a treatment which renders the HIV virus inactive and non-infectious to others.

4.4.2 Medically Acquired HIV

Accidental infection with Human Immunodeficiency Virus (HIV) which we believe, on the balance of probabilities, arose from one of the following medically-necessary events which must have occurred to the life insured in Australia by a recognised and registered health professional:

- a blood transfusion
- transfusion with blood products
- organ transplant to the life insured
- assisted reproductive techniques, or
- a procedure or operation performed by a medical/paramedical practitioner or dentist.

Access to all blood samples taken is required for independent tests, with the right to take additional samples as necessary.

A Trauma Cover benefit will not be payable in respect of Medically Acquired HIV if, before the accidental infection occurred, the Australian Government approved a medical treatment which if applied to the life insured would:

- render the life insured's HIV inactive and non-infectious to others or
- prevent the life insured from developing AIDS, or
- where the life insured has developed AIDS, cure the AIDS.

4.4.3 Aplastic Anaemia

This means bone marrow failure which results in anaemia, neutropenia and thrombocytopenia requiring treatment, with at least one of the following:

- blood product transfusions
- marrow stimulating agents
- immunosuppressive agents, or
- bone marrow transplantation.

4.4.4 Advanced Diabetes

Severe diabetes mellitus, either Insulin or Non-Insulin dependent, as certified by a consultant endocrinologist and resulting in at least two of the following criteria:

- Severe Diabetic Retinopathy resulting in visual acuity uncorrected and corrected of 6/36 or worse in both eyes
- Severe Diabetic Neuropathy causing motor and/or autonomic impairment
- Diabetic Gangrene leading to surgical intervention
- Severe Diabetic Nephropathy causing chronic irreversible renal impairment (as measured by a corrected creatinine clearance below the laboratory/ies measured normal range).

Diabetes Complication (as defined in Section 4.4.5) is excluded.

4.4.5 Diabetes Complication

Diagnosis of Type 1 Insulin dependent diabetes mellitus, as certified by a consultant endocrinologist and resulting in at least two of the following criteria:

- i) urinary protein excretion of more than 300mg per day
- ii) diabetic retinopathy with a minimum severity of at least exudates and/or dot-blot haemorrhages
- iii) persistent sensory neuropathy.

4.5 Other Events

4.5.1 Serious Injury

An injury that has for the first time resulted in the life insured being confined to an acute care hospital for a period of 30 consecutive days (24 hours per day) under the full-time care of a registered medical practitioner. Injury as a result of alcohol or non-prescribed drug intake or other self-inflicted means is excluded.

4.5.2 Critical Care

An injury or sickness that has, for the first time, resulted in the life insured requiring continuous mechanical ventilation by means of tracheal intubation for ten consecutive days (24 hours per day) in an authorised intensive care unit of an acute care hospital. Injury or sickness as a result of alcohol or non-prescribed drug intake, or other self-inflicted means is excluded.

4.5.3 Loss of Limbs or Sight

The life insured has sustained, as a direct result of injury or sickness:

- the complete and irrecoverable loss of use of both hands
- the complete and irrecoverable loss of use of both feet
- the complete and irrecoverable loss of use of one hand and one foot
- blindness in both eyes, whether aided or unaided
- the complete and irrecoverable loss of use of one foot and blindness in one eye, whether aided or unaided, or
- the complete and irrecoverable loss of use of one hand and blindness in one eye, whether aided or unaided.

For the purpose of this definition, 'blindness' means the permanent loss of sight to the extent that visual acuity is 6/60 or less, or to the extent that the visual field is reduced to 20 degrees or less of arc.

4.5.4 Loss of One Hand or One Foot

The life insured has sustained, as a direct result of injury or sickness, the complete and irrecoverable loss of use of one hand or one foot.

4.5.5 Loss of Independent Existence

As a result of sickness or injury:

- there is permanent and irreversible inability to perform without the assistance of another person any two of the 'Activities of Daily Living' or all of the 'Defined Home Duties', or
- the life insured suffers cognitive impairment that results in the life insured requiring permanent and constant supervision for a continuous period of at least six months. The life insured's impairment must be established by a medical practitioner nominated by us.

Loss of Independent Existence due to alcohol or drug abuse or AIDS is excluded.

Activities of Daily Living

1. Dressing – putting on and taking off clothing.
2. Toileting – using the toilet, including getting on and off.
3. Mobilising – getting in and out of bed and a chair.
4. Maintaining Continence – having good control of bowel and bladder function.
5. Feeding – getting food from a plate into the mouth.

Defined Home Duties

- Cleaning the usual place of dwelling.
- Purchasing household food and items used for cleaning.
- Preparing meals for the household.
- Performing for the household laundry services such as washing or ironing.

13 10 56

8 am–8 pm (Sydney time)

Monday to Friday

comminsure.com.au

Write to: Manager, Customer Communication, Comminsure Life Insurance, PO Box 320, Silverwater NSW 2128.

