

Policy Document

Income Care Plus

Business Overheads Cover



This document is an agreement between you and
The Colonial Mutual Life Assurance Society Limited
ABN 12 004 021 809.

Please keep it in a safe place.

This document is issued by:
The Colonial Mutual Life Assurance Society Limited
Level 6, 48 Martin Place, Sydney NSW 1155



The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 ('CMLA') ('the Insurer') is a wholly owned subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124. The Commonwealth Bank of Australia and its subsidiaries do not guarantee the obligations or performance of the Insurer or the products it offers.

For the purposes of this document the terms 'we', 'our' and 'us' will refer to The Colonial Mutual Life Assurance Society Limited, the 'Life Company' issuing the life insurance Policy.

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Some information about this policy

Overview

The Income Care Plus Policy is designed to replace a proportion of your income if you suffer a Sickness or Injury and cannot work, subject to the conditions of this Policy. It also provides a variety of additional benefits to give you added protection.

Business Overheads Cover will help pay the expenses of running your business covered under the Policy if you are unable to work because of your Sickness or Injury. It can be added to Income Care Plus or purchased on its own.

World-wide Cover

This Policy provides cover 24 hours a day anywhere in the world.

Premiums

Generally, the cost of cover increases as you get older. The cost will depend on your sex, occupation, whether or not you smoke and any sporting or recreational activities in which they may participate. The combination of Waiting Period, Benefit Period, Policy Expiry Date, Monthly Benefit and options selected. Premiums are payable annually in advance and can also be paid in monthly, quarterly or half-yearly instalments by a method approved by us.

This Policy does not acquire a surrender or cash-in value at any point.

Taxation

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. This deductibility applies regardless of whether you are self-employed or an employed person.

Any Income Care Plus benefits (including the Super Continuation Monthly Benefit) will be treated as income and taxed accordingly.

We have only provided general statements on taxation. 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 present taxation laws and their interpretation that were current on 1 September 2001.

Multiple Lives

More than one Insured life can be included in a Policy.

Upgrade Provision

Future versions of this product may be introduced. If this happens all policies in a group will be upgraded to include the improved terms and conditions within a reasonable time frame (generally on the next Policy Anniversary Date) but only if no policy in that group will be disadvantaged.

Any pre-existing conditions at the time the improvement takes place may be excluded from being eligible for payment under any policy terms and conditions.

Enquiries And Complaints

If you have an enquiry, you should first contact the adviser you deal with or one of our Customer Service Consultants on **13 10 56**, between 8am and 8pm (Sydney time), Monday to Friday.

Our Customer Service Consultant will either deal with the matter personally or refer the matter to the appropriate person.

Alternatively, if you have a complaint, you should write to the following address:

Customer Relations Department
Commonwealth Bank Group
GPO Box 41
Sydney NSW 2001

Your complaint will be handled by the Complaints Manager.

We will strive to ensure that your enquiries or complaints are resolved fairly and promptly.

The maximum time we will take to resolve a complaint is 45 days except in special circumstances. You will be notified in writing of a decision concerning your complaint.

If after contacting us, your complaint has not been resolved to your satisfaction or within 90 days, you can contact the Financial Industry Complaints Service.

The Financial Industry Complaints Service

The Financial Industry Complaints Service is an independent service that handles complaints involving life insurance companies. It is able to offer free, informed assistance to help resolve your complaint. The Financial Industry Complaints Service will advise you of any complaints it cannot consider when you contact them.

You can contact the Service by writing to:

The Financial Industry Complaints Service

PO Box 579

Collins Street West

Melbourne VIC 8007

Toll Free 1800 335 405 or

Phone 9629 7050 if you live in the Melbourne metropolitan area.

Fax (03) 9621 2291

About The Group

In June 2000, the Colonial group of companies merged with the Commonwealth Bank of Australia, creating the most diversified financial services organisation in Australia. The Commonwealth Bank of Australia and its subsidiaries (the 'Group') constitute one of the largest financial organisations in Australia with over 9 million customers and is now the country's largest fund manager, largest superannuation fund manager and third largest life insurer. It has a presence in 16 key markets around the world and operates core business in insurance, banking, investments and superannuation.

The Insurer

The Directors of CMLA as at 1 September 2001 are:

Mr J F Mulcahy (*Chairman*)

Mr G D Austin

Mr P D Beck

Mr J K Evans

Mr P L Polson

Mr M J Ullmer

Policy conditions

1. *Interpreting This Policy Document*

This Policy Is A Contract

This Policy is a contract that consists of:

- the application form in which you applied for this Policy;
- any other documents which you have signed for the purposes of this Policy;
- the Policy conditions in this document;
- the latest Policy Schedule we have issued for this Policy;
- and
- any document we have issued which records an authorised variation of this Policy.

Cooling-off Period

From the date you receive this Policy, you have 14 days to check that it meets your needs. This is known as the cooling-off period. Within this time you may cancel the Policy and receive a full refund of any premiums (and charges) paid. To do this, you must put your request in writing and send it to us with this Policy Document. The Policy will then be treated as if it never existed.

Guaranteed Renewable

Provided premiums are paid within 30 days of the Premium Due Date, this Policy will remain in force until the Policy Expiry Date and we cannot cancel this Policy, increase the premium rates for this Policy or place any further restrictions on the cover presently provided by this Policy as a result of:

- the number of claims made; or
- any change in your state of health, occupation or pastimes.

Legal Interpretation

This Policy is subject to and governed by the laws of the State of New South Wales.

Policy Schedule

The Policy Schedule contains the individual details of your Policy and must be read in conjunction with these Policy conditions.

References

In this Policy, a reference to 'you' or 'your' is a reference to the person whose name appears in the Policy Schedule as the Insured. Where the context permits, it also includes the person whose name appears in the Policy Schedule as the Policy Owner. However, in the context of any payment we make to you, or any changes you request regarding the Policy, 'you' and 'your' only refers to the Policy Owner.

Policy conditions

2. Important Definitions

Agreed Value Policy

You have an 'Agreed Value Policy' for the purposes of the terms and conditions of this Policy if the Monthly Benefit shown on your Policy Schedule appears as 'Agreed Value'.

Approved Rehabilitation Program

A program certified by your Medical Practitioner to be necessary for your rehabilitation which is approved by us but excluding any program providing 'hospital treatment' or 'ancillary health services' within the meaning of the National Health Act 1953 or any other program which might cause this Policy to cease to be exempt from the National Health Act 1953 or Health Insurance Act 1973 or any succeeding Federal Act in connection with health insurance.

Benefit Period

The Benefit Period is shown in your Policy Schedule and is the longest period over which a Disability benefit will be paid, for any one continuous period of Disability. A new Benefit Period starts from the end of each Waiting Period.

The Benefit Period for an Insured does not extend beyond their Policy Expiry Date.

Business

This is the business or professional practice specified in the application form in which you applied for this Policy and is the business or practice to which Business Overheads Cover relates.

Business Overheads Monthly Benefit

If you have the optional Business Overheads Cover, this is the maximum total monthly expenses of the Business which we have to reimburse to you and is the amount shown in your Policy Schedule.

Date Insured From

This is the date, shown on your Policy Schedule, from which your Policy becomes effective.

Disability And Disabled

The words 'Disability' and 'Disabled' each mean Total Disability or Partial Disability.

Home Care Needs

This includes cooking, cleaning, shopping, banking and similar needs, but does not include the provision of nursing or similar services.

Immediate Family Member

An Immediate Family Member is your spouse, de facto spouse, parent, parent-in-law or any of your children.

Income Producing Duty

An Income Producing Duty is a duty of your occupation which produces at least 20% of your Monthly Income.

Indemnity Policy

You have an 'Indemnity Policy' for the purposes of the terms and conditions of this Policy if the Monthly Benefit shown on your Policy Schedule appears as 'Indemnity'.

Indexation Factor

The Indexation Factor is the most recent annual percentage change in the Consumer Price Index (all groups – Eight Capital Cities combined) published by the Australian Bureau of Statistics. If no Consumer Price Index is published, we will determine a figure which we consider most nearly replaces it.

Where the Indexation Factor is applied to automatic Indexation (see page 9), it is the last change that occurred three months before the Policy Anniversary Date.

Injury

An Injury is an accidental bodily injury occurring while this Policy is in force.

Medical Practitioner

A Medical Practitioner means a legally qualified medical practitioner other than you, an Immediate Family Member or business partner.

Monthly Benefit

The Monthly Benefit is the lesser of the following amounts:

- the amount shown in your Policy Schedule as increased or decreased in accordance with the conditions of this Policy;

- 75% of your Pre-Disability Income but, if you have an Agreed Value Policy, this amount will only apply if your average Monthly Income in the 12 months before you applied for your present level of cover was insufficient for us to have accepted you for that level of cover.

Where benefits are payable for part of a month, the Monthly Benefit is divided by 30 to arrive at a daily benefit.

Monthly Income

If you are self-employed, a working director or partner in a partnership, your Monthly Income is the monthly income generated by the business or practice directly due to your personal exertion or activities excluding superannuation, less your monthly share of necessarily incurred business expenses.

If you are not self-employed, a working director or partner in a partnership, your Monthly Income is the total monthly value of remuneration paid by your employer including salary, fees, commission, regular overtime and fringe benefits, excluding bonuses and superannuation.

If you have the Super Continuance Option, Monthly Income will include one twelfth of the amount by which total superannuation contributions made for your benefit by you or your employer exceed 15% of your annual income or remuneration, as applicable and as described above, in the relevant 12 month period.

Occupation Group

Your Occupation Group is the group that your occupation falls into according to our standard occupation categories. Your Occupation Group at the time you obtained your cover is shown in the Policy Schedule.

Partial Disability And Partially Disabled

The words Partial Disability and Partially Disabled each mean that, because of Sickness or Injury, you are unable to work in your own occupation at full capacity and:

- you are working in your own occupation in a reduced capacity, or working in another occupation; and
- 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, a different definition will apply in place of this one. See Unemployment and Leave From Work on page 20.

Policy Anniversary Date

The date on which your Policy's annual review will take place and from which your premiums are calculated.

The Policy Anniversary Date will fall on each anniversary of the Date Insured From shown in the Policy Schedule.

Policy Expiry Date

The Policy Expiry Date is shown in the Policy Schedule and is the date when cover for an Insured under this Policy ends. No benefit will be paid on or after the Policy Expiry Date.

Pre-Disability Income

Agreed Value

If you have an Agreed Value Policy, your Pre-Disability Income is the larger of the following amounts:

- your highest average Monthly Income in any consecutive 12 month period in the three years immediately before your most recent period of Disability (or, where applicable, before the Injury or condition which resulted in the Specific Injuries Benefit or Crisis Benefit becoming payable);
- the average Monthly Income you received during the 12 months before you applied for your present level of cover.

If you continue to receive benefits for more than 12 months, this figure will be increased by the Indexation Factor every 12 months on the anniversary of the date that benefits started. If there is an indexed increase, the most recent indexed amount will be the minimum Pre-Disability Income for future claims.

Indemnity

If you have an Indemnity Policy your Pre-Disability Income is the average Monthly Income you received during the 12 months immediately before your most recent period of Disability (or, where applicable, before the Injury or condition which resulted in the Specific Injuries Benefit or Crisis Benefit becoming payable).

If you continue to receive benefits for more than 12 months, this figure will be increased by the Indexation Factor every 12 months on the anniversary of the date that benefits started.

Premium Due Date

Where premiums are payable annually in advance they are due on the Date Insured From and on each Policy Anniversary Date. Each of these dates is a Premium Due Date.

Premiums can also be paid in monthly, quarterly or half-yearly instalments by a method approved by us. If we agree to accept the premium in instalments, the date that an instalment is due to be paid is a Premium Due Date.

Sickness

This is an illness or disease that becomes apparent while this Policy is in force.

Super Continuance Monthly Benefit

This benefit only applies where the words 'Super Continuance Option' appear under the 'Additional Options' section of your Policy Schedule.

The Super Continuance Monthly Benefit is the lesser of the following amounts:

- the amount shown in your Policy Schedule as increased or decreased in accordance with the conditions of this Policy;
- one twelfth of the amount of total superannuation contributions made for your benefit by you or your employer in the 12 months immediately before your most recent period of Disability (or, where applicable, before the Injury or condition which resulted in the Specific Injuries Benefit or Crisis Benefit becoming payable).

Where benefits are payable for part of a month, the Super Continuance Monthly Benefit is divided by 30 to arrive at a daily benefit.

Total Disability And Totally Disabled

The words Total Disability and Totally Disabled each mean that, because of Sickness or Injury, you are:

- unable to perform at least one Income Producing Duty of your occupation; and
- following the advice of a Medical Practitioner; and
- not working.

When you are unemployed or on maternity, paternity or long service leave, a different definition may apply in place of this one. See Unemployment and Leave From Work on page 20.

Waiting Period

This is the period set out in the Policy Schedule for which you have to be Totally or Partially Disabled from the same Sickness or Injury before you can qualify for a Disability benefit subject to the following:

If your Occupation Group is G, C, L or M:

You must be Totally Disabled for at least 14 out of the first 19 consecutive days of the Waiting Period to qualify for a Total Disability Benefit, a Partial Disability Benefit or a Business Overheads Cover benefit (if applicable).

The Waiting Period begins on the date:

- that you first consult a Medical Practitioner about the condition that is causing the Total Disability; or
- when you first cease work due to the condition that is causing the Total Disability, as long as it is not more than 7 days before you first consulted a Medical Practitioner about that condition and you provide reasonable medical evidence about when the Total Disability began.

If your Occupation Group is 'S', 'K', 'J' or 'P':

You must be Partially Disabled or Totally Disabled for at least 14 out of the first 19 consecutive days of the Waiting Period to qualify for a Partial Disability Benefit, a Total Disability Benefit or a Business Overheads Cover benefit (if applicable).

The Waiting Period begins on the date:

- that you first consult a Medical Practitioner about the condition that is causing the Total or Partial Disability; or
- when you first cease work, or work in a reduced capacity, due to the condition that is causing the Total or Partial Disability, as long as it is not more than 7 days before you first consulted a Medical Practitioner about that condition and you provide reasonable medical evidence about when the Total or Partial Disability began.

For all Occupation Groups:

If your Waiting Period is 1 month or less, you can return to work at full capacity for a total of 5 days before the Waiting Period will start again. However, the Waiting Period will be extended by the number of days worked.

If your Waiting Period is more than 1 month, you can return to work at full capacity for a total of 10 days before the Waiting Period will start again. However, the Waiting Period will be extended by the number of days worked.

Policy conditions

3. Benefits

3.1 Total Disability Benefit

If you are Totally Disabled due to Sickness or Injury we will pay the Total Disability Benefit which is the sum of the Monthly Benefit and any Super Continuance Monthly Benefit. The Total Disability Benefit is payable to you but that part of the benefit which comprises any Super Continuance Monthly Benefit will be paid to a superannuation plan in accordance with condition 4.3 of this Policy.

When does the benefit start?

We will only start paying the Total Disability Benefit if Total Disability as a result of the same Sickness or Injury continues after the Waiting Period. The Total Disability Benefit starts to accrue from the first day after the Waiting Period has ended.

How long will we pay the benefit?

The Total Disability Benefit will end when the first of the following events occur:

- you are no longer Totally Disabled;
- you come to the end of the Benefit Period;
- the Policy Expiry Date is reached; or
- your death.

When will we pay the benefit?

We will pay the Total Disability Benefit in the month immediately following the month during which you became entitled to it.

3.2 Partial Disability Benefit

If you are Partially Disabled due to Sickness or Injury we will pay the Partial Disability Benefit as determined below.

When does the benefit start?

We will only start paying the Partial Disability Benefit if you are Partially Disabled as a result of the same Sickness or Injury beyond the Waiting Period. The Partial Disability Benefit starts to accrue from the first day after the Waiting Period has ended.

How long will we pay the benefit?

The Partial Disability Benefit will end when the first of the following events occur:

- you are no longer Partially Disabled;
- you come to the end of the Benefit Period;
- the Policy Expiry Date is reached; or
- your death.

When will we pay the benefit?

We will pay the Partial Disability Benefit in the month immediately following the month during which you became entitled to it.

What benefit will be paid?

The Partial Disability Benefit will be a proportion of the total of the Monthly Benefit and any Super Continuance Monthly Benefit arrived at according to the following formula:

$$\frac{(A - B)}{A} \times (\text{Monthly Benefit} + \text{any Super Continuance Monthly Benefit})$$

Where 'A' is your Pre-Disability Income, and 'B' is your Monthly Income for the month for which Partial Disability is claimed.

The Partial Disability Benefit is payable to you but that part of the benefit which comprises the portion of any Super Continuance Monthly Benefit will be paid to a superannuation plan in accordance with condition 4.3 of this Policy.

If you have been Totally Disabled for at least the Waiting Period and then return to work on a partial basis, and as a result your Monthly Income is 20% or less of your Pre-Disability Income, we will pay the Total Disability Benefit instead of the Partial Disability Benefit for up to three months.

If, due to the same or a related Sickness or Injury, you become Totally Disabled whilst the Partial Disability Benefit is payable, the Partial Disability Benefit ceases and the Total Disability Benefit starts to accrue.

If you become unemployed or go on leave without pay while the Partial Disability Benefit is payable, we will make a reasonable estimate of your Monthly Income when we calculate the benefit, taking into account:

- your loss of earnings after you became Disabled but before you became unemployed or went on leave without pay;
- medical advice, including the opinion of your Medical Practitioner; and
- any other factors which we consider have a bearing on what you could reasonably be expected to earn if you were working.

3.3 Indexation Benefit

On each Policy Anniversary Date, we will increase the Monthly Benefit and any Super Continuance Monthly Benefit, by the greater of the Indexation Factor and 3%, unless you request us not to in writing.

An indexed increase under this condition will not become effective while you are receiving benefits. Indexation increases will only become effective once benefit payments have ceased. However, if you have the Increasing Claim Option under this Policy, the Monthly Benefit and any Super Continuance Monthly Benefit may be increased in accordance with condition 4.1. (Increasing Claim Option see page 15).

Your premium will be increased to take into account the increase in the Monthly Benefit and any Super Continuance Monthly Benefit.

3.4 Recurrent Disability Benefit

If you have returned to work on a full-time basis after receiving a Total Disability Benefit, Partial Disability Benefit, Specific Injuries Benefit or Crisis Benefit, but suffer a recurrence of the same or a related condition while this Policy is in force and it results in Disability within 12 months from the date you were last on claim, we will waive the Waiting Period and treat the Disability as a continuation of the original claim. However, for this benefit to apply where your Benefit Period is 2 or 5 years, the Disability must result within 6 months from the date you were last on claim.

3.5 Elective Surgery

You will not lose your entitlement to claim that you are Disabled under this Policy because your Disability results from agreeing to voluntarily undergo medical treatment such as:

- cosmetic or other elective surgery; or
- undergoing surgery to transplant your body organs to the body of another person;

unless you have the treatment or surgery within six months of the cover commencing or the date this Policy was last reinstated, in which case we will not pay a claim for the resulting Disability.

3.6 Specific Injuries Benefit

This benefit is only applicable if your Waiting Period is three months or less.

The Specific Injuries Benefit will be payable if, as the result of an Injury, you suffer one of the events listed. The benefit will be payable even if you are working and will be paid for up to the payment period shown.

Event	Payment Period
Paraplegia Quadriplegia	60 months* 60 months*
<i>Total and permanent loss of use of:</i>	
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
<i>Fracture requiring a plaster cast or other immobilising device of the following bones:</i>	
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 2 years, the maximum Payment Period is 24 months.

When will we pay the benefit?

The Specific Injuries Benefit starts from the date that the event occurs and is paid monthly in advance. There is no Waiting Period.

When does the benefit end?

The Specific Injuries Benefit will end on the first of:

- the completion of the payment period;
- the Policy Expiry Date; or
- your death.

What benefit will be paid?

The Monthly Benefit and any Super Continuance Monthly Benefit will be paid. We will pay that part of the Specific Injuries Benefit which comprises any Super Continuance Monthly Benefit to a superannuation plan in accordance with condition 4.3 of this Policy. If one Injury causes more than one of the listed events, we will pay only for the event with the longest payment period.

If you are Disabled at the end of the payment period, then a Disability benefit will be paid subject to the conditions of this Policy.

3.7 Crisis Benefit

This benefit is only applicable if your Waiting Period is three months or less.

The Crisis Benefit will be payable if you suffer one of the conditions defined below. The benefit will be payable even if you are working and will be paid for up to 6 months.

Cancer

Cancer means any malignant tumour characterised by the uncontrolled growth and spread of the 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 thickness.

The following are excluded:

- chronic Lymphocytic Leukaemia Rai Stage 0-1;
- tumours treated by endoscopic procedures alone;
- all skin cancers;
- malignant melanomas which do not meet either of the minimum criteria shown above;
- tumours showing the malignant changes of 'carcinoma-in-situ' (including cervical dysplasia, CIN1, CIN2 and CIN3) or which are histologically described as premalignant. Carcinoma in situ of the breast is covered if it results directly in the removal of the entire breast. The procedure must be performed specifically to arrest the spread of malignancy, and be considered the appropriate and necessary treatment;
- all AIDS related malignancies;
- prostatic cancers which are histologically described as TNM Classification T1 (including T1a and T1b) or are other equivalent or lesser classifications; and
- Dukes A Stage colorectal cancer.

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. Transient ischaemic attacks, reversible ischaemic neurological deficit and cerebral symptoms due to migraine are excluded.

Heart Attack

The death of part of the heart muscle (myocardium) as a result of inadequate blood supply. The diagnosis is based on clinical electrocardiogram (ECG) and biochemical assessments with the following criteria being present:

- (i) an electrocardiogram showing changes resulting from this occurrence; and
- (ii) a pathology test which confirms that cardiac enzymes have been elevated above generally accepted laboratory levels of normal.

Simple angina pectoris is excluded.

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.

Replacement of a Heart Valve

The undergoing of open heart surgery to replace or repair heart valves as a consequence of heart valve defects or abnormalities.

Surgery for a Disease of the Aorta

The actual undergoing of surgery for a disease of the aorta needing excision and surgical replacement of the diseased aorta with a graft. For the purpose of this definition aorta means the thoracic and abdominal aorta but not its branches. Traumatic Injury of the aorta is excluded.

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.

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.

Open Heart Surgery

Open heart surgery for treatment of cardiac defect(s), cardiac aneurism or benign cardiac tumour(s).

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.

Chronic Kidney Failure

The terminal stage of renal disease requiring permanent renal dialysis.

Major Organ Transplant

The human to human organ transplant from a donor to the Insured of one or more of the following organs:

- kidney;
- lung;
- pancreas;
- heart;
- liver; or
- the transplantation of bone marrow.

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

Severe Burns

Tissue Injury caused by thermal, electrical or chemical agents causing third degree burns to at least:

- 20% or more of the body surface area as measured by 'The Rule of 9' of the Lund & Browder Body Surface Chart; or
- both hands, requiring surgical debridement and/or grafting; or
- the face, requiring surgical debridement and/or grafting.

Major Head Trauma

Injury to the head causing neurological deficit causing functional impairment of at least 25% as certified by a consultant neurologist.

Multiple Sclerosis

The unequivocal diagnosis of Multiple Sclerosis by a consulting neurologist. There must be more than one episode of well-defined neurological deficit with persisting neurological abnormalities resulting in a permanent loss of at least 25% whole body function.

Hemiplegia

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

Diplegia

The total loss of function of both sides of the body due to Sickness or Injury where such loss of function is permanent.

Loss of Independent Existence

As a result of a disease, Sickness or Injury, there is permanent and irreversible inability to perform any four of the Activities of Daily Living without assistance.

Loss of independent existence due to alcohol or drug abuse or AIDS is excluded.

Activities of Daily Living

1. Dressing – the ability to put on and take off clothing without assistance.
2. Toileting – the ability to use the toilet, including getting on and off without assistance.
3. Mobility – the ability to get in and out of bed and a chair without assistance.
4. Continence – the ability to control bowel and bladder function.
5. Feeding – the ability to get food from a plate into the mouth without assistance.

‘Assistance’ means the assistance of another person.

What benefit will be paid?

The Monthly Benefit and any Super Continuance Monthly Benefit will be paid for a maximum period of six months. We will pay that part of the Crisis Benefit which comprises any Super Continuance Monthly Benefit to a superannuation plan in accordance with condition 4.3 of this Policy. The Crisis Benefit will only be paid once in any 12 consecutive month period.

If you are Disabled at the end of the six month period, then a Disability benefit will be paid subject to the conditions of this Policy.

When will we pay the benefit?

The Crisis Benefit starts from the date that the condition occurs and is paid monthly in advance. There is no Waiting Period.

When does the benefit end?

The Crisis Benefit will end on the first of:

- payment of the Crisis Benefit for six months;
- the Policy Expiry Date;
- your death.

3.8 Accommodation Benefit

The Accommodation Benefit will be payable if you become Totally Disabled and under medical advice remain more than 100 kilometres from your place of residence, or you are Totally Disabled and on the advice of a Medical Practitioner you travel to a place more than 100 kilometres from your place of residence, and:

- you are confined to bed; and
- an Immediate Family Member is accommodated near to you and has to stay away from home.

What benefit will be paid?

\$150 a day will be paid for up to 30 days in any 12 month period for each day you qualify for the Accommodation Benefit.

3.9 Family Support Benefit

The Family Support Benefit will be payable if, due to Total Disability that continues beyond the end of the Waiting Period, you are totally dependent upon an Immediate Family Member for your essential everyday Home Care Needs to enable you to live at home, and as a result that Immediate Family Member’s income is reduced.

What benefit will be paid?

The lesser of the following will be paid to you each month for a maximum of three months:

- the reduction in the pre-tax Monthly Income of the Immediate Family Member net of their expenses incurred in earning that income, compared with the average pre-tax Monthly Income for the 12 months before they began caring for you; or
- 50% of the total of the Monthly Benefit and any Super Continuance Monthly Benefit.

When will we pay the benefit?

The Family Support Benefit starts to accrue from the first day you qualify for the benefit after the Waiting Period has ended and is paid monthly in arrears. This benefit will only be paid while we are paying the Total Disability Benefit.

When does the benefit end?

The Family Support Benefit will end on the first of:

- when you are no longer Totally Disabled;
- the benefit has been paid for three months;

- the Policy Expiry Date;
- the end of the Benefit Period; or
- your death.

3.10 Home Care Benefit

The Home Care Benefit will be payable if after the Waiting Period has ended, you are still Totally Disabled and due to the condition that caused that Disability you are;

- confined to or near a bed other than in a hospital or a similar institution that provides nursing care; and
- totally dependent on a paid professional housekeeper, other than an Immediate Family Member, for your essential everyday Home Care Needs.

What benefit will be paid?

The lesser of \$150 a day or 100% of the total of the Monthly Benefit and any Super Continuance Monthly Benefit will be paid to you for a maximum of six months.

When will we pay the benefit?

The Home Care Benefit starts to accrue from the first day you qualify for the benefit after the Waiting Period has ended and is paid monthly in arrears. This benefit will only be paid while we are paying the Total Disability Benefit.

When does the benefit end?

The Home Care Benefit will end on the first of:

- when you are no longer Totally Disabled;
- when you no longer satisfy the conditions which resulted in the Home Care Benefit becoming payable;
- the benefit has been paid for six months;
- the Policy Expiry Date;
- the end of the Benefit Period; or
- your death.

3.11 Rehabilitation Benefit

The Rehabilitation Benefit will be payable if you are Totally Disabled and you participate in an Approved Rehabilitation Program.

What benefit will be paid?

Fifty percent of the total of the Monthly Benefit and any Super Continuance Monthly Benefit will be paid to you for a maximum of 12 months. This is paid in addition to any other benefit.

When will we pay the benefit?

The Rehabilitation Benefit starts to accrue from the date you first participate in the program and is paid monthly in arrears. This benefit will only be paid while we are paying the Total Disability Benefit.

When does the benefit end?

The Rehabilitation Benefit will end on the first of:

- when you are no longer Totally Disabled;
- when the benefit has been paid for 12 months;
- you cease to actively participate in the rehabilitation program;
- the Policy Expiry Date;
- the end of the Benefit Period; or
- your death.

3.12 Rehabilitation Expenses Benefit

When you have been Totally Disabled and incur rehabilitation expenses as a direct result of:

- your participation in an Approved Rehabilitation Program; or
- engaging in or attempting to engage in an occupation, the expenses you incur will be reimbursed to you less amounts that are reimbursed elsewhere.

Prior approval of the expenditure by us is required.

Some examples of rehabilitation expenses covered by this benefit are the cost of travelling expenses to attend an Approved Rehabilitation Program or the cost of structural changes to your home or office. The cost of an Approved Rehabilitation Program is not a rehabilitation expense covered by this benefit.

What benefit will be paid?

A maximum of six times the total of the Monthly Benefit and any Super Continuance Monthly Benefit.

When will we pay the benefit?

The Rehabilitation Expenses Benefit starts to accrue when the rehabilitation expenses are incurred and is paid monthly in arrears. This benefit will only be paid while we are paying the Total Disability Benefit.

When does the benefit end?

The Rehabilitation Expenses Benefit will end on the first of:

- when payments equal six times the total of the Monthly Benefit and any Super Continuance Monthly Benefit;
- the end of the Benefit Period;
- you are no longer Totally Disabled;
- the Policy Expiry Date; or
- your death.

3.13 Bed Confinement Benefit

We will pay a Bed Confinement Benefit during the Waiting Period if:

- you are unable to perform at least one Income Producing Duty of your occupation due to Sickness or Injury which confines you to bed; and
- you have been so confined continuously for at least three days; and
- you are certified by a Medical Practitioner to require the continuous care of a registered nurse.

What benefit will be paid?

An amount equal to 1/30th of the total of the Monthly Benefit and any Super Continuance Monthly Benefit will be paid for each day (including the first three days) you continue to meet this definition for up to 90 days, but not beyond the end of the Waiting Period. The benefit is paid monthly in arrears. We will pay that part of the Bed Confinement Benefit which comprises any Super Continuance Monthly Benefit to a superannuation plan in accordance with condition 4.3.

3.14 Death Benefit

Three times the total of the Monthly Benefit and any Super Continuance Monthly Benefit will be payable to the surviving Policy Owner(s) or, if none, your estate if you die while you are entitled to receive a Total Disability Benefit, Partial Disability Benefit, Specific Injuries Benefit or Crisis Benefit.

3.15 Transportation Benefit

The Transportation Benefit of \$200 will be payable if, as the result of a condition that causes you Total Disability, you must be transported to a hospital within Australia in an emergency.

3.16 Overseas Assist Benefit

The Overseas Assist Benefit will be payable if you are Totally Disabled for at least a month while you are outside Australia and decide to return to Australia because of continuing Total Disability.

What benefit will be paid?

We will reimburse you the cost of your return economy airfare back to Australia by the most direct route, including connecting flights, less amounts that are reimbursed elsewhere, up to a maximum of three times the total of the Monthly Benefit and any Super Continuance Monthly Benefit.

Policy conditions

4. Options

4.1 Increasing Claim Option

The Increasing Claim Option applies where the words 'Increasing Claim Option' appear under the 'Additional Options' section of your Policy Schedule.

If you have continued to receive Total Disability Benefit or Partial Disability Benefit for more than 12 months, we will increase the Monthly Benefit and any Super Continuation Monthly Benefit by the lesser of the Indexation Factor and 7.5% on each anniversary of the date when benefits first started to accrue.

4.2 Accident Option

The Accident Option applies where the words 'Accident Option' appear under the 'Additional Options' section of your Policy Schedule.

If a 14 day or 1 month Waiting Period appears in your Policy Schedule, and the Insured is Totally Disabled due to an Injury for three consecutive days during the Waiting Period, the Accident Option will pay 1/30th of the Monthly Benefit (but not any Super Continuation Monthly Benefit) for each day that the Insured is Totally Disabled during the Waiting Period and is not entitled to a Specific Injuries Benefit, Crisis Benefit or Bed Confinement Benefit under this Policy. This benefit is paid for the lesser of the Waiting Period and the period of Total Disability.

4.3 Super Continuation Option

The Super Continuation Option applies where the words 'Super Continuation Option' appear under the 'Additional Options' section of your Policy Schedule.

If the Super Continuation Option applies we will pay the Super Continuation Monthly Benefit in accordance with the terms and conditions of this Policy. Where this Policy provides for the Super Continuation Monthly Benefit to be paid to a superannuation plan:

- the Super Continuation Monthly Benefit will be paid directly to a superannuation plan nominated by you from time to time. The plan you nominate must be a regulated superannuation fund, a retirement savings account (each as defined in the relevant superannuation and taxation laws) or another superannuation plan approved by us in our absolute discretion; and
- the benefit will not be payable if you have not nominated a superannuation plan in accordance with this condition or in circumstances where its payment is not permitted by the relevant superannuation or taxation laws.

Policy conditions

5. Business Overheads Cover

If the words 'Business Overheads Cover' appear under the 'Additional Options' section on your Policy Schedule, you will be entitled to receive the Business Overheads Cover benefit if you have been Totally Disabled as a result of the same sickness or injury beyond the Waiting Period.

This benefit will be paid in addition to any other benefit payable under this Policy.

What Benefit Will Be Paid?

The benefit payable for a month will be the lesser of:

- the Business Overheads Monthly Benefit as increased or decreased in accordance with the conditions of this Policy; and
- the covered Business expenses incurred during that month while you are Totally Disabled.

The benefit payable will be reduced by:

- your portion of the income of the Business derived from trading during that period;
- the income generated by any employee/s hired after you became Totally Disabled to perform the work normally performed by you; and
- any amount received for the same period from any other insurance policy to reimburse you for Business expenses that you did not tell us about when you applied for your present level of cover.

We will only reduce the benefit we pay because of other insurance to the extent that the combined insurance payments would otherwise exceed 100% of your covered Business expenses.

What Business Expenses Are Covered?

The Business expenses covered by this Policy are the usual regular fixed operating expenses of the Business. These include, but are not limited to, the following:

- rent;
- principal and interest payments under a mortgage;
- property rates and taxes;
- electricity, telephone, heating and water costs;

- cleaning and laundry;
- the remuneration and associated costs of any non-income generating employee;
- if your Occupation Group is S, K, J, P, G or C, any costs associated with employing a person after you became Totally Disabled to perform the work normally performed by you;
- principal and interest repayments under a loan for the purposes of the Business;
- leasing costs of equipment or motor vehicles;
- insurance premiums;
- accountancy fees;
- subscriptions to professional associations;
- the reasonable book value of the depreciation of plant and equipment;
- any expenses specifically agreed to in writing by us.

What Business Expenses Will Not Be Covered?

Business expenses not covered include, but are not limited to, the following:

- any amounts paid to you, an Immediate Family Member (unless disclosed to us before your cover began) or any joint owner of the Business;
- remuneration and associated costs of any income generating employee, unless your Occupation Group is S, K, J, P, G or C and the employee was hired after you became Totally Disabled to perform the work normally performed by you;
- any payments for goods, stock in trade, plant or equipment;
- any allowance for depreciation in real estate;
- any portion of a Business expense which is normally payable by someone else who has an interest in the Business;
- any payment which we determine on a fair and reasonable basis not to be a usual regular fixed operating expense.

Change Of Ownership

You must notify us if the underlying ownership of the Business changes. Underlying ownership means a beneficial interest in the Business held directly or through any interposed corporation, partnership or trust. If this changes, we may vary the amount of the Business Overheads Monthly Benefit in a way that reflects those changes.

When Will You Receive The Benefit?

The benefit starts to accrue from the first day you are Totally Disabled after the Waiting Period has ended and is paid monthly in arrears.

How Long Will We Pay You The Benefit?

The benefit will end on the first of:

- when you are no longer Totally Disabled;
- when 12 times the Business Overheads Monthly Benefit has been paid for any one continuous period of Total Disability;
- the Policy Expiry Date; or
- your death.

Indexation Benefit

On each Policy Anniversary Date, we will increase the Business Overheads Monthly Benefit by the greater of the Indexation Factor and 3%, unless you request us not to in writing.

An indexed increase under this condition will not become effective while you are receiving benefits. Indexation increases will only become effective once benefit payments have ceased.

Your premium will be increased to take into account the increase in the Business Overheads Monthly Benefit.

Policy conditions

6. Premiums And Charges

6.1 Premiums

Amount of premium

The premium for the first 12 months is shown in the Policy Schedule.

Future premium rates are not guaranteed to be the same as current rates. We reserve the right to change these for all policies in a group, however we cannot change the rates for your Policy alone. Tables of premium rates are available upon request.

Premiums for all benefits outlined in this Policy will be placed in our No. 5 Statutory Fund and insurance claims will be paid from that Fund.

Payment of premiums

Premiums are payable on or before the Premium Due Date. If we do not receive all of the premium due within 30 days of the Premium Due Date, cover under this Policy will cease.

Reinstatement

If cover under this Policy ceases due to non-payment of the premium, you can apply to have the cover reinstated within 12 months of the date that the unpaid premium became due, subject to the following conditions:

- receipt by us of satisfactory evidence of health, occupation, pastimes or other information relevant to the reinstatement of cover;
- if we agree to reinstate the Policy, cover will only start again from the date of reinstatement;
- we may impose conditions for the reinstated cover;
- no benefit will be payable for anything that happened or first became apparent while the cover was not in force.

If the Policy is reinstated, all unpaid premiums must be paid.

Waiver of premium

You do not have to pay any premiums while a Disability benefit, Specific Injuries Benefit or Crisis Benefit is payable.

If you have a Waiting Period of 14 days, one month, two months or three months and we agree to pay you a Disability benefit, any premiums which fall due and you pay during the Waiting Period will be refunded.

6.2 Charges

Policy Fee and Frequency Charge

A Policy Fee is charged which covers some of the administration costs of setting up and maintaining your Income Care Plus Policy. If you choose to pay your premiums more frequently than annually, a Frequency Charge will be applied to the annual premium amount to cover the additional cost of administration (see table below).

Premiums Payment Frequency	Policy Fee (per premium payment*)	Frequency Charge
Monthly	\$5.00	8% of annual premium less Policy Fee
Quarterly	\$15.00	8% of annual premium less Policy Fee
Half-yearly	\$27.00	4% of annual premium less Policy Fee
Annually	\$50.00	Nil

*Current as at 1 September 2001.

The Policy Fee may be increased in future in line with the Indexation Factor since the last time this fee was increased. The Frequency Charge may be increased at our discretion. We may also increase fees and charges to reflect new or changed government levies and taxes.

We will notify you at least three months before any such change to the Policy Fee or any change to the Frequency Charge.

Stamp duty

Your premium also includes the stamp duty charged.

Policy conditions

7. Claims

7.1 How To Claim

You must notify us of any claim or potential claim within 30 days after the event that caused the claim. We will then send you a claim form.

7.2 Our Requirements

You and your attending Medical Practitioner must complete the claim form and return it to us. We may also ask you to provide us with, at your expense, additional information that we consider necessary to properly assess the claim and satisfy us of our liability to pay any benefit under this Policy.

This may include an examination of your financial records and tax returns. If you are self-employed, a working director or a partner in a partnership, we may also examine the accounting records of the business or practice if we consider this necessary to assess your claim.

Payment of a benefit is subject to you undergoing any medical examination (by a Medical Practitioner of our choice) or other examination which we consider necessary, at our expense.

We may also require you to provide us with your authority to obtain further medical information about you in the course of the claim.

7.3 Payment Of Benefits

Benefits are paid monthly in arrears from the expiration of the Waiting Period unless otherwise stated. All benefits are paid in Australian dollars.

Where a claim is ongoing, you will be issued a Progress Certificate with each monthly payment, or at such other times as may be determined by our Claims Department. This certificate must be completed by you and your attending Medical Practitioner and returned to us at your expense.

Medical reports, proof of earnings and substantiation of any Business expenses claimed may also be required from time to time.

Our obligation to pay any of the benefits is conditional upon you performing your obligations under the Policy.

Policy conditions

8. Limitations And Exclusions

8.1 Benefit Offsets

The Total Disability Benefit or Partial Disability Benefit which we must pay will be reduced by any other payment that you receive which exceeds 10% of your Pre-Disability Income:

- as a result of a worker's compensation or motor accident claim, or any claim you make under any similar State or Federal legislation; or
- from any other insurance that provides income payments due to Sickness or Injury, but only if it was not disclosed to us when you applied for this Policy or when you last applied for an increase in cover.

Any payment which is in the form of a lump sum or is exchanged for a lump sum has a monthly equivalent of 1/60th of the lump sum over a period of 60 months.

The reduction in the amount of a Total Disability Benefit or Partial Disability Benefit 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 the amount of a Total Disability Benefit or Partial Disability Benefit if the other payment received is:

- a lump sum or part of a lump sum paid as compensation for pain and suffering, or the loss of use of a part of the body; or
- a lump sum total and permanent disablement benefit.

If your Total Disability Benefit or Partial Disability Benefit is reduced because of this condition, a part of the premium you paid us in the last 12 months will be refunded and made in proportion to the reduction of the benefit.

8.2 Concurrent Benefits

If you would be entitled to claim both the Specific Injuries Benefit and Crisis Benefit, the benefit with the longest payment period will be paid, but not both.

While you are entitled to the Specific Injuries Benefit or the Crisis Benefit, it will be paid instead of a Total Disability Benefit, Partial Disability Benefit or a Bed Confinement Benefit.

The Home Care Benefit will not be payable while you are receiving the Family Support Benefit, or the Accommodation Benefit.

8.3 Unemployment And Leave From Work

Total Disability

If you have been unemployed or on maternity, paternity or long service leave for 12 months or more immediately preceding a claim, then Total Disability and Totally Disabled means 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
- following the advice of a Medical Practitioner; and
- not working.

If you are on sabbatical leave, this will not be considered as unemployment.

Partial Disability

If you become unemployed or go on leave without pay while a Partial Disability Benefit is payable, then Partial Disability and Partially Disabled means 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.

8.4 Pre-existing Conditions

We are not liable to pay a benefit, or an approved increase in the Monthly Benefit or any Super Continuance Monthly Benefit, in connection with a condition which first occurred before the Policy or increase came into effect unless:

- you were unaware and could not reasonably have been aware of the condition before the Policy or increase came into effect; or
- the condition was disclosed to us before your Policy or increase came into effect and we have not excluded cover for it.

8.5 Exclusions

We will not pay a benefit which arises in connection with:

- war or act of war (whether declared or not); or
- any intentional self inflicted Injury or any attempt at suicide; or
- normal and uncomplicated pregnancy or childbirth, including multiple pregnancy, threatened miscarriage, participation in an IVF or similar program and conditions commonly associated with pregnancy such as morning sickness, backache, varicose veins, ankle swelling, bladder problems or post natal depression.

It is against the law for us to make certain payments because of the Health Insurance Act 1973 (Cth) and the National Health Act 1953 (Cth). We will not make a payment under this Policy if the payment would cause us to infringe either of these Acts.

8.6 Term Of The Policy

Cover under this Policy commences from the Date Insured From shown in the Policy Schedule and will continue until the first of:

- the Policy Expiry Date shown in the Policy Schedule;
- the date we receive a written request from you to cancel the Policy;
- the date we cancel the Policy if you have not paid the premium due within 30 days or for any other reason;
- your permanent retirement from the workforce, except when this is a direct result of a Disability; or
- your death.

8.7 Changes To Your Policy

We will notify you of any changes relating to fees and charges in writing at least three months prior to the change prevailing. Any other changes will be notified in your annual statement. We will confirm in writing any changes initiated by you.

Only CMLA or an authorised staff member of CMLA can agree to change this Policy. No adviser, broker or other person can change this Policy.

Customer Service Consultant
Telephone **13 10 56**
Between 8am and 8pm (Sydney time), Monday to Friday

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