

Priority Protection Policy Document

1 February 2008

This is an important document. Please keep in a safe place.

v6.0

SAMPLE ONLY

Protect the things that really matter.™

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Who issues Priority Protection?

Priority Protection is issued by American International Assurance Company (Australia) Ltd trading as AIG Life, ABN 79 004 837 861, AFS Licence No. 230043 ('AIG Life'). AIG Life is located at 549 St Kilda Rd Melbourne Australia 3004; Freecall: 1800 333 613.

The Priority Protection Superannuation Term Life Plan (when issued through the AIA Superannuation Fund, RSE Fund Registration No. R1067682 (the Fund)) is issued by Trust Company Superannuation Services Limited, ABN 49 006 421 638, AFS Licence No. 235153, RSE Licence No. L0000635 ('Trustee') as the trustee of the Fund. The Trustee is located at Level 3, 530 Collins Street, Melbourne Australia 3000; Freecall: 1800 650 358

POLICY DOCUMENT

Version 6

SAMPLE ONLY

Priority Protection

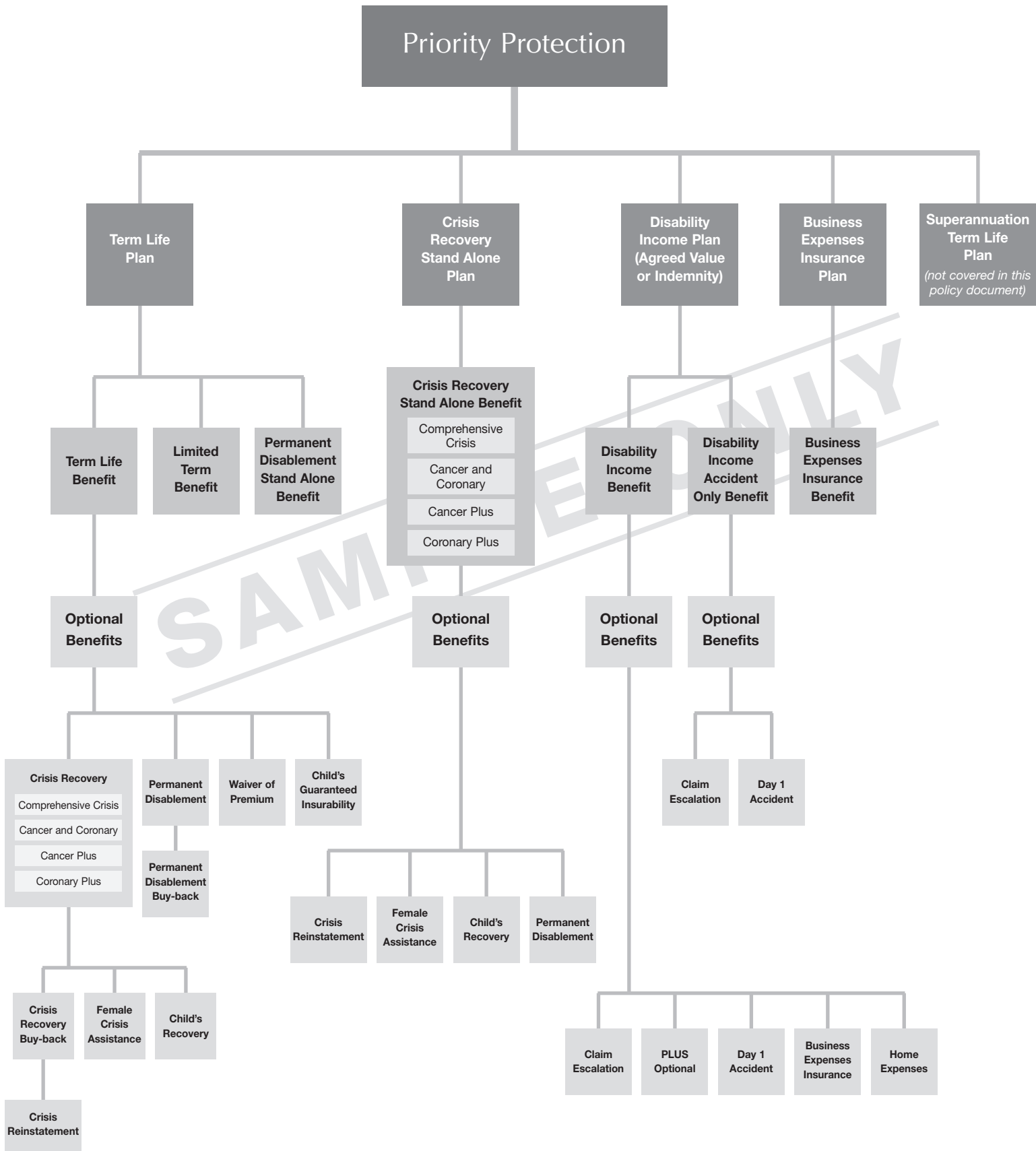
Term Life Plan

Crisis Recovery Stand Alone Plan

Disability Income Plan
(Agreed Value or Indemnity)

Business Expenses Insurance Plan

Priority Protection Policy Structure



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This policy document should be read in conjunction with the attached Policy Schedule.

Priority Protection – Policy Terms and Conditions

1. Introduction

The policy document and the application for this insurance, including any declaration and statements relating to this insurance, together with the Policy Disclosure Statement and Policy Schedule constitute the entire contract ('the Policy'). The term 'the Policy' includes any endorsements and optional benefit conditions applicable. Any variation of this contract must be evidenced in writing bearing the signature of one of Our authorised officials.

The Policy is issued, on the date the Policy Schedule was sent, by American International Assurance Company (Australia) Limited trading as AIG Life ('AIG Life') to the Policy Owner named on the attached Policy Schedule:

- (i) in consideration of the payment of the premium and stamp duty as stated on the Policy Schedule, and
- (ii) on the basis of the application, declaration and any other statements made by the Policy Owner and the Life Insured to Us in connection with the Policy.

Your Duty of Disclosure

Before you enter into a contract of insurance with an insurer, you have a duty under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, which is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you extend, vary or reinstate this contract of insurance.

Non-Disclosure

If you fail to comply with your duty of disclosure and the insurer would not have entered into the contract on any terms if the failure had not occurred, the insurer may avoid the contract within three years of entering into it. If your non-disclosure is fraudulent, the insurer may avoid the contract at any time from its inception. An insurer who is entitled to avoid a contract of insurance may, within three years of entering into it, elect not to avoid it but to reduce the sum insured in accordance with a formula that takes into account the premium that would have been payable if you had disclosed all relevant matters to the insurer.

2. Definitions

Wherever used in the Policy:

General

'CONSUMER PRICE INDEX INCREASE' (CPI Increase) means the percentage increase in the average CPI for the 6 state capital cities published by the Australian Bureau of Statistics and covering the most recent period of 12 months for which figures are available at the date the policy fee, Sum Insured or Insured Monthly Benefit is to be increased. In the event of any suspension or discontinuance of the CPI as defined above, such other index as We shall consider appropriate shall be adopted for the purposes of the Policy.

'EXPIRY DATE' for a benefit means the premium expiry date shown on the Policy Schedule for that benefit.

'LIFE INSURED, HIS, HER, HIMSELF, HERSELF' means the person named as the Life Insured on the Policy Schedule.

'MEDICAL PRACTITIONER' means a legally qualified and registered medical practitioner other than the Policy Owner or the Life Insured, or a family member, business partner, employee or employer of either the Policy Owner or the Life Insured.

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

'OUR, US, WE,' relate to AIG Life.

'POLICY ANNIVERSARY' means an anniversary of the due date of the first premium shown on the Policy Schedule.

'POLICY OWNER' means the person or persons named on the Policy Schedule as the 'Policy Owner' and any successor in title of that Policy Owner.

'YOU, YOUR' relate to the Policy Owner.

Term Life Plan

'CRISIS EVENT' – see 'Crisis Events' on pages 6 to 9 and 'Female Crisis Assistance Events' on pages 10 to 11.

'SUM INSURED' for a benefit means the sum insured for that benefit stated on the Policy Schedule adjusted by any benefit alterations the Policy Owner has effected, or which have been imposed by Us and notified to the Policy Owner.

'TERMINAL ILLNESS' means the diagnosis of the Life Insured with an illness which in Our opinion, will result in the death of the Life Insured within 12 months of the diagnosis regardless of any treatment that may be undertaken.

'TOTAL AND PERMANENT DISABLEMENT (ALL DUTIES)' means that:

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

Priority Protection – Policy Terms and Conditions (continued)

- (b) the Life Insured, where engaged in any business, profession or occupation, whether as an employee or otherwise, immediately prior to the Injury or Sickness causing disablement:
- has been absent from employment solely as a result of Injury or Sickness for an uninterrupted period of at least six consecutive months; and
 - is attending a Medical Practitioner and has undergone all reasonable and usual treatment including rehabilitation for the Injury or Sickness; and
 - at the end of the period of six months, after consideration of all the medical evidence and such other evidence as We may require, has become in Our opinion incapacitated to such an extent as to render the Life Insured unable to perform all of the tasks of His/or Her occupation or any other occupation.

'TOTAL AND PERMANENT DISABLEMENT (ANY OCCUPATION)' means that:

- (a) the Life Insured has suffered the total and irrecoverable loss of the:
- sight of both eyes;
 - use of two limbs; or
 - sight of one eye and use of one limb;
- or
- (b) the Life Insured, where engaged in any business, profession or occupation, whether as an employee or otherwise, or where unemployed or on leave without pay for less than six months immediately prior to the Injury or Sickness causing disablement:
- has been absent from employment solely as a result of Injury or Sickness for an uninterrupted period of at least three consecutive months; and
 - is attending a Medical Practitioner and has undergone all reasonable and usual treatment including rehabilitation for the Injury or Sickness; and
 - at the end of the period of three months, after consideration of all the medical evidence and such other evidence as We may require, has become in Our opinion incapacitated to such an extent as to render the Life Insured unlikely ever to engage in any business, profession or occupation for which the Life Insured is reasonably suited by education, training or experience;
- or
- (c) the Life Insured has suffered Loss of Independence (as defined on page 8).

If the Life Insured was not engaged in any business, profession or occupation or was on leave without pay in the six months immediately prior to the time of the Injury or Sickness causing disablement then the Total and Permanent Disablement (Any Occupation) definition will continue to apply.

The Life Insured is 'Totally and Permanently Disabled (Any Occupation)' if the Life Insured satisfies the definition of Total and Permanent Disablement (Any Occupation).

'TOTAL AND PERMANENT DISABLEMENT (HOME DUTIES)' means that:

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

or

- (b) the Life Insured, where wholly engaged in full-time unpaid domestic duties in His or Her own residence:
- has been unable to perform normal domestic duties, leave home unaided and engage in any employment for an uninterrupted period of at least six consecutive months solely as a result of Injury or Sickness; and
 - is attending a Medical Practitioner and has undergone all reasonable and usual treatment including rehabilitation for the Injury or Sickness; and
 - at the end of the period of six months, after consideration of all the medical evidence and such other evidence as We may require, has become in Our opinion incapacitated to such an extent as to render the Life Insured likely to require ongoing medical care and unable ever to perform normal domestic duties, leave home unaided and engage in any form of employment;
- or
- (c) the Life Insured has suffered Loss of Independence (as defined on page 8).

A Life Insured is 'Totally and Permanently Disabled (Home Duties)' if the Life Insured satisfies the definition of Total and Permanent Disablement (Home Duties).

'TOTAL AND PERMANENT DISABLEMENT (OWN OCCUPATION)' means that:

- (a) the Life Insured has suffered the total and irrecoverable loss of the:
- sight of both eyes;
 - use of two limbs; or
 - sight of one eye and use of one limb;
- or
- (b) the Life Insured, where engaged in any business, profession or occupation, whether as an employee or otherwise, or where unemployed or on leave without pay for less than six months immediately prior to the Injury or Sickness causing disablement:
- has been absent from employment solely as a result of Injury or Sickness for an uninterrupted period of at least three consecutive months; and
 - is attending a Medical Practitioner and has undergone all reasonable and usual treatment including rehabilitation for the Injury or Sickness; and
 - at the end of the period of three months, after consideration of all the medical evidence and such other evidence as We may require, has become in Our opinion incapacitated to such an extent as to render the Life Insured unlikely ever to engage in His or Her own occupation;
- or
- (c) the Life Insured has suffered Loss of Independence (as defined on page 8).

If the Life Insured was not engaged in any business, profession or occupation or was on leave without pay in the six months immediately prior to the time of the Injury or Sickness causing disablement then the Total and Permanent Disablement (Any Occupation) definition will apply.

The Life Insured is 'Totally and Permanently Disabled (Own Occupation)' if the Life Insured satisfies the definition of Total and Permanent Disablement (Own Occupation).

Crisis Events

The following definitions apply to the optional Crisis Recovery and Child's Recovery benefits under the Term Life benefit and under the Crisis Recovery Stand Alone benefit and to the Crisis Recovery benefit under the PLUS Optional benefit under the Disability Income benefit. Not all crisis events defined below are covered under all benefits. (See the benefit conditions for which crisis events are covered under each benefit.)

'ACCIDENTAL HIV INFECTION' means infection with the human immunodeficiency virus (HIV) acquired by accident or violence during the course of the Life Insured's normal occupation or through the medium of a blood transfusion, transfusion of blood products, organ transplant, assisted reproduction technique or other medical procedure or operation performed by a doctor or at a recognised medical facility. Sero-conversion evidence of the HIV infection must occur within six months of the accident. HIV infection transmitted by any other means, including but not limited to sexual activity or non-medical intravenous drug use, is not Accidental HIV Infection under the Policy.

Any accident giving rise to a potential claim must be reported to Us within 30 days and be supported by a negative HIV antibody test taken within seven days after the accident. We must be given access to test independently all blood samples used, if We require. We retain the right to take further independent blood tests or other medically accepted HIV tests.

'APLASTIC ANAEMIA' means permanent bone marrow failure that results in anaemia, neutropenia and thrombocytopenia requiring treatment by at least one of the following:

- blood product transfusion
- marrow stimulating agents
- immunosuppressive agents
- bone marrow transplantation.

'ALZHEIMER'S DISEASE' means the diagnosis of Alzheimer's disease as confirmed by a consultant neurologist or geriatrician resulting in significant cognitive impairment.

Significant cognitive impairment means deterioration in the life insured's mini-mental state examination, or equivalent thereof, scores to 20 or less.

'BACTERIAL MENINGITIS' means the diagnosis of the Life Insured with bacterial meningitis. The meningitis must produce neurological deficit causing permanent and significant functional impairment. 'Significant' shall mean at least a 25% impairment of whole person function as defined in *Guides to the Evaluation of Permanent Impairment 5th edition*, American Medical Association. Diagnosis must be confirmed by a consultant neurologist. Bacterial meningitis in the presence of HIV infection is excluded. All other forms of meningitis including viral, are excluded.

'BENIGN BRAIN TUMOUR' means a non-cancerous tumour on the brain giving rise to symptoms of increased intracranial pressure such as papilloedema, mental symptoms, seizures and sensory or motor skills impairment as confirmed by a consultant neurologist. The tumour must result in permanent neurological deficit, resulting in either:

- (a) at least a 25% impairment of whole person function, as defined in *Guides to the Evaluation of Permanent Impairment 5th edition*, American Medical Association, or
- (b) the Life Insured being totally and permanently unable to perform any one of the following five 'Activities of Daily Living':
 - (i) bathing,
 - (ii) dressing,
 - (iii) eating,
 - (iv) toileting,
 - (v) transferring.

The presence of the underlying tumour must be confirmed by imaging studies such as CT scan or MRI (Magnetic Resonance Imaging).

Cysts, granulomas, cholesteatomas, malfunctions in or of the arteries or veins of the brain, haematomas and tumours in the pituitary gland or spine are not covered.

'BLINDNESS' means that as a result of disease or accident and certified by an ophthalmologist, the:

- (a) visual acuity on the Snellen Scale after correction by suitable lenses is less than 6/60 in both eyes; or the
- (b) field of vision is constricted to 20 degrees or less of arc around central fixation in the better eye irrespective of corrected visual activity (equivalent to 1/100 white test object); or the
- (c) combination of visual defects results in the same degree of vision impairment as that occurring in (a) or (b) above.

'CANCER' means the presence of one or more malignant tumours including Hodgkin's disease, leukaemia and other malignant bone marrow disorders, and characterised by the uncontrolled growth and spread of malignant cells and the invasion and destruction of normal tissue, but does not include the following:

- tumours which are histologically described as pre-malignant or showing the changes of 'carcinoma in situ';
 - 'carcinoma in situ of the breast' is not excluded if the entire breast is removed specifically to arrest the spread of malignancy, and this procedure is the appropriate and necessary treatment as confirmed by an appropriate specialist acceptable to Us. (For 'carcinoma in situ of the breast', the benefit payable will be limited to 25% of the sum insured, subject to a maximum payment of \$25,000 under all policies We have issued covering the Life Insured.);
- melanomas of less than 1.5 mm thickness, without ulceration, as determined by histological examination;
- all hyperkeratoses or basal cell carcinomas of the skin;
- squamous cell carcinomas of T2N0M0 and below grade tumours, where the tumour is less than 5 cm in greatest diameter;
- T1N0M0 papillary carcinoma of the thyroid less than 1cm in diameter;
- Polycythemia Rubra Vera requiring treatment by venesection alone; and
- Tumours treated by endoscopic procedures alone.

Skin cancer – where diagnosed by an appropriate specialist acceptable to us, We will pay:

- 100% of the Sum Insured for melanomas where the tumour is with ulceration or is diagnosed as 1.5 mm or greater in Breslow's depth of invasion; and

Priority Protection – Policy Terms and Conditions (continued)

- 10% of the Sum Insured for cutaneous squamous cell carcinomas where the tumour is diagnosed stage T3N0M0 under the TNM Classification system; and
- 100% of the Sum Insured for cutaneous squamous cell carcinomas where the tumour is diagnosed at greater than T3N0M0 or any T N1, 2 or 3 or metastases are present.

'CARDIOMYOPATHY' means a condition of impaired ventricular function of variable aetiology (often not determined) resulting in significant physical impairment i.e. Class III on the New York Heart Association classification of cardiac impairment.

The New York Heart Association classifications are:

Class I – no limitation of physical activity, no symptoms with ordinary physical activity.

Class II – slight limitation of physical activity, symptoms occur with ordinary physical activity.

Class III – marked limitation of physical activity and comfortable at rest, symptoms occur with less than ordinary physical activity.

Class IV – symptoms with any physical activity and may occur at rest, symptoms increased in severity with any physical activity.

'CHRONIC LIVER DISEASE' means end stage liver failure, together with two of the following conditions:

- Permanent jaundice,
- Ascites, and
- Hepatic encephalopathy.

Such disease directly related to alcohol or drug abuse is excluded.

'CHRONIC LUNG DISEASE' means end stage respiratory failure requiring permanent oxygen therapy with FEV 1 test results consistently showing less than one litre.

'COMA' means total failure of cerebral function characterised by total unarousable, unresponsiveness to external stimuli, persisting continually with the use of a life support system for a period of at least 96 hours. It must result in significant permanent loss of cerebral function as determined by a recognised consultant neurologist acceptable to Us.

For the purposes of this definition, 'significant' shall mean at least a 25% impairment of whole person function as defined in *Guides to the Evaluation of Permanent Impairment 5th edition*, American Medical Association.

Excluded from this definition is coma induced medically or resulting from alcohol or drug abuse.

'CORONARY ARTERY ANGIOPLASTY' means the actual undergoing for the first time of either:

- balloon angioplasty;
- insertion of a stent;
- atherectomy; or
- laser therapy

to correct a narrowing or blockage of three or more coronary arteries within the same procedure. Angiographic evidence, indicating obstruction of three or more coronary arteries is required to confirm the need for this procedure. The procedure must be considered necessary by a cardiologist to correct or treat coronary artery disease.

'CORONARY ARTERY BY-PASS SURGERY' means the actual undergoing of by-pass surgery (including saphenous vein or internal mammary graft(s) for the treatment of coronary artery disease. The operation must be for the treatment of one or more coronary arteries and angioplasty contra-indicated and must be considered necessary by a consultant cardiologist.

'DEMENTIA' means the diagnosis of dementia as confirmed by a consultant neurologist or geriatrician resulting in significant cognitive impairment. Significant cognitive impairment means deterioration in the life insured's mini-mental state examination, or equivalent thereof, scores to 20 or less.

Dementia as a result of alcohol or drug abuse is excluded.

'DIPLEGIA' means the total and permanent loss of function of both sides of the body due to spinal cord injury or disease, or brain injury or disease.

'HEART ATTACK' (Myocardial Infarction) means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The diagnosis for this must be evidenced by:

- new and permanent ECG changes consistent with Myocardial Infarction; and
- elevation of biochemical markers (such as troponin or cardiac enzymes) consistent with Myocardial Infarction.

We will not pay for other causes of severe non-cardiac chest pain, heart failure or angina.

If the above tests are inconclusive, We will consider other appropriate and medically recognised tests in support of a diagnosis.

'HEART VALVE SURGERY' means the actual undergoing of open-heart surgery to replace or repair cardiac valves as a consequence of heart valve defects or abnormalities occurring after the commencement date or last reinstatement date of the Policy. Valvotomy is specifically excluded.

'HEMIPLEGIA' means the total and permanent loss of function of one side of the body due to spinal cord injury or disease, or brain injury or disease.

'KIDNEY FAILURE' means end stage renal failure, which presents as chronic irreversible failure of both kidneys to function, as a result of which regular renal dialysis is initiated or renal transplantation carried out.

'LOSS OF HEARING' means complete and irrecoverable loss of hearing, both natural and assisted, from both ears as a result of Injury or Sickness, as certified by an appropriate medical specialist.

Priority Protection – Policy Terms and Conditions (continued)

'LOSS OF INDEPENDENCE' means:

- (a) A condition as a result of Injury or Sickness, where the Life Insured is totally and irreversibly unable to perform at least two of the following five 'Activities of Daily Living'. The condition should be confirmed by a consultant physician.

Bathing

Means the ability of the Life Insured to wash Himself or Herself either in the bath or shower or by sponge bath without the standby assistance of another person. The Life Insured will be considered to be able to bathe Himself or Herself even if the above tasks can only be performed by using equipment or adaptive devices.

Dressing

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

Eating

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

Toileting

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

Transferring

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

or

- (b) Cognitive impairment, meaning a deterioration or loss in the Life Insured's intellectual capacity which requires another person's assistance or verbal cueing to protect Himself or Herself as measured by clinical evidence and standardised tests which reliably measure the impairment in the following areas:
- short or long term memory
 - orientation as to person (such as personal identity), place (such as location), and time (such as day, date and year)
 - deductive or abstract reasoning.

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

'LOSS OF LIMBS AND SIGHT OF ONE EYE' means the total and irrecoverable loss by the Life Insured of any of the:

- use of both hands
- use of both feet
- use of one hand and one foot
- use of one hand and the sight of one eye
- use of one foot and the sight of one eye.

We will pay a one-time partial benefit in the event of the total and permanent loss of use of:

- one hand,
- one foot, or
- sight in one eye (to the extent of 6/60 or less).

The amount payable will be the greater of \$10,000 and 25% of the sum insured of the Crisis Recovery or Crisis Recovery Stand Alone benefit. The amount of the payment cannot exceed the sum insured.

The sum insured of the Crisis Recovery or Crisis Recovery Stand Alone benefit will be reduced by the payment of this benefit and premiums will be adjusted accordingly.

'LOSS OF SPEECH' means the complete and irrecoverable loss of the ability to speak as a result of Injury or Sickness which must be established and the diagnosis reaffirmed after a continuous period of three months of such loss by an appropriate medical specialist.

'MAJOR BURNS' means third degree burns (full thickness skin destruction) to:

- at least 20% of the body surface area;
- whole of both hands, requiring surgical debridement and/or grafting; or
- whole of the head requiring surgical debridement and/or grafting.

'MAJOR HEAD TRAUMA' means an accidental head injury resulting in neurological deficit, as certified by a consultant neurologist acceptable to Us, causing at least a permanent 25% impairment of whole person function as defined in *Guides to the Evaluation of Permanent Impairment 5th edition*, American Medical Association.

'MAJOR ORGAN TRANSPLANT' means having received, from a human donor, a medically necessary transplant involving one or more of the following organs: kidney, heart, liver, lung, bone marrow and pancreas.

'MOTOR NEURONE DISEASE' means the unequivocal diagnosis of Motor Neurone Disease confirmed by a consultant neurologist.

'MULTIPLE SCLEROSIS' means the unequivocal diagnosis of Multiple Sclerosis confirmed by a consultant neurologist, evidenced by:

- a) More than one episode of well defined neurological deficit, and
- b) Residual neurological impairment persisting for a continuous period of at least 6 months.

Priority Protection – Policy Terms and Conditions (continued)

'MUSCULAR DYSTROPHY' means the unequivocal diagnosis of muscular dystrophy, confirmed by a consulting neurologist.

'OCCUPATIONALLY ACQUIRED HEPATITIS B OR HEPATITIS C INFECTION' is a Crisis Event covered by the Crisis Recovery benefit under the PLUS Optional benefit under the Disability Income Plan.

The Crisis Recovery benefit will be payable if the Life Insured becomes infected with Hepatitis B or Hepatitis C as a result of an occupational accident. An occupational accident means an accident that happens whilst the Life Insured is performing the usual duties of His or Her normal occupation and involves contact with a body substance which puts the Life Insured at risk of transmission of the infections.

This benefit will only be paid if all the following conditions for payment are satisfied. We require that:

- the Life Insured reports the accident to Us within 48 hours after it happens;
- the Life Insured is tested for infections within 48 hours after the accident and the results are negative;
- a Medical Practitioner diagnoses the Life Insured to be:
 - positive to Hepatitis C within 180 days after the accident; or
 - positive to Hepatitis B within 180 days after the accident and still be positive within 180 days after the first diagnosis;
- the Life Insured complies with all infection control precautions that apply;
- the Life Insured is vaccinated or immunised for the infections as required by Us; and
- all tests be carried out according to the procedures We specify.

'OTHER SERIOUS CORONARY ARTERY DISEASE' means the narrowing of the lumen of at least 3 coronary arteries by a minimum of 60%, as proven for the first time by coronary arteriography, regardless of whether or not any form of coronary artery surgery has been performed.

'PARAPLEGIA' means the total and permanent loss of function of the lower limbs due to spinal cord injury or disease, or brain injury or disease.

'PARKINSON'S DISEASE' means the unequivocal diagnosis of idiopathic Parkinson's disease as confirmed by a consultant neurologist and requiring treatment.

All other types of Parkinsonism are excluded.

'PNEUMONECTOMY' means undergoing a surgical procedure in which an entire lung is removed due to underlying lung disease or disorder.

'PULMONARY ARTERIAL HYPERTENSION (PRIMARY)' means primary pulmonary hypertension associated with right ventricular enlargement established by cardiac catheterisation, resulting in significant irreversible physical impairment of at least Class III of the New York Heart Association classification of cardiac impairment.

Pulmonary Hypertension in association with chronic lung disease is specifically excluded.

Other forms of hypertension (involving increased blood pressure) are specifically excluded.

The New York Heart Association classifications are:

Class I – no limitation of physical activity, no symptoms with ordinary physical activity.

Class II – slight limitation of physical activity, symptoms occur with ordinary physical activity.

Class III – marked limitation of physical activity and comfortable at rest, symptoms occur with less than ordinary physical activity.

Class IV – symptoms with any physical activity and may occur at rest, symptoms increased in severity with any physical activity.

'QUADRIPLEGIA' means the total and permanent loss of function of the lower and upper limbs due to spinal cord injury or disease, or brain injury or disease.

'RHEUMATOID ARTHRITIS' means widespread joint destruction with major deformity of three or more of the following joint areas:

Hands, wrists, elbows, cervical spine, knees, ankles, metatarsophalangeal joints in the feet. The condition must result in the permanent inability to perform any three of the following Activities of Daily Living:

- Bathing
- Dressing
- Eating
- Toileting
- Transferring

'STROKE' means an acute neurological event caused by a cerebral or subarachnoid haemorrhage, cerebral embolism or cerebral thrombosis, where the following conditions are met:

- There is an acute onset of objective and ongoing neurological signs that last more than 24 hours, and
- Findings on magnetic resonance imaging, computerised tomography, or other reliable imaging techniques, demonstrate a lesion consistent with the acute haemorrhage, embolism or thrombosis.

Brain damage due to an accident, infection, reversible ischaemic neurological deficit, transient ischaemic attack, vasculitis or an inflammatory disease is excluded.

'SURGERY TO AORTA' means surgical repair to the aorta to correct any narrowing, dissection or aneurysm of the thoracic or abdominal aorta but does not include angioplasty, intra-arterial procedures or other non-surgical techniques.

'VIRAL ENCEPHALITIS' means the diagnosis of the Life Insured with encephalitis due to direct viral infection of the central nervous system. The encephalitis must produce neurological deficit causing permanent and significant functional impairment certified by a consultant neurologist. 'Significant' shall mean at least a 25% impairment of whole person function as defined in *Guides to the Evaluation of Permanent Impairment 5th edition*, American Medical Association. Encephalitis in the presence of HIV infection is excluded.

Female Crisis Assistance Events

The following definitions apply to the optional Female Crisis Assistance benefit under the Term Life benefit and under the Crisis Recovery Stand Alone benefit.

'CARCINOMA IN SITU OF FEMALE REPRODUCTIVE ORGANS' means a histologically proven, localised pre invasive lesion where cancer cells do not penetrate the basement membrane nor invade the surrounding tissues or stroma. 'Invade' means to infiltrate and/or actively destroy tissue or surrounding tissue. The disease of Carcinoma in Situ covered by this policy must be confirmed by a biopsy and is limited only to the following sites:

- Breast where the tumour is classified as TNM stage TIS.
- Cervix, Uterus at or above CIN III Grading.
- Ovary, where the tumour must be classified as TIS according to the TNM staging method or FIGO* Stage 0.
- Vagina or Vulva, where the tumour must be classified as TIS according to the TNM staging method or FIGO* Stage 0.

*FIGO refers to the staging method of the Federation Internationale de Gynecologie et d'Obstetrique.

'COMPLICATIONS OF PREGNANCY' means one of the following:

1. Disseminated Intravascular Coagulation
Disseminated Intravascular Coagulation (DIC) where the following conditions are met:
 - There is a pregnancy related cause of the DIC; and
 - Excessive fibrin formation and fibrinolysis has caused the depletion of coagulation proteins and platelets; and
 - There is life threatening haemorrhage from multiple sites.
2. Ectopic Pregnancy
Pregnancy in which implantation of a fertilised ovum occurs outside the uterine cavity. The ectopic pregnancy must be terminated by laparotomy or laparoscopic surgery. The diagnosis of ectopic pregnancy must be confirmed by a medical specialist.
3. Hydatidiform Mole
The development of fluid-filled cysts in the uterus after the degeneration of the chorion during pregnancy which results in the death of the embryo. The diagnosis of Hydatidiform mole must be confirmed by a medical specialist.
4. Pre-eclampsia of Pregnancy
Pre-eclampsia is defined as:
 - Maternal hypertension with diastolic blood pressure greater than 100mmHg consistently for a 24 hour period;
 - Proteinuria equal to or greater than 3g (or 3000mg) per 24 hours urine collection; and
 - Requires admission of the Life Insured to hospital.Diagnosis must be confirmed by a consultant obstetrician/ gynaecologist.
5. Stillbirth
Foetal death in utero after 28 weeks of pregnancy. Elective termination of pregnancy and abortion are specifically excluded.

'CONGENITAL ABNORMALITIES OF CHILD' means one of the following:

1. Down's Syndrome
A specific genetic abnormality caused by an extra-chromosome 21 that causes mental retardation and physical abnormalities.
2. Spina Bifida Myelomeningocele
Defective closure of the spinal column due to a neural tube deficit with a resultant meningocele or meningocele and associated neurological deficit. The diagnosis must be confirmed by a medical specialist.
3. Tetralogy of Fallot
An anatomical abnormality with severe or total right ventricular outflow tract obstruction and a ventricular septal defect allowing right ventricular deoxygenated blood to bypass the pulmonary artery and enter the aorta directly. The diagnosis must be confirmed by a medical specialist and supported by an echocardiogram, and invasive surgery must be performed to correct the condition.
4. Transposition of Great Vessels
A congenital heart defect where the aorta arises from the right ventricle and the pulmonary artery from the left ventricle. The diagnosis must be confirmed by a cardiologist and supported by an echocardiogram, and invasive surgery must be performed to correct the condition.
5. Congenital Blindness
Complete absence of the sense of sight from birth. The diagnosis must be confirmed by a medical specialist.
6. Congenital Deafness
Complete absence of the sense of hearing from birth. The diagnosis must be confirmed by a medical specialist.

'RECONSTRUCTIVE COSMETIC SURGERY' means one of the following:

1. Reconstructive Cosmetic Surgery or Skin Grafting Due to Accident
The actual undergoing of plastic or reconstructive surgery which is deemed medically necessary for the treatment of disfigurement as a direct result of an accident requiring inpatient hospital treatment of the Life Insured.
2. Reconstructive Cosmetic Surgery or Skin Grafting Due to Crisis Event Covered
The actual undergoing of plastic or reconstructive surgery which is deemed medically necessary for the treatment of disfigurement as a direct result of a crisis event covered under the Crisis Recovery benefit under the Term Life benefit, the PLUS Optional benefit under the Disability Income Plan and the Crisis Recovery Stand Alone benefit.

'OSTEOPOROSIS' means, where the following conditions are met:

- bone mineral density measured in at least two sites by dual-energy x-ray densitometry (DEXA) or quantitative CT scanning consistent with severe osteoporosis with:
 - a) at least two vertebral body fractures occurring before the age of sixty-five (65); or
 - b) fracture of the neck of the femur.

Priority Protection – Policy Terms and Conditions (continued)

RHEUMATOID ARTHRITIS (see page 9)

SYSTEMIC LUPUS ERYTHEMATOSUS

Diagnosis must be confirmed by a consultant immunologist or rheumatologist and such diagnosis must be based on the current diagnostic criteria established by the American Rheumatism Association. Pathological evidence of such diagnosis must be provided.

There must also be evidence-based involvement of one of the following systems:

- a. Cardiac
- b. Pulmonary
- c. Nervous system, or
- d. Renal involvement.

All evidence must be satisfactory to us.

Crisis Recovery Stand Alone Plan

See pages 4 to 11 for definitions of Sum Insured, Crisis Events and Female Crisis Assistance Events.

Disability Income Plan and Business Expenses Insurance Plan

'ACCIDENTAL INJURY' means a physical injury which is caused solely and directly by violent, accidental, external and visible means, which occurs while the benefit is in force and which results solely and directly and independently of a pre-existing condition or any other cause in total disablement. Sickness directly resulting from medical or surgical treatment rendered necessary by the physical injury will not constitute an 'Accidental Injury'.

'BENEFIT PERIOD' is stated on the Policy Schedule and is the maximum period during which the monthly income benefit is payable.

'INCOME' in the case of an employed person is the pre-tax remuneration paid by an employer, including salary, fees and fringe benefits, for the last 12 months. This will include any statutory superannuation contributions and any other superannuation contributions made by an employer including those that are part of a salary sacrifice arrangement between the employed person and the employer. Where commissions and bonuses form over 40% of the pre-tax remuneration for the last 12 months, We will take them into account. Where the employed person is a professional person employed by a professional practice company, income will include the yearly average of all commissions and bonuses paid, in addition to salary, fees, fringe benefits and superannuation contributions made by an employer, for the last 12 months.

'INCOME' in the case of a self-employed person, a working director or partner in a partnership, is the income generated by the business or practice due to His or Her personal exertion or activities, less His or Her share of necessarily incurred business expenses, for the last 12 months.

Income does not include:

- income that the Life Insured will continue to receive from the business, even if the Life Insured is unable to work, including any ongoing profit generated by other employees of the business, and
- other unearned income such as dividends, interest, rental income, or proceeds from the sale of assets, or ongoing commission or royalties.

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

'INSURED MONTHLY BENEFIT' is stated on the Policy Schedule and may be adjusted by any benefit alterations the Policy Owner has effected, or which have been imposed by Us and notified to the Policy Owner.

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

'PARTIAL DISABLEMENT' means that, **due to Injury or Sickness**, the Life Insured is:

- unable to work in His or Her own occupation at full capacity but working in a reduced capacity in any occupation; and
- earning a monthly Income which is less than His or Her pre-disablement income; and
- following the advice of a Medical Practitioner.

Where the Life Insured is capable of working in a reduced capacity in any occupation but is not working, We may deem the Life Insured to be entitled to the Partial Disablement benefit.

The Life Insured is 'Partially Disabled' if the Life Insured satisfies the definition of Partial Disablement.

'PARTIAL DISABLEMENT (DISABILITY INCOME ACCIDENT ONLY)' means that, **due to Accidental Injury**, the Life Insured is:

- unable to work in His or Her own occupation at full capacity but working in a reduced capacity in any occupation;
- earning a monthly income which is less than His or Her pre-disablement income; and
- following the advice of a Medical Practitioner.

Where the Life Insured is capable of working in a reduced capacity in any occupation but is not working, we may deem the Life Insured to be entitled to the Partial Disablement benefit.

The Life Insured is 'Partially Disabled (Disability Income Accident Only)' if the Life Insured satisfies the definition of Partial Disablement (Disability Income Accident Only).

'PRE-DISABLEMENT INCOME (AGREED VALUE)' is the Life Insured's highest average monthly income for any financial year since the date two years before the commencement date of the Disability Income benefit up until the commencement of disablement.

Priority Protection – Policy Terms and Conditions (continued)

During disablement the Pre-disablement Income (Agreed Value) amount will be increased every 12 months, following the date of disablement, by 5% or the CPI Increase (whichever is the greater).

'PRE-DISABLEMENT INCOME (INDEMNITY)' is the Life Insured's average monthly Income for the latest financial year preceding the commencement of disablement.

During disablement the Pre-disablement Income (Indemnity) amount will be increased every 12 months, following the date of disablement, by 5% or the CPI Increase (whichever is the greater).

'SICKNESS' means illness or disease which Manifests itself after the Policy is in force and which results in total or partial disablement.

'TOTAL DISABLEMENT (BUSINESS EXPENSES)' means that, **due to Injury or Sickness**, the Life Insured is:

- unable to perform one or more duties of His or Her occupation, that is important or essential in producing income;
- following the advice of a Medical Practitioner; and
- not working (whether paid or unpaid).

The Life Insured is 'Totally Disabled (Business Expenses)' if the Life Insured satisfies the definition of Total Disablement (Business Expenses).

'TOTAL DISABLEMENT (DISABILITY INCOME)' means that, **due to Injury or Sickness**, the Life Insured is:

- unable to perform one or more duties of His or Her occupation, that is important or essential in producing income; and
- following the advice of a Medical Practitioner; and
- not working (whether paid or unpaid).

However, if the Life Insured has been unemployed or on maternity or paternity leave for 12 months or longer immediately preceding the occurrence of an event giving rise to a claim, then Total Disablement means that, **due to Injury or Sickness**, the Life Insured is:

- unable to perform any occupation for which the Life Insured is reasonably suited by education, training or experience; and
- following the advice of a Medical Practitioner; and
- not working (whether paid or unpaid).

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

The Life Insured is 'Totally Disabled (Disability Income)' if the Life Insured satisfies the definition of Total Disablement (Disability Income).

'TOTAL DISABLEMENT (DISABILITY INCOME ACCIDENT ONLY)' means that, **due to Accidental Injury**, the Life Insured is:

- unable to perform one or more duties of His or Her occupation, that is important or essential in producing income; and
- following the advice of a Medical Practitioner; and
- not working (whether paid or unpaid).

However, if the Life Insured has been unemployed or on maternity or paternity leave for 12 months or longer immediately preceding the occurrence of an event giving rise to a claim, then Total Disablement (Disability Income Accident Only) means that, **due to Accidental Injury**, the Life Insured:

- is unable to perform any occupation for which the Life Insured is reasonably suited by education, training or experience; and
- is following the advice of a Medical Practitioner; and
- is not working (whether paid or unpaid).

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

The Life Insured is 'Totally Disabled (Disability Income Accident Only)' if the Life Insured satisfies the definition of Total Disablement (Disability Income Accident Only).

'TOTAL DISABLEMENT (DISABILITY INCOME ACCIDENT ONLY – OCCUPATION E)' means that, **due to Accidental Injury**, the Life Insured is:

- unable to perform all of the duties of His or Her occupation and any other occupation;
- following the advice of a Medical Practitioner; and
- not working (whether paid or unpaid).

However, if the Life Insured has been unemployed or on maternity or paternity leave for 12 months or longer immediately preceding the occurrence of an event giving rise to a claim, then Total Disablement (Disability Income Accident Only – Occupation E) means that, **due to Accidental Injury**, the Life Insured is:

- unable to perform any occupation;
- following the advice of a Medical Practitioner; and
- not working (whether paid or unpaid).

The Life Insured is 'Totally Disabled (Disability Income Accident Only – Occupation E)' if the Life Insured satisfies the definition of Total Disablement (Disability Income Accident Only – Occupation E).

'TOTAL DISABLEMENT (DISABILITY INCOME – OCCUPATION E)' means that, **due to Injury or Sickness**, the Life Insured is:

- unable to perform all of the duties of His or Her occupation and any other occupation;
- following the advice of a Medical Practitioner; and
- not working (whether paid or unpaid).

However, if the Life Insured has been unemployed or on maternity or paternity leave for 12 months or longer immediately preceding the occurrence of an event giving rise to a claim, then Total Disablement (Disability Income – Occupation E) means that, **due to Injury or Sickness**, the Life Insured is:

- unable to perform any occupation;
- following the advice of a Medical Practitioner; and
- not working (whether paid or unpaid).

The Life Insured is 'Totally Disabled (Disability Income – Occupation E)' if the Life Insured satisfies the definition of Total Disablement (Disability Income – Occupation E).

Priority Protection – Policy Terms and Conditions (continued)

'WAITING PERIOD' is stated on the Policy Schedule and means the number of days at the beginning of a period of total disablement, during which no total or partial disablement benefit is payable.

The Waiting Period begins on the earlier to occur of the date:

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

If during the Waiting Period the Life Insured returns to work for

- 5 consecutive days or a shorter period for Waiting Period of 14 or 30 days, or
- 10 consecutive days or a shorter period for Waiting Period of 60, 90 days, 1 year or 2 years,

then the Waiting Period will not recommence but will be extended by the number of days worked.

If the Life Insured returns to work for a longer period, the Waiting Period will restart from the day after the last day worked, provided a Medical Practitioner confirms that the Life Insured is totally disabled.

See 'Waiting Period (Home Expenses)' for the waiting period definition applicable under the Home Expenses benefit.

Home Expenses Benefit

'COMMON LAW MARRIAGE' means a marriage recognised at common law as valid even though performed contrary to the law of the place where the marriage is celebrated. Regardless of its form, such a marriage must be based on the expressed agreement of the parties to take one another as husband and wife and be celebrated in circumstances where compliance with the forms of the local law is impossible or excused.

'DE FACTO RELATIONSHIP' means a relationship between two adult persons not of the same sex who live together as a couple and are not legally married or related by family.

'INSURED SPOUSE' means the Spouse of the Life Insured covered under the Home Expenses benefit and stated on the Policy Schedule.

'MARRIAGE' means the union of a man and a woman to the exclusion of all others, voluntarily entered into for life. (s.5 Marriage Act (Cth) 1961)

'OCCUPATIONAL THERAPIST' means a legally qualified and registered practitioner other than the Policy Owner, the Life Insured or the Insured Spouse, or a family member, business partner, employee or employer of the Policy Owner, the Life Insured or the Insured Spouse.

'SPOUSE' means the opposite sex partner of the Life Insured in a traditional 'marriage', 'common law marriage' or in a 'de facto relationship'.

'TOTAL DISABLEMENT (HOME EXPENSES)' means that, due to Injury or Sickness, the Insured Spouse under the benefit where wholly engaged in full-time unpaid domestic duties in His or Her own residence is:

- unable to perform normal domestic duties, leave the home unaided by another person and engage in any employment solely as a result of Injury or Sickness;
- attending a Medical Practitioner and has undergone all reasonable and usual treatment including rehabilitation for the Injury or Sickness;
- not earning an income; and
- not working (whether paid or unpaid).

An Insured Spouse is 'Totally Disabled (Home Expenses)' if the Insured Spouse satisfies the definition of Total Disablement (Home Expenses).

'WAITING PERIOD (HOME EXPENSES)' is stated on the Policy Schedule (30 days) and means the number of days at the beginning of a period of Total Disablement (Home Expenses), in respect of which no Total Disablement (Home Expenses) benefit is payable.

The Waiting Period (Home Expenses) begins on the earlier to occur of the date:

- the Insured Spouse first consults a Medical Practitioner about the condition that is causing the disablement; and
- the Insured Spouse first becomes unable to perform normal domestic duties due to the condition that is causing the disablement as long as it is not more than seven days before the Insured Spouse first consults a Medical Practitioner about the condition and provides reasonable medical evidence about when the disablement began.

If during the Waiting Period (Home Expenses) the Insured Spouse returns to normal domestic duties for five consecutive days or a shorter period, then the Waiting Period (Home Expenses) will not recommence but will be extended by the number of days of normal domestic duties performed.

If the Insured Spouse returns to normal domestic duties for a longer period, the Waiting Period (Home Expenses) will restart from the day after the last day on which the Insured Spouse performed normal domestic duties, provided a Medical Practitioner confirms that the Insured Spouse is totally disabled.

3. General Terms and Conditions

3.1 Your Priority Protection Policy

We have issued the Policy in accordance with the contents of Your application and any supporting documents We have obtained. The contract between You and Us is based completely on the accuracy of these documents, and You have a duty to disclose in them any information which is material to the risks We are insuring.

The policy document is evidence of the contract between You and Us. The contract is one of offer and acceptance that is completed after Your application has been accepted, Your premium received and the policy document issued by Us.

The enclosed Policy Schedule is a summary of the premium and benefit amounts under Your Policy and forms part of the contract.

3.2 Cooling-Off Period

Please read the policy document carefully. If You are not happy that the Policy and benefits meet Your needs You may return the Policy within the 28-day cooling-off period and receive the full refund of all premiums paid.*

The cooling-off period starts from when You received the policy document from Us or from the end of the 5th day after the day on which We sent the policy document to You, whichever is the earlier to occur.

To return the Policy in the cooling-off period, please send Us:

- Your request to cancel the Policy either by letter, fax or email or in any other manner permitted by law, and
- the policy document.

*Note: You will lose the right to return Your Policy within the cooling-off period when You first exercise any right or power, other than this right to return your Policy, which You have under the terms of Your Policy.

3.3 Renewal Statement

Each year You will receive a renewal statement showing the level of Your selected benefits. Any change to the fees and charges and to the taxation treatment of the Policy and any other matter relevant to the Policy over the preceding year will also be shown in the renewal statement.

If there are any material changes to the circumstances described in the Product Disclosure Statement, the policy document or any subsequent communication, You will be notified in the renewal statement following the change. However, any material change related to fees and charges will be notified in writing prior to the change taking effect. Any change, which is initiated by You, will be confirmed in writing by Us.

3.4 Policy Ownership

Where there is more than one Policy Owner, they hold as joint owners unless otherwise stated on the Policy Schedule.

3.5 Premiums

3.5.1 Payment of Premiums

Premiums must be paid monthly, half-yearly or yearly. Premium payments made more frequently than yearly are subject to a premium frequency charge (see condition 3.6.2). Premiums for a benefit will cease at the Expiry Date of that benefit.

3.5.2 If You Stop Paying Premiums

30 days of grace are allowed for the payment of premiums during which the Policy will remain in force. If You do not pay premiums in full within 30 days from the premium due date the Policy will lapse and its benefits will cease.

3.5.3 Stepped or Level Premiums

Premiums for the Policy are payable on either a stepped or level premium basis. All plans under the Policy must be on the same premium basis, excluding the Female Crisis Assistance benefit under the Crisis Recovery benefit under the Term Life Plan and under the Crisis Recovery Stand Alone benefit under the Crisis Recovery Stand Alone Plan.

Stepped premium rates generally increase as the Life Insured's age increases, whereas level premium rates remain constant until the latest Policy Anniversary prior to the Life Insured's 65th birthday or the Expiry Date of the benefit, if earlier.

You can change the basis of premium payment from stepped premium to level premium or vice versa by making a written request to Us.

Stepped and level premiums will change if:

- You request a change in Your Sum Insured or Insured Monthly Benefit;
- You choose to have Your Sum Insured or Insured Monthly Benefit automatically increased each year to keep pace with inflation (see condition 3.1.6); or
- premium rates are reviewed (see condition 3.5.6).

Female Crisis Assistance Benefit

Premiums are payable on a stepped premium basis.

3.5.4 Guarantee of Continuation for Level Premium

Term Life Plan and Crisis Recovery Stand Alone Plan

This guarantee applies to benefits continuing beyond the Policy Anniversary prior to the Life Insured's 65th birthday. When the Policy has remained in force to that date, these benefit(s) will continue on a stepped premium basis until the Expiry Date of the benefit. The stepped premium will reflect the Life Insured's age at each Policy Anniversary, sex and smoking status and original terms of acceptance of the benefit.

3.5.5 Premium Rating Factors

The premiums You pay depend on the Life Insured's age, sex, smoking status, occupation, pastimes and state of health and on the level of cover and benefit features chosen by You.

3.5.6 Premium Rates Guaranteed

The premium rates under all plans under the Policy are guaranteed for at least one year. We guarantee that any increase or reduction in a table of stepped or level premium rates will not take effect in respect of a benefit until the first anniversary of the policy commencement date or the next Policy Anniversary following the latest increase or reduction in the table of premium rates for that benefit, if later.

Notwithstanding the 1-year premium rates guarantee, your premiums may be varied from time to time. A table of premium rates is available on request. Different premium rates apply to males and females, to smokers and non-smokers and to different occupations. The premium rates for the Policy allow for the cost of insurance and Our expenses, including commission payable to an adviser.

Premium rates may not be altered individually but only for all policies in a group. Your policy cannot be singled out for an increase. You will be notified in writing of any change in the premium rates prior to the change taking effect.

3.6 Fees and Charges

All the charges of Your Policy are fully described in this section. We shall not apply any other charges without Your specific consent.

In addition to the premiums for each benefit, We will charge a policy fee and stamp duty (if applicable).

3.6.1 Policy Fee

A policy fee is charged per policy in addition to the premiums applicable per benefit and stamp duty. The policy fee is currently \$60 per year. The policy fee is subject to a premium frequency charge (see condition 3.6.2). The policy fee may be changed at Our discretion. However, the policy fee at any time cannot exceed \$60 increased by the percentage increase in the Consumer Price Index (CPI) since 1 October 2001 up to that time. You will be notified in writing of any change in the amount of the policy fee prior to the change taking effect.

There may also be other charges, such as a lost or destroyed policy replacement charge (see condition 3.6.4).

3.6.2 Premium Frequency Charge

There is no premium frequency charge on yearly premiums.

Premiums payable more frequently than yearly (i.e. half-yearly or monthly) are subject to a charge to cover increased costs. This charge is expressed as a percentage of the yearly premium in the following table.

Premium Payment Frequency	Charge as a percentage of Yearly Premium
Half-yearly	5%
Monthly	8%

You will be notified in writing of any change in the amount of this charge prior to the change taking effect.

3.6.3 State or Territory Government Stamp Duty

Stamp duty is a government charge that varies depending on the State or Territory of residence of the Life Insured. Stamp duty may be payable on this policy by us in accordance with stamp duty rates applicable in the State or Territory in which the life insured is ordinarily a resident. For some optional benefits the amount of stamp duty payable is included in the premium and is not an additional charge to You. For other benefits, it is not included in the premium and is an additional charge to You. Your adviser may have provided you with a personalised premium quotation showing the amount of any stamp duty payable as an additional charge to You.

If the amount of the stamp duty payable is changed by a State or Territory the stamp duty charged to You may be changed accordingly (up or down) for future premium payments.

3.6.4 Lost or Destroyed Policy Documentation

If Your policy document is lost or destroyed We will replace it but may charge to recover the costs involved. This charge is currently not greater than \$100 and covers the cost of reissuing the lost document, including advertising the loss – a statutory requirement in some circumstances. We may vary this charge from time to time. We may also require You to sign a statutory declaration to the effect that the policy document has been lost or destroyed.

3.7 Tax or Imposts

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

GST

The premium applicable to this Policy is input taxed for the purposes of the Goods & Services Tax (GST). No GST is payable by You in respect of the purchase of the Policy.

3.8 Term

The Policy runs for 12 months. It may be renewed annually, by payment of the renewal premium within the 30 days of grace, until the Expiry Date shown on the Policy Schedule.

3.9 Guaranteed Renewable

Provided You pay the appropriate premium in full when due, each benefit under the Policy is guaranteed renewable each year to the Expiry Date of that benefit regardless of changes in the Life Insured's health, occupation or pastimes and in the case of the Disability Income Plan and the Business Expenses Insurance Plan, whether a claim has been made.

3.10 Lapse and Reinstatement

If you do not pay Your premium within 30 days of the premium due date, Your policy will lapse and Your cover will cease.

If the Policy lapses You may reinstate it with Our consent upon such proof as We may require of the continued good health and eligibility for insurance of the Life Insured and upon payment of the unpaid premium or premiums with compound interest as We determine. After reinstatement, the Policy shall not cover any event the symptoms leading to which were apparent prior to such reinstatement. The Policy may be cancelled by Us in accordance with the provisions of the Life Insurance Act or any relevant legislation.

3.11 Transfer of Ownership (Assignment)

At any time, You may request a transfer of ownership of the Policy to another person or company. This is achieved by assigning the Policy using the Memorandum of Transfer included in this policy document to the person or company. You should be aware that by assigning the Policy, You forfeit all rights to benefits payable under the Policy and it may give rise to taxation implications. Assignment will revoke any previous nomination of beneficiary.

No assignment of the Policy or the benefits under it shall bind Us unless and until it has been registered by Us. We take no responsibility as to the validity of any assignment.

Please contact Us if you wish to assign the Policy. We will provide You with all of the relevant information required to do so.

3.12 Nomination of Beneficiaries

You may nominate a beneficiary (person or other legal entity) to receive all death claim benefits under the Policy, subject to the following rules:

- Contingent nominations cannot be made;
- You may change a nominated beneficiary or revoke a previous nomination at any time prior to the occurrence of an event giving rise to a claim;
- The nominated beneficiary will receive any money payable under the Policy. If the nominated beneficiary dies before the occurrence of an event giving rise to a claim under the Policy and no change in nomination has been made, then any money payable will be paid to the nominated beneficiary's legal personal representative;
- If ownership of the Policy is assigned to another person or entity, then any previous nomination is automatically revoked;
- A nominated beneficiary has no rights under the Policy, other than to receive the Policy proceeds after a claim has been admitted by Us. The nominated beneficiary cannot authorise or initiate any policy transaction;
- The nomination, change or removal of a beneficiary must be advised in writing and sent to Us.

3.13 Misstatement of Age

If the age of the Life Insured on issue of the Policy is different from that stated in the application, the sum payable under the Policy shall be reduced to that which would have been payable if the age had been correctly stated on the basis of premiums actually paid.

3.14 Suicide

Any benefit payable under the Policy in the event of the death or accidental death of the Life Insured will not be paid if the Life Insured dies as a result of suicide committed within 13 months of the date of:

- commencement of that benefit;
- the last reinstatement of the Policy; or
- the last increase in the Sum Insured for that benefit. An increase in the Sum Insured is not payable if the suicide occurs within 13 months following the date of the increase.

This condition will be waived in respect of any death cover under the Policy provided the Policy is replacing death cover from a previous insurer and the full suicide exclusion period under the in force policy to be replaced has elapsed.

This waiver applies only to the same amount of any death cover being replaced under the Policy.

The suicide condition will apply to any extra death cover in excess of the death cover being replaced and to all subsequent increases in the death cover under the Policy.

In that event, the Policy shall be voidable at Our option and any premiums paid in respect of it shall be forfeited to Us.

However, should any other person have obtained for value a genuine interest in the Policy at least two months before the death of the Life Insured and has notified it to Us in writing, We will pay them:

- an amount equal to the value of their interest; or
- the amount which would have been payable had the Life Insured died otherwise than by suicide; whichever is the lesser.

3.15 Increase in Sum Insured and/or Insured Monthly Benefit

You can increase Your Sum Insured and/or Insured Monthly Benefit each policy year in line with the CPI Increase for that year (see condition 3.16) or You can select a voluntary increase in Your Sum Insured or Insured Monthly Benefit. Any voluntary increase will be subject to underwriting and maximum Sum Insured and Insured Monthly Benefit rules. The voluntary increase option is not available under the Home Expenses benefit.

3.16 Indexation of Benefit

If You so choose in the application, We will offer You each policy year the opportunity to increase the Sum Insured and/or the Insured Monthly Benefit for each eligible benefit under the Policy by that policy year's percentage increase in the Consumer Price Index (CPI) or by 5% whichever is the greater. Any Sum Insured and Insured Monthly Benefit increase for a policy year will be effective from the Policy Anniversary at the start of the policy year. However, benefit Indexation will not be offered while the Life Insured is on claim.

Unless You advise Us otherwise, We will assume that You want the benefit indexation to apply to Your benefits under the Policy.

If You refuse the offer of an indexation increase in one year We will continue to offer You indexation increases in future years.

Should You want Us to stop offering You indexation increases to Your Sum Insured and/or Insured Monthly Benefit, You must write to Us asking for future indexation increases not to be offered to You.

If You accept Our offer of an indexation increase Your premium will be adjusted to allow for the higher Sum Insured and/or Insured Monthly Benefit and the age of the Life Insured at that time. Where level premiums are being paid, the age of the Life Insured at the time of the increase is used to calculate the premiums payable on the increase.

This option will not be exercisable at any Policy Anniversary where all or some of the Term Life Sum Insured has been repurchased under the Crisis Recovery Buy-back benefit or the Permanent Disablement Buy-back benefit or where a Premium Freeze is in force.

This option is not available under the Child's Recovery benefit or the Home Expenses benefit.

Automatic indexation increases in the Sum Insured and/or the Insured Monthly Benefit will cease at the latest Policy Anniversary prior to the Life Insured's 70th birthday or at the Expiry Date of the benefit, if earlier.

Voluntary increases

The Sum Insured and/or the Insured Monthly Benefit of an eligible benefit may be increased at any time subject to underwriting and maximum sum insured and insured monthly benefit rules.

3.17 Decrease in Sum Insured and/or Insured Monthly Benefit

You can decrease the Sum Insured and/or Insured Monthly Benefit of an eligible benefit at any premium due date providing the reduced Sum Insured, Insured Monthly Benefit or premium are not below the minimums in force at the time of the decrease.

Where the Sum Insured or Insured Monthly Benefit is decreased, any indexation of benefit will continue based on the reduced Sum Insured and/or Insured Monthly Benefit.

This option is not available under the Home Expenses benefit.

3.18 Claims

3.18.1 Claim Requirements and Conditions

All conditions necessary to entitle a claim to be made must be met during the currency of the Policy.

Written notice containing full particulars of any circumstances in respect of which a claim is to be made must be given to Us as soon as possible. Claim forms can be requested by writing to Claims Department, AIG Life, head office or email (claims@aiglife.com.au).

Payment of a Sum Insured or monthly benefit will not be made for any period more than one month prior to the giving of such written notice.

All certificates and evidence required by Us will be furnished at Your expense within 30 days of the date of the written notice and will be in the form and of the nature as We may request.

3.18.2 Medical Examination

We, at Our discretion, may have the Life Insured medically examined (including blood tests and other tests), when and as often as is reasonable, in connection with a claim.

3.19 Non-Smoker – Incorrect Declaration

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

Where it is declared that the Life Insured is a Non-Smoker and We have charged a premium based on such declaration, it is a condition of this insurance that if an incorrect non-smoker declaration has been made, the Sum(s) Insured and/or Insured Monthly Benefit(s) shown on the Policy Schedule will be reduced to the amount(s) which the premium paid would have purchased had a correct declaration been made.

3.20 Statutory Fund

The Policy will be written in the AIA Statutory Fund No. 1 which alone shall be liable under the Policy. The Policy does not participate in bonus distributions.

3.21 Currency

All amounts under the Policy whether payable by Us or by You are payable in Australian currency.

3.22 Policy Upgrade

Over time We will review the benefits provided under the Policy. Should We improve the benefits under the Policy and such improvements result in no increase in premium rates, We will automatically add these benefit improvements to the Policy.

These benefit improvements will be effective from the first date on which a Priority Protection policy containing the benefit improvements could have been purchased from Us.

The benefit improvements will not apply to claims:

- (a) where the Sickness was diagnosed or investigated; or
- (b) where the event giving rise to the claim (e.g. Injury, Accidental Injury, death) occurred prior to the effective date of the improvement.

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

3.23 Choice of Benefits

Priority Protection offers a choice of benefits under five insurance plans. The Policy Schedule details the benefits purchased under the Policy.

The Plans are:

- Term Life Plan – (see condition 4);
- Crisis Recovery Stand Alone Plan – (see condition 5);
- Disability Income Plan (Agreed Value or Indemnity) – (see condition 6);
- Business Expenses Insurance Plan – (see condition 7); and
- Superannuation Term Life Plan.

The terms and conditions of each benefit within each plan, other than the Superannuation Term Life Plan, are provided below.

The terms and conditions of the Superannuation Term Life Plan, are provided in a separate policy document.

3.24 Any Questions or Concerns

If You should have any questions or concerns about Your policy please contact Us direct on 1800 333 613 and We will promptly investigate Your enquiry, referring it if necessary to Our Internal Dispute Resolution Committee.

Internal complaints are normally resolved within 45 days. In special circumstances We may take longer; if this is the case We will advise You.

Should You not be satisfied with Our response to Your concerns after they have been ruled upon by the Committee, then You may take the matter up with the independent Financial Industry Complaints Service (FICS). Details are as follows:

Financial Industry Complaints Service Limited (FICS)
PO Box 579
Collins Street West
Melbourne, VIC 8007
Telephone: 1300 780 808
Fax: (03) 9621 2291
Email: fics@fics.asn.au

3.25 Occupation Categories

The following is a description of each occupation category referred to in the Policy:

Category AAA

Professional white collar workers, other than those in medical and allied occupations, who must have tertiary qualifications, e.g. lawyers and accountants. Other successful high income earning white collar workers such as senior executives who have long-standing experience in their field of business are also considered as category AAA.

Category AA

Professionals who must have tertiary qualifications in the medical and allied occupations, e.g. doctors, dentists, optometrists, physiotherapists and domestic veterinary surgeons.

Category A

Other white collar occupations that involve clerical and administrative work only (no manual work). These workers are generally office bound, e.g. managers, secretaries, sales people (no deliveries), clerical staff. The working environment must present minimal injury or sickness risk.

Category B

Those occupations which are not classified as white collar and which may involve some light manual work, e.g. shopkeepers, supervisors, hairdressers, beauticians. This category also includes supervisors of manual workers and persons in a totally administrative job within an industrial environment. The working environment may present slight injury or sickness risk.

Category C

Fully qualified, skilled tradespersons of various occupations who perform light to medium manual work e.g. qualified electricians, chefs and mechanics. The working environment may present a moderate injury or sickness risk.

Category D

Unqualified tradespersons who perform light to medium manual work, e.g. cleaners, drivers, fencing contractors. The working environment may present a significant injury or sickness risk.

Category E

Unqualified tradespersons who perform heavy manual work, e.g. concreters, earth moving workers, carpet layers. The working environment may present a significant injury or sickness risk.

4. Term Life Plan

The 'Term Life Plan' condition applies only if the Term Life Plan has been selected. The benefits chosen under the plan are shown on the Policy Schedule.

The Term Life Plan offers the following benefits:

- Term Life (see condition 4.1),
- Limited Term (see condition 4.11), and
- Permanent Disablement Stand Alone (see condition 4.12).

You can add the following optional benefits to the Term Life benefit:

The optional benefits under the Term Life benefit are:

- Crisis Recovery – (see condition 4.2)
 - Crisis Recovery Buy-back – (see condition 4.3)
 - Crisis Reinstatement – (see condition 4.4)
 - Female Crisis Assistance – (see condition 4.5)
 - Child's Recovery – (see condition 4.6)
- Permanent Disablement – (see condition 4.7)
 - Permanent Disablement Buy-back – (see condition 4.8)
- Waiver of Premium – (see condition 4.9)
- Child's Guaranteed Insurability – (see condition 4.10)

Important Notice

This is not a savings plan and is without profits. The primary purpose of this Term Life Plan is to provide a lump sum payment in the event of the Life Insured's death.

If You terminate Your plan after the cooling-off period You will not receive any termination payment or refund of premium.

4.1 Term Life Benefit

(a) *Death*

If the Life Insured dies prior to the Expiry Date of the benefit (see condition 4.13.1) We will pay a lump sum equal to the Term Life Sum Insured.

(b) *Funeral Cash Advance*

- On the death of the Life Insured and subject to the conditions below, We will pay to the Policy Owner or nominated beneficiary at the time of death the lower of:
 - 10% of the Term Life Sum Insured, and
 - \$10,000.00;
- The maximum total amount that We will pay under the Funeral Cash Advance in respect to the Term Life benefit and any Limited Term benefit under the Policy will be \$10,000;
- Death certificate and proof of policy ownership must be provided to Us before payment can occur; and
- Any Funeral Cash Advance payment under the Term Life benefit will be deducted from the Term Life Sum Insured and the balance remaining will be payable upon the settlement of the claim. The Funeral Cash Advance benefit is **not a payment in addition to the Term Life Sum Insured.**

(c) *Terminal Illness*

If the Life Insured is diagnosed with a Terminal Illness as defined in condition 2, We will pay a lump sum amount of 100% of the Term Life Sum Insured up to a maximum payment of \$3,000,000, or such other larger amount as We may determine from time to time. The maximum payment amount will apply to the total amount payable under the benefit and other benefits with Us that provide a payment in respect of the Terminal Illness of the Life Insured.

Payment of the Terminal Illness benefit will reduce the Term Life Sum Insured and the Sum Insured under any Crisis Recovery, Permanent Disablement or Loss of Independence benefit (issued on conversion from a Crisis Recovery or Permanent Disablement benefit), by the amount of the payment made.

The payment of the Terminal Illness benefit will not reduce the Sum Insured under any Female Crisis Assistance benefit, Child's Recovery benefit, Permanent Disablement Stand Alone benefit or Loss of Independence benefit (issued on conversion from a Permanent Disablement Stand Alone benefit).

The reduced Term Life Sum Insured will be subsequently payable upon the Life Insured's death prior to the Term Life Expiry Date. A reduced Sum Insured will apply to any Crisis Recovery, Permanent Disablement or Loss of Independence benefit (issued on conversion from a Crisis Recovery or Permanent Disablement benefit). The premium for each benefit will be adjusted to reflect any reduction in the Sum Insured for that benefit.

(d) *Financial Planning Reimbursement*

On the payment of a claim for the full Term Life Sum Insured for either the death or the Terminal Illness of the Life Insured, We will reimburse the Policy Owner or the nominated beneficiary the cost of obtaining advice from one or more financial planners as to how the claim proceeds are to be managed or invested subject to the conditions outlined below. Please see below for the conditions that apply to this benefit. This benefit will be paid **in addition** to the claim amount otherwise due to the Policy Owner under the Policy.

Conditions are:

- Each financial adviser providing and charging for financial planning advice must be properly authorised;
- The financial planning costs must be incurred and paid within the first six months following the claim payment;
- Maximum amount reimbursed will be the lower of \$3,000 and the actual financial planning costs incurred as evidenced by tax invoices etc.;
- The benefit could be payable more than once under the Policy up to the maximum total amount of \$3,000; and
- The maximum total amount We will pay out on any one Life Insured under all policies with Us will be \$3,000.

4.1.1 Guaranteed Future Insurability – Personal and Business Events

You may apply for increases in the Term Life/Permanent Disablement Sum Insured on the occurrence of certain 'Personal Events' and 'Business Events' to the Life Insured, without supplying further evidence of health or insurability. The personal events and business events covered and conditions applying are explained below.

Personal Events covered are:

- Marriage;
- Divorce;
- Birth or adoption of a child; and
- Effecting a first mortgage on the purchase of a home, or increasing an existing first mortgage for the purposes of building or renovation works on the home. (The mortgage must be on the Life Insured's principal place of residence with a mortgage provider.)

For 'marriage', 'divorce' and 'birth or adoption of a child' events, the Term Life/Permanent Disablement Sum Insured may be increased under this option by the lesser of:

- 25% of the original Term Life/Permanent Disablement Sum Insured; and
- \$200,000.

For the 'effecting a first mortgage on the purchase of a home, or increasing an existing first mortgage' event, the Term Life/Permanent Disablement Sum Insured may be increased under this option by the lesser of:

- 50% of the original Term Life/Permanent Disablement Sum Insured;
- the amount of the first mortgage;
- the amount of the increase of the first mortgage; and
- \$200,000.

Business Events covered are:

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

For a business event, the Term Life/Permanent Disablement Sum Insured may be increased under this option by the lesser of:

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

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

1. The original application for insurance cover was accepted by Us on standard terms without any specific policy exclusions;
2. The Guaranteed Future Insurability option can only be exercised up to the latest Policy Anniversary prior to the Life Insured's 55th birthday;
3. The Policy Owner or Life Insured must not have made or are not eligible to make a claim on any life insurance policy issued by Us;
4. The maximum increase made from all circumstances under this option over a 5-year period will be the lesser of:
 - the original Sum Insured and
 - \$1,000,000.
5. There is a maximum of one increase in any twelve-month period, and a maximum of five increases in total;
6. The application to increase the Term Life/Permanent Disablement Sum Insured under this option must occur within 30 days after the occurrence of a personal event and before that date which is 30 days after the first Policy Anniversary following a business event; and
7. Term Life/Permanent Disablement Sum Insured increases will be approved under this option upon Our receipt of proof, satisfactory to Us, of the occurrence and the date of the personal event or business event.
8. During the first six months after an increase in the Term Life Sum Insured the cover for the increase will be death by accident only.
9. A suicide exclusion clause will apply to the increase in the Term Life Sum Insured in the first 13 months following the increase.
10. The Permanent Disablement sum insured under the Term Life benefit cannot be increased without a corresponding increase in the Term Life sum insured occurring simultaneously i.e. both sums insured must increase by the same amount and at the same effective date. However, the Term Life sum insured can be increased without any increase in the Permanent Disablement sum insured occurring simultaneously i.e. the Term Life sum insured can be increased with the Permanent Disablement sum insured remaining unchanged.

4.1.2 Termination

The Term Life benefit will terminate on the:

- payment of the full Sum Insured under the benefit;
 - death of the Life Insured;
 - Expiry Date of the benefit (see condition 4.13.1);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

4.2 Crisis Recovery Benefit

The Crisis Recovery module, if any, which you have chosen under this plan, is shown in the Policy Schedule.

Each Crisis Recovery module provides cover against crisis events in two or more groups of crisis events. The crisis events groups covered in each Crisis Recovery module (see condition 4.2.1) and the crisis events covered in each crisis events group (see condition 4.2.2) are shown below.

(a) Crisis Events

If the Life Insured is diagnosed with one of the Crisis Events for which the Life Insured is covered under this benefit and if We confirm the diagnosis, We will pay a lump sum equal to the Crisis Recovery Sum Insured. Upon the payment of a claim for the full Crisis Recovery Sum Insured in respect of a Crisis Event, the Crisis Recovery benefit will cease and no further Crisis Recovery benefit will be paid for any subsequent Crisis Event under the benefit. The Crisis Recovery benefit can be reinstated if you have selected the Crisis Reinstatement benefit (see condition 4.4).

(b) Financial Planning Reimbursement

On the payment of a claim for the full Crisis Recovery Sum Insured, We will reimburse the Policy Owner the cost of obtaining advice from one or more financial planners as to how the claim proceeds are to be managed or invested subject to the conditions set out below. This benefit will be paid **in addition** to the claim amount otherwise due to the Policy Owner under the Policy.

Conditions are:

- Each financial adviser providing and charging for financial planning advice must be properly authorised;
- The financial planning costs must be incurred and paid within the first six months following the claim payment;
- Maximum amount reimbursed will be the lower of \$3,000 and the actual financial planning costs incurred as evidenced by tax invoices etc.;
- The benefit could be payable more than once under the Policy up to the maximum total amount of \$3,000; and
- The maximum total amount We will pay out on any one Life Insured under all policies with Us will be \$3,000.

4.2.1 Crisis Recovery Modules

The Crisis Events groups covered in each Crisis Recovery module are listed below under each Crisis Recovery module.

Comprehensive Crisis:

- Cancer,
- Coronary, and
- Other Serious Crisis Events.

Cancer and Coronary:

- Cancer, and
- Coronary.

Cancer Plus:

- Cancer, and
- Other Serious Crisis Events.

Coronary Plus:

- Coronary, and
- Other Serious Crisis Events.

4.2.2 Crisis Events Groups

The Crisis Events covered in each Crisis Events group are listed below under each Crisis Events group and are defined on pages 6 to 9.

Cancer Group

- Cancer*

Coronary Group

- Cardiomyopathy
- Heart Attack
- Heart Valve Surgery
- Stroke
- Surgery to the Aorta
- Coronary Artery Angioplasty#
- Coronary Artery By-pass Surgery
- Pulmonary Arterial Hypertension (primary)
- Other Serious Coronary Artery Disease

Other Serious Crisis Events Group

- Accidental HIV Infection
- Alzheimer's Disease
- Aplastic Anaemia
- Bacterial Meningitis
- Benign Brain Tumour
- Blindness
- Chronic Liver Disease
- Chronic Lung Disease
- Coma
- Dementia
- Diplegia
- Hemiplegia
- Kidney Failure
- Loss of Hearing
- Loss of Independence
- Loss of Limbs and Sight of One Eye
- Loss of Speech
- Major Burns
- Major Head Trauma
- Major Organ Transplant
- Motor Neurone Disease
- Multiple Sclerosis
- Muscular Dystrophy
- Paraplegia
- Parkinson's Disease
- Pneumonectomy
- Quadriplegia
- Rheumatoid Arthritis
- Viral Encephalitis

*For 'carcinoma in situ of the breast', the benefit payable will be limited to 25% of the Crisis Recovery Sum Insured, subject to a maximum payment of \$25,000 under all policies We have issued covering the Life Insured.

For Coronary Artery Angioplasty the benefit payable for angioplasty of one or two coronary arteries is limited to 25% of the Crisis Recovery Sum Insured subject to a maximum payment of \$25,000 under all policies We have issued covering the Life Insured. 100% of the Crisis Recovery Sum Insured will be payable for three or more coronary arteries.

After any payment for Cancer or Coronary Artery Angioplasty, the Crisis Recovery Sum Insured will be reduced by the payment made.

Once total payments under the Crisis Recovery benefit reach the Crisis Recovery Sum Insured the Crisis Recovery benefit will cease.

In the event of the payment of a claim, including a claim under the Chronic Diagnosis Advancement benefit (see condition 4.2.5), the Term Life Sum Insured and the Sum Insured under any Permanent Disablement or Loss of Independence benefit will be reduced by the amount of the payment made under this benefit.

4.2.3 Qualifying Period on Commencement, Increase or Reinstatement

The Crisis Recovery benefit will not be paid if the Life Insured sustains one of the Crisis Events listed below within three months after the benefit commencement date or the date of any increase or reinstatement of the benefit. These Crisis Events are:

- Accidental HIV Infection
- Benign Brain Tumour
- Cancer
- Coronary Artery Angioplasty
- Coronary Artery By-pass Surgery
- Heart Attack
- Heart Valve Replacement
- Major Organ Transplant
- Other Serious Coronary Artery Disease
- Pulmonary Arterial Hypertension (primary)
- Stroke
- Surgery to the Aorta

On any increase in the Sum Insured under this benefit, the same condition applies from the date of the increase in relation to the amount of the increase.

The three months qualifying period will be waived provided this is a replacement policy from a previous insurer and the full qualifying period under the in force policy to be replaced has elapsed.

4.2.4 Pre-existing Medical Condition

If the Life Insured has consulted a Medical Practitioner or undergone an investigation in relation to a Crisis Event before the benefit commencement date or the date of any increase or reinstatement of the benefit and has not disclosed full details to Us before the benefit commencement date or the date of any increase or reinstatement of the benefit, then the Crisis Recovery benefit will not be paid in respect of that Crisis Event and any associated Crisis Event(s).

4.2.5 Chronic Diagnosis Advancement Benefit

The Chronic Diagnosis Advancement benefit is an advanced payment of the Crisis Recovery benefit, payable when certain Crisis Events (see below) have been diagnosed, but have not yet met the definition of that Crisis Event as described in condition 2 of the Policy.

The payment is 25% of the Crisis Recovery Sum Insured, to a maximum of \$25,000 under all policies issued by Us covering the Life Insured.

The Chronic Diagnosis Advancement benefit will be paid if an appropriate specialist Medical Practitioner confirms, to Our satisfaction, that the Life Insured:

- (a) has suffered or been medically diagnosed with one of the following Crisis Events:
 - Motor Neurone disease,
 - Multiple Sclerosis,
 - Muscular Dystrophy, and
 - Parkinson's Diseasebut has not yet met the definition of that Crisis Event in condition 2 of the Policy; or
- (b) has been placed on a waiting list to receive a major organ transplant of the kind described in the definition of the 'Major Organ Transplant' Crisis Event (see condition 2) and that the procedure is unrelated to any previous procedure or surgery undergone by the Life Insured.

If the Chronic Diagnosis Advancement benefit is paid, the Crisis Recovery Sum Insured will be reduced by the amount paid. If the Life Insured subsequently qualifies for the payment of the Crisis Recovery benefit, the reduced Crisis Recovery benefit will be paid.

Only one Chronic Diagnosis Advancement benefit payment will be made in respect of the Life Insured.

4.2.6 Proof of Positive Diagnosis of a Crisis Event Required

Written proof of positive diagnosis of a Crisis Event must be provided to Us at Our head office in the case of claim within 90 days after the date of such diagnosis. Failure to provide such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give such proof within such time, provided such proof is provided as soon as is reasonably possible. We shall at Our own expense have the right and opportunity to examine the Life Insured when and as often as We may reasonably require in connection with a claim.

The Crisis Recovery benefit will not be payable unless the Crisis Event and the date thereof is confirmed in writing by a Medical Practitioner(s) and/or legally qualified pathologist(s), and who shall base their diagnosis solely on the definition contained herein of the particular Crisis Event after a study of the histological material and clinical presentation based on the medical history, physical examination, radiological studies, and the results of any other diagnostic procedures performed on the Life Insured. Any such diagnosis must be confirmed by Us.

4.2.7 Claim Forms

Following receipt of a written notice of claim, We shall supply You with the appropriate form(s) to enable proof of positive diagnosis to be filed with Us.

4.2.8 Limitations

- The maximum Crisis Recovery benefit to be paid in respect of any and all claims arising from coverage under this benefit will not exceed in total the Crisis Recovery Sum Insured.
- After the happening of one Crisis Event for which payment of the full Crisis Recovery Sum Insured has been made, no further amount will be payable under the Crisis Recovery benefit. The Crisis Recovery benefit can be reinstated if You have selected the Crisis Reinstatement benefit (see condition 4.4).
- The Crisis Recovery benefit does not cover any disease, sickness or incapacity other than a Crisis Event as defined herein that occurs during the period the Crisis Recovery benefit remains in force.

4.2.9 Benefit Reduction

The Crisis Recovery Sum Insured will be reduced by the payment of a claim under the following benefits:

- Crisis Recovery,
- Chronic Diagnosis Advancement,
- Term Life,
- Terminal Illness,
- Permanent Disablement, and
- Loss of Independence.

The Crisis Recovery Sum Insured will be reduced by the amount of the claim paid. The premium for this benefit will be adjusted to reflect the reduction in the Crisis Recovery Sum Insured.

4.2.10 Conversion to Loss of Independence at age 70

If the Life Insured is covered under the Crisis Recovery benefit and there has not been a claim under the Policy, then the Crisis Recovery benefit will continue as a Loss of Independence benefit beyond the Expiry Date of the Crisis Recovery benefit until the Expiry Date of the Policy.

We will pay the Loss of Independence Sum Insured if the Life Insured meets the Loss of Independence definition in condition 2. We will pay the Loss of Independence benefit once only.

In the event of a claim under the Loss of Independence benefit, the Term Life Sum Insured will be reduced by any amount paid under this benefit.

The Loss of Independence Sum Insured will be reduced by any payment under the Term Life benefit.

Where the Life Insured is covered for the Crisis Recovery benefit and not covered for the Permanent Disablement benefit, the Loss of Independence Sum Insured under the Crisis Recovery benefit will be the lesser of:

- Crisis Recovery Sum Insured at the time the Crisis Recovery benefit expires; and
- \$1,000,000.

Where the Life Insured is covered for both the Crisis Recovery and Permanent Disablement benefits, the Loss of Independence benefit will commence from the Expiry Date of the Permanent Disablement benefit (i.e. the latest Policy Anniversary prior to the Life Insured's 65th birthday) with a sum insured equal to the lesser of the Permanent Disablement Sum Insured at that time and \$1,000,000. From the Expiry Date of the Crisis Recovery benefit (i.e. the latest Policy Anniversary prior to the Life Insured's 70th birthday) the Loss of Independence Sum Insured will increase to the Crisis Recovery Sum Insured at that time, if the Crisis Recovery Sum Insured at that time is greater, subject to a maximum sum insured of \$1,000,000.

4.2.11 Termination

The Crisis Recovery benefit will terminate on the:

- payment of the full Sum Insured under the benefit;
- death of the Life Insured;
- Expiry Date of the benefit (see condition 4.13.1);
- date the benefit is cancelled; or
- date the Policy lapses or is cancelled;

whichever is the earliest to occur.

4.3 Crisis Recovery Buy-back Benefit

4.3.1 Benefit

If a claim is paid for the full Sum Insured under the Crisis Recovery benefit, the Term Life Sum Insured (and any Permanent Disablement Sum Insured) will be reduced by the amount of the claim paid. The Crisis Recovery Buy-back benefit allows You the option to repurchase at the option date the reduction in the Term Life Sum Insured (only). The option date is 12 months after the date of the claim payment. The option must be exercised within 30 days after the option date. This repurchase will be subject to the premium rates then applicable for the Life Insured's age next birthday.

No further Crisis Recovery benefit will be payable and any reduction in the Permanent Disablement Sum Insured will not be reinstated.

The Crisis Recovery Buy-back benefit does not apply where the reduction in the Term Life Sum Insured was due to the payment of a benefit less than 100% of the Crisis Recovery Sum Insured for a Cancer, Coronary Artery Angioplasty or the payment of the Chronic Diagnosis Advancement benefit.

The repurchase of the Term Life Sum Insured will be:

- subject to Our premium rates applicable at the time of buy-back;
- available without evidence of health; and
- provided on the same underwriting acceptance terms as were applied to the original Term Life benefit.

4.3.2 Termination

The Crisis Recovery Buy-back benefit will terminate on the:

- exercise of the buy-back option under the benefit;
- death of the Life Insured;
- 30 days after the expiration of 12 months from the date of payment of the full Sum Insured under the Crisis Recovery benefit;
- Expiry Date of the benefit (see condition 4.13.1);
- date the benefit is cancelled; or
- date the Policy lapses or is cancelled;

whichever is the earliest to occur.

4.4 Crisis Reinstatement Benefit

After a Crisis Recovery benefit has been paid for the full Sum Insured, the Policy Owner will have the option of reinstating the Crisis Recovery Sum Insured on the first anniversary of the date of payment of the Crisis Recovery benefit. The Crisis Reinstatement benefit can only be purchased with the Crisis Recovery Buy-back benefit. The Crisis Recovery Buy-back option will have to be exercised at the same time as the Crisis Reinstatement option. The Crisis Recovery Sum Insured at all times may not exceed the Term Life Sum Insured.

Priority Protection – Policy Terms and Conditions (continued)

After a Crisis Recovery benefit has been reinstated, the number of Crisis Events for which the Life Insured will be covered will be in accordance with the following rules:

Module Chosen	Crisis Events Group Claimed From	Module or Group Reinstated
Comprehensive Crisis	Cancer	Coronary Plus Module*
Comprehensive Crisis	Coronary	Cancer Plus Module*
Comprehensive Crisis	Other Serious Crisis Events	Comprehensive Crisis Module#
Cancer and Coronary	Cancer	Coronary Group
Cancer and Coronary	Coronary	Cancer Group
Cancer Plus	Cancer	Other Serious Crisis Events Group*
Cancer Plus	Other Serious Crisis Events	Cancer Plus Module#
Coronary Plus	Coronary	Other Serious Crisis Events Group*
Coronary Plus	Other Serious Crisis Events	Coronary Plus Module#

*Where a Crisis Recovery benefit has been paid in respect of a Crisis Event in either the Cancer group or Coronary group and the Crisis Recovery benefit has been reinstated, going forward the Life Insured will be covered for all Crisis Events within the reinstated groups other than the Loss of Independence Crisis Event.

#Where a Crisis Recovery benefit has been paid for a Crisis Event in the Other Serious Crisis Events group and the Crisis Recovery benefit has been reinstated, going forward the Life Insured will be covered for all Crisis Events within the Other Serious Crisis Events group other than the Crisis Event for which the Crisis Recovery benefit has already been paid and the Loss of Independence Crisis Event.

After the Crisis Recovery benefit has been reinstated, the premium for the Crisis Recovery benefit will be based on the Crisis Recovery module in force prior to the payment of the claim in respect to a Crisis Event. The Crisis Recovery benefit can be reinstated only once under the Crisis Reinstatement benefit.

4.5 Female Crisis Assistance Benefit

If the Life Insured is diagnosed with one of the events listed below and defined in condition 2 and if We confirm the diagnosis, We will pay a lump sum equal to the Female Crisis Assistance Sum Insured. After the payment of a claim under the Female Crisis Assistance benefit in respect of an event no further amount will be payable under the benefit for that event. There can be a maximum of five payments under the Female Crisis Assistance benefit but only one payment per event covered.

4.5.1 Events Covered

The events covered are listed below and are defined in condition 2.

- Cancer Basic,
- Complications of Pregnancy,
- Congenital Abnormalities of Child,
- Reconstructive Cosmetic Surgery, and
- Other Illnesses.

The medical conditions covered under each of the events are:

- Cancer Basic
 - Carcinoma-in-situ of female reproductive organs (breast, cervix, uterus, ovary, vagina or vulva).
- Complications of Pregnancy. Complications include:
 - Disseminated Intravascular Coagulation
 - Ectopic Pregnancy
 - Hydatidiform Mole
 - Pre-eclampsia of pregnancy
 - Stillbirth
- Congenital Abnormalities of Child. Congenital Abnormalities include:
 - Down's Syndrome
 - Spina Bifida Myelomeningocele
 - Tetralogy of Fallot
 - Transposition of Great Vessels
 - Congenital Blindness
 - Congenital Deafness
- Reconstructive Cosmetic Surgery
 - Reconstructive Cosmetic Surgery or Skin Grafting due to Accident – (100% of Sum Insured under the Female Crisis Assistance benefit for medically necessary reconstructive cosmetic surgery or skin grafting due to an accident)
 - Reconstructive Cosmetic Surgery or Skin Grafting due to Crisis Event Covered – (50% of Sum Insured under the Female Crisis Assistance benefit for medically necessary reconstructive cosmetic surgery or skin grafting due to Crisis Event covered)
- Other Illnesses
 - Osteoporosis
 - Rheumatoid Arthritis
 - Systemic Lupus Erythematosus

4.5.2 Age Limitations

Coverage for each event under the Female Crisis Assistance benefit expires at the latest Policy Anniversary prior to the Life Insured attaining a specific age. The specific ages for each event are as follows:

Event	Age
Cancer Basic	70
Complications of Pregnancy	46
Congenital Abnormalities of Child	46
Reconstructive Cosmetic Surgery	70
Other Illnesses	70

4.5.3 Qualifying Period on Commencement, Reinstatement or Increase

In the event that the Life Insured has sustained one of the following events within one year after the commencement date of this benefit or its reinstatement, then the Female Crisis Assistance benefit will not be payable in respect of the event.

- Cancer Basic
- Complications of Pregnancy
- Congenital Abnormalities of Child

In the event that the Life Insured has sustained one of the medical conditions covered under the event of 'Other Illnesses' within 90 days after the commencement date of this benefit or its reinstatement, then the Female Crisis Assistance benefit will not be payable in respect of this event.

In the event that the Life Insured has sustained an accident that results in the event of 'Reconstructive Cosmetic Surgery' before the commencement date of this benefit or its reinstatement, then the Female Crisis Assistance benefit will not be payable in respect of this event.

On any increase in the Sum Insured under this benefit, the same conditions stated above apply from the date of the increase in relation to the amount of the increase.

4.5.4 Survival Period

The Female Crisis Assistance benefit will only be paid for the event of 'Congenital Abnormalities of Child' if the child survives for 30 days or longer after birth.

4.5.5 Pre-existing Medical Condition

In the event that the Life Insured has consulted a Medical Practitioner or undergone an investigation in relation to an event(s) and has not disclosed full details to Us before the commencement date of this benefit or its reinstatement, then this benefit will not be payable in respect of the event(s) in question and any associated event(s).

4.5.6 Proof of Positive Diagnosis of an Event Required

Written proof of positive diagnosis of an event must be provided to Us at Our head office in the case of a claim within 90 days after the date of such diagnosis. Failure to provide such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give such proof within such time, provided such proof is provided as soon as is reasonably possible. We shall at Our own expense have the right and opportunity to examine the Life Insured when and as often as We may reasonably require in connection with a claim.

The Female Crisis Assistance benefit will not be payable unless the event and the date thereof is confirmed in writing by Medical Practitioner(s) and/or legally qualified pathologists, and who shall base their diagnosis solely on the definition contained herein of the particular event after a study of the histological material and clinical presentation based on the medical history, physical examination, radiological studies, and results of any other diagnostic procedures performed on the Life Insured. Any such diagnosis must be confirmed by Us.

4.5.7 Claim Forms

See condition 4.2.7.

4.5.8 General Limitations

The maximum Female Crisis Assistance benefit to be paid in respect of any claim arising from coverage under this benefit shall not exceed in total the Female Crisis Assistance Sum Insured.

After the happening of an event for which payment of the Female Crisis Assistance Sum Insured has been made, no further amount shall be payable under the Female Crisis Assistance benefit for that event. That is, there can be a maximum of five payments under the Female Crisis Assistance Benefit but only one payment per event covered.

The Female Crisis Assistance benefit does not cover any disease or sickness or incapacity other than an event as defined herein which occurs during the period the Female Crisis Assistance benefit remains in force.

4.5.9 Maintenance of Benefits

In the event of the payment of a claim under the Female Crisis Assistance benefit, the Term Life benefit and any other benefit in force at that time under the Policy will continue without any reduction in sum(s) insured and the applicable benefits will continue unaffected.

Also the Female Crisis Assistance benefit Sum Insured will not be reduced by the payment of a claim under the Crisis Recovery benefit.

4.5.10 Termination

The Female Crisis Assistance benefit will terminate on the:

- payment of an amount under the benefit, if that payment means that a payment has been made for each event covered under the benefit;
 - death of the Life Insured;
 - Expiry Date of the benefit (see condition 4.13.1);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

4.6 Child's Recovery Benefit

'INSURED CHILD' means the child insured under the Child's Recovery Benefit. The child must be the natural child, the stepchild or the adopted child of the Policy Owner or the Life Insured.

If the Insured Child survives for 14 days from the date the Insured Child is diagnosed with one of the events listed in condition 4.6.1 and if We confirm the diagnosis, We will pay a lump sum equal to the Child's Recovery Sum Insured. Upon the payment of a claim for the full Child's Recovery Sum Insured in respect of an event covered under the Child's Recovery benefit, the benefit will cease and no further amount will be payable under the benefit.

4.6.1 Events Covered

The Events covered are listed below and the Crisis Events (below) are defined in condition 2.

- Death
- Terminal Illness
- Crisis Events
 - Accidental HIV infection
 - Aplastic anaemia
 - Bacterial meningitis
 - Blindness
 - Cancer*
 - Cardiomyopathy
 - Coma
 - Kidney failure
 - Loss of hearing
 - Loss of limbs or sight of one eye
 - Loss of speech
 - Major burns
 - Major head trauma
 - Major organ transplant
 - Paralysis
 - Diplegia
 - Hemiplegia
 - Paraplegia
 - Quadriplegia
 - Stroke
 - Viral encephalitis

*We will not pay a benefit for 'carcinoma in situ of the breast' under the Child's Recovery benefit.

4.6.2 Qualifying Period on Commencement, Increase or Reinstatement

The Child's Recovery benefit will not be paid if the Insured Child sustains one of the Crisis Events listed below within three months after the benefit commencement date or the date of any reinstatement of the benefit. These Crisis Events are:

- Cancer;
- Major organ transplant;
- Stroke; and
- Accidental HIV infection.

On any increase in the Sum Insured under the benefit, the same condition applies from the date of the increase in relation to the amount of the increase.

4.6.3 Pre-existing Medical Condition

If the Insured Child has consulted a doctor or undergone an investigation in relation to an event(s) before the benefit commencement date and full details have not been disclosed to Us the Child's Recovery benefit will not be paid in respect of that event(s) and any associated event(s).

4.6.4 Conversion Option to Crisis Recovery Benefit

This benefit guarantees each child insured the right to purchase a Crisis Recovery Stand Alone benefit under a separate insurance policy providing cover on their own life up to the sum insured under the Child's Recovery benefit under which the child is covered, on standard terms and conditions without evidence of health. The option should be exercised by the child insured writing to us in the 30-day period starting on the Expiry Date of the Child's Recovery benefit (see condition 4.13.1 for Expiry Date).

4.6.5 Proof of Positive Diagnosis of a Crisis Event Required

Written proof of positive diagnosis of a Crisis Event must be provided to Us at Our head office in the case of claim within 90 days after the date of such diagnosis. Failure to provide such proof within the time required will not invalidate nor reduce any claim if it was not reasonably possible to give such proof within such time, provided such proof is provided as soon as is reasonably possible. We shall at Our own expense have the right and opportunity to examine the Insured Child when and as often as We may reasonably require in connection with a claim.

The Child's Recovery benefit will not be payable unless the Crisis Event and the date thereof is confirmed in writing by a Medical Practitioner(s) and/or legally qualified pathologist(s), and who shall base their diagnosis solely on the definition contained herein of the particular Crisis Event after a study of the histological material and clinical presentation based on the medical history, physical examination, radiological studies, and the results of any other diagnostic procedures performed on the Insured Child. Any such diagnosis must be confirmed by Us.

4.6.6 Claim Forms

See condition 4.2.7.

4.6.7 Limitations

- The maximum Child's Recovery benefit to be paid in respect of any and all claims arising from coverage under the benefit will not exceed in total the Child's Recovery Sum Insured.
- After the happening of one event for which payment of the full Child's Recovery Sum Insured has been made, no further amount will be payable under the Child's Recovery benefit.
- The Child's Recovery benefit does not cover any disease, sickness or incapacity other than a Crisis Event as defined herein which occurs during the period the Child's Recovery benefit remains in force.

4.6.8 Termination

The Child's Recovery benefit will terminate on the:

- payment of the full Sum Insured under the benefit;
 - death of the Insured Child or Life Insured;
 - Expiry Date of the benefit (see condition 4.13.1);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

4.7 Permanent Disablement Benefit

4.7.1 Benefits

(a) *Permanent Disablement*

The definition of Total and Permanent Disablement applicable under the Policy is shown on the Policy Schedule.

If the Life Insured is deemed by Us to satisfy the definition of Total and Permanent Disablement applicable under the Policy as defined in condition 2, We shall pay a lump sum equal to the Permanent Disablement Sum Insured.

(b) *Financial Planning Reimbursement*

On the payment of a claim for the full Permanent Disablement Sum Insured, We will reimburse the Policy Owner the cost of obtaining advice from one or more financial planners as to how the claim proceeds are to be managed or invested subject to the conditions set out below. This benefit will be paid **in addition** to the claim amount otherwise due to the Policy Owner under the Policy.

Conditions are:

- Each financial adviser providing and charging for financial planning advice must be properly authorised;
- The financial planning costs must be incurred and paid within the first 6 months following the claim payment;
- Maximum amount reimbursed will be the lower of \$3,000 and the actual financial planning costs incurred as evidenced by tax invoices etc.;
- The benefit could be payable more than once under the Policy up to the maximum total amount of \$3,000; and
- The maximum total amount We will pay out on any one Life Insured under all policies with Us will be \$3,000.

4.7.2 Benefit Reduction

The Permanent Disablement Sum Insured will be reduced by the payment of a claim under the following benefits:

- Term Life,
- Terminal Illness, and
- Crisis Recovery.

The Permanent Disablement Sum Insured will be reduced by the amount of the claim paid. The premium for this benefit will be adjusted to reflect the reduction in the Permanent Disablement Sum Insured.

4.7.3 Conversion to Loss of Independence at age 65

If the Life Insured is covered under the Permanent Disablement benefit and there has not been a claim under the Policy, then the Permanent Disablement benefit will continue as a Loss of Independence benefit beyond the Expiry Date of the Permanent Disablement benefit until the Expiry Date of the Policy. This conversion option will not be available where the Life Insured is covered under the benefit for the Total and Permanent Disablement (All Duties) definition (occupation category E).

We will pay the Loss of Independence Sum Insured if the Life Insured meets the Loss of Independence definition (see condition 2). We will pay the Loss of Independence benefit once only.

In the event of a claim under the Loss of Independence benefit, the Term Life Sum Insured and any Crisis Recovery Sum Insured will be reduced by any amount paid under this benefit.

The Loss of Independence Sum Insured will be reduced by any payment under the Term Life or Crisis Recovery benefit.

The Loss of Independence Sum Insured, issued on conversion from the Permanent Disablement Stand Alone benefit, will not be reduced by any payment under the Term Life benefit or Crisis Recovery benefit.

Where the Life Insured is covered for the Permanent Disablement benefit and not covered for the Crisis Recovery benefit, the Loss of Independence Sum Insured under the Permanent Disablement benefit will be the lesser of:

- Permanent Disablement Sum Insured at the time the Permanent Disablement benefit expires; and
- \$1,000,000.

Where the Life Insured is covered for both the Crisis Recovery and Permanent Disablement benefits, the Loss of Independence benefit will commence from the Expiry Date of the Permanent Disablement benefit (i.e. the latest Policy Anniversary prior to the Life Insured's 65th birthday) with a sum insured equal to the lesser of the Permanent Disablement Sum Insured at that time and \$1,000,000. From the Expiry Date of the Crisis Recovery benefit (i.e. the latest Policy Anniversary prior to the Life Insured's 70th birthday) the Loss of Independence Sum Insured will increase to the Crisis Recovery Sum Insured at that time, if the Crisis Recovery Sum Insured at that time is greater, subject to a maximum sum insured of \$1,000,000.

The total sum insured for the Loss of Independence benefit issued on conversion from the Permanent Disablement benefit and any optional Crisis Recovery benefit under the Term Life benefit and for the Loss of Independence benefit issued on conversion from the Permanent Disablement Stand Alone benefit, cannot exceed \$1,000,000.

4.7.4 Termination

The Permanent Disablement benefit will terminate on the:

- payment of the full Sum Insured under the benefit;
 - death of the Life Insured;
 - Expiry Date of the benefit (see condition 4.13.1);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

4.8 Permanent Disablement Buy-back Benefit

4.8.1 Benefit

If a claim is paid for the full Sum Insured under the Permanent Disablement benefit, the Term Life Sum Insured (and any Crisis Recovery Sum Insured) will be reduced by the amount of the claim paid. The Permanent Disablement Buy-back benefit allows You the option to repurchase at the option date the reduction in the Term Life Sum Insured (only). The option date is 12 months after the date of the claim payment. The option must be exercised within 30 days after the option date. This repurchase will be subject to the premium rates then applicable for the Life Insured's age next birthday.

No further Permanent Disablement benefit will be payable and any reduction in the Crisis Recovery Sum Insured will not be reinstated.

The repurchase of the Term Life Sum Insured will be:

- subject to Our premium rates applicable at the time of buy-back;
- available without evidence of health; and
- provided on the same underwriting acceptance terms as were applied to the original Term Life benefit.

4.8.2 Termination

The Permanent Disablement Buy-back benefit will terminate on the:

- exercise of the buy-back option under the benefit;
 - death of the Life Insured;
 - 30 days after the expiration of 12 months from the date of payment of the full Sum Insured under the Permanent Disablement benefit;
 - Expiry Date of the benefit (see condition 4.13.1);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

4.9 Waiver of Premium Benefit

4.9.1 Benefit

The definition of Total and Permanent Disablement applicable under the Policy is shown on the Policy Schedule.

If the Life Insured is deemed by Us to satisfy the definition of Total and Permanent Disablement applicable under the Policy as defined in condition 2, We shall waive the premiums for the following benefits:

- Term Life benefit;
- Other optional benefits under the Term Life benefit. They are:
 - Crisis Recovery benefit,
 - Crisis Recovery Buy-back benefit,
 - Crisis Reinstatement benefit,
 - Female Crisis Assistance benefit,
 - Child's Recovery benefit,
 - Permanent Disablement Buy-back benefit; and
 - Child's Guaranteed Insurability benefit;
- Limited Term benefit;
- Crisis Recovery Stand Alone benefit; and
- Optional benefits under the Crisis Recovery Stand Alone benefit. They are:
 - Crisis Reinstatement benefit,
 - Female Crisis Assistance benefit, and
 - Child's Recovery benefit;

up to the latest Policy Anniversary prior to the Life Insured's 65th birthday. Direct premium payments by the Policy Owner will then resume.

The definition of Total and Permanent Disablement applicable under the Policy contains a qualifying period (either three or six months) during which the Life Insured must be 'absent from employment solely as a result of Injury or Sickness' in order to be eligible to claim under the benefit. You must pay premiums during the qualifying period relating to Your chosen definition of

Total and Permanent Disablement and they will not be refunded if and when We accept the Waiver of Premium claim

In the event of disablement You must continue to pay premium until the claim is assessed and accepted by Us.

4.9.2 Indexation Increases

Premiums will be waived for benefit indexation increases which occur after the start of the Total and Permanent Disablement of the Life Insured.

4.9.3 Voluntary Increases

Premiums will not be waived for voluntary increases in certain benefits which occur after the start of the Total and Permanent Disablement of the Life Insured. These benefits are:

- Term Life Plan
 - Term Life (including the repurchase of Term Life Sum Insured under the Crisis Recovery Buy-back benefit or the Permanent Disablement Buy-back benefit and the purchase of Term Life Sum Insured under the Guaranteed Future Insurability benefit);
 - Crisis Recovery;
 - Crisis Recovery Buy-back;
 - Crisis Reinstatement;
 - Female Crisis Assistance;
 - Child's Recovery (including the addition of a child);
 - Child's Guaranteed Insurability (including the addition of a child); and
 - Limited Term;
- Crisis Recovery Stand Alone Plan
 - Crisis Recovery Stand Alone;
 - Crisis Reinstatement;
 - Female Crisis Assistance; and
 - Child's Recovery (including the addition of a child).

4.9.4 Termination

The Waiver of Premium benefit will terminate on the:

- death of the Life Insured;
 - Expiry Date of the benefit (see condition 4.13.1);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

4.10 Child's Guaranteed Insurability Benefit

4.10.1 Benefit

The benefit provides each nominated child with an option to purchase a separate insurance policy providing life cover on their own life up to \$300,000 on standard terms and conditions without evidence of health. There is only one option per nominated child.

4.10.2 Exercise of Option

A nominated child may exercise their option on one of the following option dates:

- the latest Policy Anniversary prior to the nominated child's 18th, 21st and 25th birthday; and
- the date of the nominated child's marriage, home purchase or the birth of his or her child.

Priority Protection – Policy Terms and Conditions (continued)

To exercise the option the nominated child must advise Us in writing within 90 days prior to an option date.

4.10.3 Termination

The Child's Guaranteed Insurability benefit for a nominated child will terminate on the:

- exercise of the option;
 - death of the nominated child or Life Insured;
 - latest Policy Anniversary prior to the nominated child's 25th birthday;
 - latest Policy Anniversary prior to the Life Insured's 65th birthday;
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

4.11 Limited Term Benefit

4.11.1 Benefits

(a) Death

If the Life Insured dies prior to the Expiry Date of the benefit (see condition 4.13.1), We will pay a lump sum equal to the Limited Term Sum Insured.

(b) Funeral Cash Advance

- On the death of the Life Insured and subject to the conditions below, We will pay to the Policy Owner or nominated beneficiary at the time of death the lower of:
 - 10% of the Limited Term Sum Insured, and
 - \$10,000.00;
- The maximum total amount that We will pay under the Funeral Cash Advance in respect to the Limited Term benefit and any Term Life benefit under the Policy will be \$10,000;
- Death certificate and proof of policy ownership must be provided to Us before payment can occur; and
- Any Funeral Cash Advance payment under the Limited Term benefit will be deducted from the Limited Term Sum Insured and the balance remaining will be payable upon the settlement of the claim. The Funeral Cash Advance benefit **is not a payment in addition to the Limited Term Sum Insured.**

(c) Terminal Illness

If the Life Insured is diagnosed with a Terminal Illness as defined in condition 2, We will pay a lump sum amount of 100% of the Limited Term Sum Insured up to a maximum payment of \$3,000,000, or such other larger amount as We may determine from time to time. The maximum payment amount will apply to the total amount payable under this benefit and other benefits with Us that provide a payment in respect of the Terminal Illness of the Life Insured.

Payment of the Terminal Illness benefit will reduce the Limited Term Sum Insured by the amount of the payment made.

The reduced Limited Term Sum Insured will be subsequently payable upon the Life Insured's death prior to the Limited Term Expiry Date. The premium for the Limited Term benefit will be adjusted to reflect any reduction in the Sum Insured for that benefit.

(d) Financial Planning Reimbursement

On the payment of a claim for the full Limited Term Sum Insured for either the death or the Terminal Illness of the Life Insured, We will reimburse the Policy Owner or the nominated beneficiary the cost of obtaining advice from one or more financial planners as to how the claim proceeds are to be managed or invested subject to the conditions outlined below. Please see below for the conditions that apply to this benefit. This benefit will be paid **in addition** to the claim amount otherwise due to the Policy Owner under the Policy.

Conditions are:

- Each financial adviser providing and charging for financial planning advice must be properly authorised;
- The financial planning costs must be incurred and paid within the first six months following the claim payment;
- Maximum amount reimbursed will be the lower of \$3,000 and the actual financial planning costs incurred as evidenced by tax invoices etc.;
- The benefit could be payable more than once under the Policy up to the maximum total amount of \$3,000; and
- The maximum total amount We will pay out on any one Life Insured under all policies with Us will be \$3,000.

4.11.2 Termination

The Limited Term benefit will terminate on the:

- payment of the full Sum Insured under the benefit;
 - death of the Life Insured;
 - Expiry Date of the benefit (see condition 4.13.1);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

4.12 Permanent Disablement Stand Alone Benefit

4.12.1 Benefits

(a) Permanent Disablement Stand Alone

The definition of Total and Permanent Disablement applicable under the Policy is shown on the Policy Schedule.

If the Life Insured is deemed by Us to satisfy the definition of Total and Permanent Disablement applicable under the Policy as defined in condition 2, We shall pay a lump sum equal to the Permanent Disablement Stand Alone Sum Insured.

(b) Financial Planning Reimbursement

On the payment of a claim for the full Permanent Disablement Stand Alone Sum Insured, We will reimburse the Policy Owner the cost of obtaining advice from one or more financial planners as to how the claim proceeds are to be managed or invested subject to the conditions set out below. This benefit will be paid in addition to the claim amount otherwise due to the Policy Owner under the Policy.

Conditions are:

- Each financial adviser providing and charging for financial planning advice must be properly authorised;
- The financial planning costs must be incurred and paid within the first six months following the claim payment;

Priority Protection – Policy Terms and Conditions (continued)

- Maximum amount reimbursed will be the lower of \$3,000 and the actual financial planning costs incurred as evidenced by tax invoices etc.;
- The benefit could be payable more than once under the Policy up to the maximum total amount of \$3,000; and
- The maximum total amount We will pay out on any one Life Insured under all policies with Us will be \$3,000.

4.12.2 Maintenance of Benefits

In the event of payment of a Permanent Disablement Stand Alone Benefit, any Term Life benefit and any other benefit in force at that time under the Term Life Plan will continue without any reduction in the Sum Insured, and the applicable benefits will continue unaffected.

4.12.3 Conversion to Loss of Independence Benefit at age 65

If the Life Insured is covered under the Permanent Disablement Stand Alone benefit and there has not been a claim under the Policy, then the Permanent Disablement Stand Alone benefit may continue as a Loss of Independence benefit beyond the Expiry Date of the Permanent Disablement Stand Alone benefit until the Expiry Date of the Policy. This conversion option will not be available where the Life Insured is covered under the benefit for the Total and Permanent Disablement (All Duties) definition (occupation category E).

The Sum Insured for the Loss of Independence benefit (issued on conversion from the Permanent Disablement Stand Alone benefit) will be determined as follows:

- Where the Life Insured is covered for the Permanent Disablement Stand Alone benefit and not covered for the optional Permanent Disablement benefit under the Term Life benefit, the Loss of Independence Sum Insured under the Permanent Disablement Stand Alone benefit will be the lesser of:
 - the Permanent Disablement Stand Alone Sum Insured at the time the Permanent Disablement Stand Alone benefit expires; and
 - \$1,000,000.
- Where the Life Insured is covered for both the Permanent Disablement Stand Alone benefit and the optional Permanent Disablement benefit under the Term Life benefit and the Permanent Disablement Sum Insured is at least \$1,000,000 at the time the Permanent Disablement Stand Alone benefit expires, the Loss of Independence benefit (issued on conversion from the Permanent Disablement Stand Alone benefit), will not be available.
- Where the total sum insured under the Permanent Disablement Stand Alone benefit and the optional Permanent Disablement benefit exceeds \$1,000,000 and the Sum Insured under the Permanent Disablement benefit is less than \$1,000,000, the Sum Insured for the Loss of Independence benefit (issued on conversion from the Permanent Disablement Stand Alone benefit), will be \$1,000,000 less the Sum Insured under the Permanent Disablement benefit.

- Where the total Sum Insured under the Permanent Disablement Stand Alone benefit and the optional Permanent Disablement benefit is less than \$1,000,000, the Sum Insured for the Loss of Independence benefit (issued on conversion from the Permanent Disablement Stand Alone benefit), will be the Sum Insured under the Permanent Disablement Stand Alone benefit.

The total sum insured for the Loss of Independence benefit (issued on conversion from the Permanent Disablement Stand Alone benefit) and for the Loss of Independence benefit (issued on conversion from any optional Permanent Disablement benefit and/or any optional Crisis Recovery benefit under the Term Life benefit), cannot exceed \$1,000,000.

We will pay the Loss of Independence Sum Insured if the Life Insured meets the Loss of Independence definition in condition 2. We will pay the Loss of Independence benefit once only.

4.12.4 Termination

The Permanent Disablement Stand Alone benefit will terminate on the:

- payment of the full Sum Insured under the benefit;
 - death of the Life Insured;
 - Expiry Date of the benefit (see condition 4.13.1);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

4.13 Applying to all Benefits under the Term Life Plan

4.13.1 Expiry Dates

Premiums and cover for each benefit cease at the Expiry Date of that benefit.

The Expiry Date for each benefit is the latest Policy Anniversary prior to the Life Insured attaining a specific age. The specific ages for each benefit are as follows:

Benefit	Age
Term Life	100
Crisis Recovery	70
Crisis Recovery Buy-back	65
Crisis Reinstatement	65
Female Crisis Assistance	70
Child's Recovery	70 *
Permanent Disablement	65 ^
Permanent Disablement Buy-back	65 ^
Loss of Independence	100
Waiver of Premium	65 ^
Child's Guaranteed Insurability	65 †
Limited Term (5 or 10 years)	Term Selected
Permanent Disablement Stand Alone	65 ^

* 70th birthday of the Life Insured or the 21st birthday of the Insured Child, if earlier.

^ 55th birthday of the Life Insured for occupation category E or 65th birthday for all other eligible occupation categories.

† 65th birthday of the Life Insured or the 25th birthday of the child, if earlier.

4.13.2 Maximum Sums Insured

Term Life – None, but financial underwriting will apply to large sums insured.

Crisis Recovery[†] – \$2,000,000#

Female Crisis Assistance[‡] – \$25,000[^]

Child's Recovery[‡] – \$200,000 for each Insured Child

Permanent Disablement[†] – \$3,000,000*

Loss of Independence[†] – \$1,000,000

Child's Guaranteed Insurability – One option of up to \$300,000 for each nominated child.

Limited Term – None, but financial underwriting will apply to large sums insured.

Permanent Disablement Stand Alone – \$3,000,000*

* \$2,000,000 if the Life Insured is in occupation category B, C or D; \$1,000,000 if the Life Insured is in occupation category E; and \$500,000 if the 'home duties' definition of total and permanent disablement has been selected.

[†] Cannot exceed the Term Life Sum Insured selected.

\$1,500,000 if the Life Insured's age is 56–64 next birthday.

[‡] Cannot exceed the Crisis Recovery Sum Insured selected.

[^] The minimum sum insured for this benefit is \$10,000.

The maximums for Permanent Disablement, Permanent Disablement Stand Alone and Loss of Independence will apply to the total sums insured for all similar benefits on the Life Insured with Us and other insurers.

The maximums for Crisis Recovery and Female Crisis Assistance will include the sum insured for all similar benefits under the Term Life benefit and Crisis Recovery Stand Alone benefit (see conditions 5.1 and 5.3) and will apply to the total sums insured for all similar benefits on the Life Insured with Us and other insurers.

The Child's Recovery maximum will include the sum insured for any Child's Recovery benefit under the Term Life benefit and any Crisis Recovery Stand Alone benefit (see condition 5.4) and will apply to the total sums insured for all similar benefits on the Insured Child with Us and other insurers.

4.13.3 Premiums

Please see condition 3.5 of the Policy Terms and Conditions.

4.13.3.1 Premium Freeze

At each Policy Anniversary, provided the Life Insured is aged 35 years or older, You may elect to pay the same annual premium as you paid for the previous policy year. The Sum Insured for each benefit will decrease each year on the Policy Anniversary by an amount as calculated by Us so as to ensure that the premium remains unchanged. This process will be repeated each year on the Policy Anniversary. When the Premium Freeze option is exercised, any indexation of benefit will cease and You will be unable to exercise any of the Guaranteed Future Insurability options (see condition 4.1.1). If You wish to cancel the Premium Freeze, You will need to write to Us for Our approval.

The Premium Freeze will not apply to the Limited Term benefit and the Female Crisis Assistance benefit.

4.13.4 Worldwide Protection

The Life Insured is covered under the Term Life Plan anywhere in the world, 24 hours each day.

4.13.5 Exclusions

The benefits under the Term Life Plan are not payable in the following circumstances:

Term Life Benefit and Limited Term Benefit

- Death from suicide within 13 months from the commencement date, date of increase or the last reinstatement date of the benefit. For a benefit increase, the benefit is not payable only in respect of the increase in the sum insured. (This exclusion will be waived in respect of any death cover under the Policy provided the Policy is replacing death cover from a previous insurer and the full suicide exclusion period under the in force policy to be replaced has elapsed.)

Permanent Disablement Stand Alone Benefit, Permanent Disablement Benefit, Waiver of Premium Benefit and Loss of Independence Benefit.

- Any disablement directly or indirectly, wholly or partly, caused by intentional self-inflicted injury or any such attempt by the Life Insured.

Crisis Recovery Benefit

- A Crisis Event directly or indirectly, wholly or partly, caused by intentional self-inflicted injury or any such attempt by the Life Insured.

Female Crisis Assistance Benefit

- An event directly or indirectly caused by intentional self-inflicted injury or any such attempt by the Life Insured; and
- Complications of pregnancy as a result of abortion.

Child's Recovery Benefit

- An event directly or indirectly caused by intentional self-inflicted injury or any attempt by the Insured Child; and
- General exclusions (until 10th birthday of Insured Child):
 - An event caused by a congenital condition; and
 - An event intentionally caused by the Insured Child's parent, guardian or relative or someone who lives with or supervises the Insured Child.

5. Crisis Recovery Stand Alone Plan

The ‘Crisis Recovery Stand Alone Plan’ condition applies only if the Crisis Recovery Stand Alone Plan has been selected. The benefits chosen under the plan are shown on the Policy Schedule.

Important Notice

This is not a savings plan and is without profits. The primary purpose of this Crisis Recovery Stand Alone Plan is to provide a lump sum payment in the event of the Life Insured sustaining a crisis event.

If You terminate Your plan after the cooling-off period You will not receive any termination payment or refund of premium.

5.1 Crisis Recovery Stand Alone Benefit

The Crisis Recovery module, which You have chosen under this plan, is shown in the Policy Schedule.

Each Crisis Recovery module provides cover against crisis events in two or more groups of crisis events. The crisis events groups covered in each Crisis Recovery module are shown in condition 5.1.1 and the crisis events covered in each Crisis Events group are shown in condition 5.1.2.

(a) Crisis Events

If the Life Insured survives for 14 days from the date the Life Insured is diagnosed with one of the Crisis Events for which the Life Insured is covered under this plan and if We confirm the diagnosis, We will pay a lump sum equal to the Crisis Recovery Stand Alone Sum Insured. Upon the payment of a claim for the full Crisis Recovery Stand Alone Sum Insured in respect of a Crisis Event, the Crisis Recovery Stand Alone benefit will cease and no further Crisis Recovery Stand Alone benefit will be paid for any subsequent Crisis Event under the benefit. The Crisis Recovery Stand Alone benefit can be reinstated if You have selected the Crisis Reinstatement benefit (see condition 5.2).

There are four optional benefits available under the Crisis Recovery Stand Alone benefit that You can select. They are:

- Crisis Reinstatement – (see condition 5.2)
- Female Crisis Assistance – (see condition 5.3),
- Child’s Recovery – (see condition 5.4).
- Permanent Disablement – (see condition 5.5)

(b) Financial Planning Reimbursement

On the payment of a claim for the full Crisis Recovery Stand Alone Sum Insured, We will reimburse the Policy Owner the cost of obtaining advice from one or more financial planners as to how the claim proceeds are to be managed or invested subject to the conditions set out below. This benefit will be paid **in addition** to the claim amount otherwise due to the Policy Owner under the Policy.

Conditions are:

- Each financial adviser providing and charging for financial planning advice must be properly authorised;
- The financial planning costs must be incurred and paid within the first six months following the claim payment;

- Maximum amount reimbursed will be the lower of \$3,000 and the actual financial planning costs incurred as evidenced by tax invoices etc.;
- The benefit could be payable more than once under the Policy up to the maximum total amount of \$3,000; and
- The maximum total amount We will pay out on any one Life Insured under all policies with Us will be \$3,000.

5.1.1 Crisis Recovery Modules

The Crisis Events groups covered in each Crisis Recovery module are listed below under each Crisis Recovery module.

Comprehensive Crisis:

- Cancer,
- Coronary, and
- Other Serious Crisis Events.

Cancer and Coronary:

- Cancer, and
- Coronary.

Cancer Plus:

- Cancer, and
- Other Serious Crisis Events.

Coronary Plus:

- Coronary, and
- Other Serious Crisis Events.

5.1.2 Crisis Events Groups

The Crisis Events covered in each Crisis Events group are listed below under each Crisis Events group and are defined on pages 4 to 10.

Cancer Group

- Cancer*

Coronary Group

- Cardiomyopathy
- Heart Attack
- Heart Valve Surgery
- Stroke
- Surgery to the Aorta
- Coronary Artery Angioplasty#
- Coronary Artery By-pass Surgery
- Pulmonary Arterial Hypertension (primary)
- Other Serious Coronary Artery Disease

Other Serious Crisis Events Group

- Accidental HIV Infection
- Alzheimer’s Disease
- Aplastic Anaemia
- Bacterial Meningitis
- Benign Brain Tumour
- Blindness
- Chronic Liver Disease
- Chronic Lung Disease
- Coma
- Dementia
- Diplegia
- Hemiplegia
- Kidney Failure
- Loss of Hearing

- Loss of Independence
- Loss of Limbs and Sight of One Eye
- Loss of Speech
- Major Burns
- Major Head Trauma
- Major Organ Transplant
- Motor Neurone Disease
- Multiple Sclerosis
- Muscular Dystrophy
- Paraplegia
- Parkinson's Disease
- Pneumonectomy
- Quadriplegia
- Rheumatoid Arthritis
- Viral Encephalitis

* For 'carcinoma in situ of the breast', the benefit payable will be limited to 25% of the Crisis Recovery Stand Alone Sum Insured, subject to a maximum payment of \$25,000 under all policies We have issued covering the Life Insured.

For Coronary Artery Angioplasty the benefit payable for angioplasty of one or two coronary arteries is limited to 25% of the Crisis Recovery Stand Alone Sum Insured subject to a maximum payment of \$25,000 under all policies We have issued covering the Life Insured. 100% of the Crisis Recovery Stand Alone Sum Insured will be payable for three or more coronary arteries.

After any payment for Cancer or Coronary Artery Angioplasty, the Crisis Recovery Stand Alone Sum Insured will be reduced by the payment made.

Once total payments under the Crisis Recovery Stand Alone benefit reach the Crisis Recovery Stand Alone Sum Insured the Crisis Recovery Stand Alone benefit will cease.

5.1.3 Death Benefit

If the Life Insured dies prior to the Expiry Date of the Crisis Recovery Stand Alone benefit and no benefit is payable in respect of a Crisis Event, a lump sum will be payable.

The amount of the lump sum death benefit will be the lower of \$5,000 and the Crisis Recovery Stand Alone Sum Insured.

5.1.4 Qualifying Period on Commencement, Increase or Reinstatement

The Crisis Recovery Stand Alone benefit will not be paid if the Life Insured sustains one of the Crisis Events listed below within three months after the benefit commencement date or the date of any increase or reinstatement of the benefit. These Crisis Events are:

- Accidental HIV Infection
- Benign Brain Tumour
- Cancer
- Coronary Artery Angioplasty
- Coronary Artery By-pass Surgery
- Heart Attack
- Heart Valve Surgery
- Major Organ Transplant
- Other Serious Coronary Artery Disease
- Pulmonary Arterial Hypertension (primary)
- Stroke
- Surgery to the Aorta

On any increase in the Sum Insured under this benefit, the same condition applies from the date of the increase in relation to the amount of the increase.

The three months qualifying period will be waived provided this is a replacement policy from the previous insurer and the full qualifying period under the in force policy to be replaced has elapsed.

5.1.5 Pre-existing Medical Condition

If the Life Insured has consulted a Medical Practitioner or undergone an investigation in relation to a Crisis Event before the benefit commencement date or the date of any increase or reinstatement of the benefit and has not disclosed full details to Us before the benefit commencement date or the date of any increase or reinstatement of the benefit, then the Crisis Recovery Stand Alone benefit will not be payable in respect of that Crisis Event and any associated Crisis Event(s).

5.1.6 Chronic Diagnosis Advancement Benefit

The Chronic Diagnosis Advancement benefit is an advanced payment of the Crisis Recovery Stand Alone benefit, payable when certain Crisis Events (see below) have been diagnosed, but have not yet met the definition of that Crisis Event as described in condition 2 of the Policy.

The payment is 25% of the Crisis Recovery Stand Alone Sum Insured, to a maximum of \$25,000 under all policies issued by Us covering the Life Insured.

The Chronic Diagnosis Advancement benefit will be paid if an appropriate specialist Medical Practitioner confirms, to Our satisfaction, that the Life Insured:

- (a) has suffered or been medically diagnosed with one of the following Crisis Events:
 - Motor Neurone disease,
 - Multiple Sclerosis,
 - Muscular Dystrophy, and
 - Parkinson's Diseasebut has not yet met the definition of that Crisis Event in condition 2 of the Policy; or
- (b) has been placed on a waiting list to receive a major organ transplant of the kind described in the definition of the 'Major Organ Transplant' Crisis Event (see condition 2) and that the procedure is unrelated to any previous procedure or surgery undergone by the Life Insured.

If the Chronic Diagnosis Advancement benefit is paid, the Crisis Recovery Stand Alone Sum Insured will be reduced by the amount paid. If the Life Insured subsequently qualifies for the payment of the Crisis Recovery Stand Alone benefit, the reduced Crisis Recovery Stand Alone benefit will be paid.

Only one Chronic Diagnosis Advancement benefit payment will be made in respect of the Life Insured.

5.1.7 Proof of Positive Diagnosis of a Crisis Event Required

Written proof of positive diagnosis of a Crisis Event must be provided to Us at Our head office in the case of claim within 90 days after the date of such diagnosis. Failure to provide such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give such proof within

Priority Protection – Policy Terms and Conditions (continued)

such time, provided such proof is provided as soon as is reasonably possible. We shall at Our own expense have the right and opportunity to examine the Life Insured when and as often as We may reasonably require in connection with a claim.

The Crisis Recovery Stand Alone benefit will not be payable unless the Crisis Event and the date thereof is confirmed in writing by a Medical Practitioner(s) and/or legally qualified pathologist(s), and who shall base their diagnosis solely on the definition contained herein of the particular Crisis Event after a study of the histological material and clinical presentation based on the medical history, physical examination, radiological studies and the results of any other diagnostic procedures performed on the Life Insured. Any such diagnosis must be confirmed by Us.

5.1.8 Claim Forms

Following receipt of a written notice of claim, We shall supply You with the appropriate form(s) to enable proof of positive diagnosis to be filed with Us.

5.1.9 Limitations

- The maximum Crisis Recovery Stand Alone benefit to be paid in respect of any and all claims arising from coverage under this benefit will not exceed in total the Crisis Recovery Stand Alone Sum Insured.
- After the happening of one Crisis Event for which payment of the full Crisis Recovery Stand Alone Sum Insured has been made, no further amount will be payable under the Crisis Recovery Stand Alone benefit. The Crisis Recovery Stand Alone benefit can be reinstated if You have selected the Crisis Reinstatement benefit (see condition 5.2).
- The Crisis Recovery Stand Alone benefit does not cover any disease, sickness or incapacity other than a Crisis Event as defined herein which occurs during the period the Crisis Recovery Stand Alone benefit remains in force.

5.1.10 Termination

The Crisis Recovery Stand Alone benefit will terminate on the:

- payment of the full Sum Insured under the benefit;
 - death of the Life Insured;
 - Expiry Date of the benefit (see condition 5.6.1); or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

5.2 Crisis Reinstatement Benefit

5.2.1 Benefit

After a Crisis Recovery Stand Alone benefit has been paid for the full Sum Insured, the Policy Owner will have the option of reinstating the Crisis Recovery Stand Alone Sum Insured on the first anniversary of the date of payment of the Crisis Recovery Stand Alone benefit. The option must be exercised within 30 days after the first anniversary date.

After a Crisis Recovery Stand Alone benefit has been reinstated, the number of Crisis Events for which the Life Insured will be covered will be in accordance with the following rules:

Module Chosen	Crisis Events Group Claimed From	Module or Group Reinstated
Comprehensive Crisis	Cancer	Coronary Plus Module*
Comprehensive Crisis	Coronary	Cancer Plus Module*
Comprehensive Crisis	Other Serious Crisis Events	Comprehensive Crisis Module#
Cancer and Coronary	Cancer	Coronary Group
Cancer and Coronary	Coronary	Cancer Group
Cancer Plus	Cancer	Other Serious Crisis Events Group*
Cancer Plus	Other Serious Crisis Events	Cancer Plus Module#
Coronary Plus	Coronary	Other Serious Crisis Events Group*
Coronary Plus	Other Serious Crisis Events	Coronary Plus Module#

* Where a Crisis Recovery Stand Alone benefit has been paid in respect of a Crisis Event in either the Cancer group or Coronary group and the Crisis Recovery Stand Alone benefit has been reinstated, going forward the Life Insured will be covered for all Crisis Events within the reinstated groups other than the Loss of Independence Crisis Event.

Where a Crisis Recovery Stand Alone benefit has been paid for a Crisis Event in the Other Serious Crisis Events group and the Crisis Recovery Stand Alone benefit has been reinstated, going forward the Life Insured will be covered for all Crisis Events within the Other Serious Crisis Events group other than the Crisis Event for which the Crisis Recovery Stand Alone benefit has already been paid and the Loss of Independence Crisis Event.

After the Crisis Recovery Stand Alone benefit has been reinstated, the premium for the Crisis Recovery Stand Alone benefit will be based on the Crisis Recovery module in force prior to the payment of the claim in respect to a Crisis Event. The Crisis Recovery Stand Alone benefit can be reinstated only once under the Crisis Reinstatement benefit.

5.2.2 Termination

The Crisis Reinstatement benefit will terminate on the:

- exercise of the option under this benefit;
 - death of the Life Insured;
 - 30 days after the expiration of 12 months from the date of payment of the full Sum Insured under the Crisis Recovery Stand Alone benefit;
 - Expiry Date of the benefit (see condition 5.6.1);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

5.3 Female Crisis Assistance Benefit

See the Female Crisis Assistance benefit Terms and Conditions (conditions 4.5 and 4.13).

Priority Protection – Policy Terms and Conditions (continued)

5.4 Child's Recovery Benefit

See the Child's Recovery benefit Terms and Conditions (conditions 4.6 and 4.13).

5.5 Permanent Disablement

5.5.1 Benefits

(a) Permanent Disablement

The definition of Total and Permanent Disablement applicable under the Policy is shown on the Policy Schedule.

If the Life Insured is deemed by Us to satisfy the definition of Total and Permanent Disablement applicable under the Policy as defined in condition 2, We shall pay a lump sum equal to the Permanent Disablement Sum Insured.

The payment of a Permanent Disablement benefit will reduce the Crisis Recovery Stand Alone Sum Insured by the amount of the claim paid.

(b) Financial Planning Reimbursement

On the payment of a claim for the Permanent Disablement Sum Insured, We will reimburse the Policy Owner the cost of obtaining advice from one or more financial planners as to how the claim proceeds are to be managed or invested subject to the conditions set out below. This benefit will be paid **in addition** to the claim amount otherwise due to the Policy Owner under the Policy.

Conditions are:

- Each financial adviser providing and charging for financial planning advice must be properly authorised;
- The financial planning costs must be incurred and paid within the first six months following the claim payment;
- Maximum amount reimbursed will be the lower of \$3,000 and the actual financial planning costs incurred as evidenced by tax invoices etc.;
- The benefit could be payable more than once under the Policy up to the maximum total amount of \$3,000; and
- The maximum total amount We will pay out on any one Life Insured under all policies with Us will be \$3,000.

5.5.2 Benefit Reduction

The payment of a claim under the Crisis Recovery Stand Alone benefit will reduce the Sum Insured under the Permanent Disablement benefit by the amount of the claim paid. The premium for the Permanent Disablement benefit will be adjusted to reflect the reduction in the Permanent Disablement Sum Insured.

5.5.3 Termination

The Permanent Disablement benefit will terminate on the:

- payment of the Sum Insured under the benefit;
- death of the Life Insured;
- Expiry Date of the benefit (see condition 5.6.1);
- date the benefit is cancelled; or
- date the Policy lapses or is cancelled;

whichever is the earliest to occur.

5.6 Applying to All Benefits under the Crisis Recovery Stand Alone Plan

5.6.1 Expiry Dates

Premiums and cover for each benefit cease at the Expiry Date of that benefit.

The Expiry Date for each benefit is the latest Policy Anniversary prior to the Life Insured attaining a specific age. The specific ages for each benefit are as follows:

Benefit	Age
Crisis Recovery Stand Alone	70
Crisis Reinstatement	65
Female Crisis Assistance	70
Child's Recovery	70*
Permanent Disablement	65 [^]

* 70th birthday of the Life Insured or the 21st birthday of the Insured Child, if earlier.

[^] 55th birthday of the Life Insured for occupation category E or 65th birthday for all other eligible occupation categories.

5.6.2 Maximum Sums Insured

Crisis Recovery Stand Alone – \$2,000,000*

Female Crisis Assistance[†] – \$25,000[‡]

Child's Recovery[†] – \$100,000 for each Insured Child

Permanent Disablement[†] – \$2,000,000[^]

* \$1,500,000 if the Life Insured's age is 56–64 next birthday.

[†] Cannot exceed the Crisis Recovery Stand Alone Sum Insured selected.

[‡] The minimum sum insured for this benefit is \$10,000.

[^] \$2,000,000 (age 16–55 next birthday) if the Life Insured is in occupation category AAA, AA, A, B, C & D; \$1,500,000 (age 56–64 next birthday) if the Life Insured is in occupation category AAA, AA, A & B; \$1,000,000 if the Life Insured is in occupation category E; and \$500,000 if the 'home duties' definition of total and permanent disablement has been selected.

The maximums for the Crisis Recovery Stand Alone benefit and Female Crisis Assistance benefit will include the sum insured for all similar benefits under the Term Life benefit (see conditions 4.2 and 4.5) and Crisis Recovery Stand Alone benefit and will apply to the total sums insured for all similar benefits on the Life Insured with Us and other insurers.

The Child's Recovery maximum will include the Sum Insured for any Child's Recovery benefit under the Term Life benefit (see condition 4.6) and any Crisis Recovery Stand Alone benefit and will apply to the total sum insured for all similar benefits on the Insured Child with Us and other insurers.

5.6.3 Premiums

Please see condition 3.5 of the Policy Terms and Conditions.

5.6.3.1 Premium Freeze

At each Policy Anniversary, provided the Life Insured is aged 35 years or older, You may elect to pay the same annual premium as You paid for the previous policy year. The sum insured for each benefit will decrease each year on the Policy Anniversary by an amount as calculated by Us so as to ensure that the premium remains unchanged. This process will be repeated each year on the Policy Anniversary. When the Premium Freeze option is exercised, any Indexation of Benefit (see condition 3.16) will cease. If You wish to cancel the Premium Freeze, You will need to write to Us for Our approval.

The Premium Freeze will not apply to the Female Crisis Assistance benefit.

5.6.4 Worldwide Protection

The Life Insured is covered under the Crisis Recovery Stand Alone Plan anywhere in the world, 24 hours each day.

5.6.5 Exclusions

The benefits under the Crisis Recovery Stand Alone Plan are not payable in the following circumstances:

Crisis Recovery Stand Alone Benefit

- A Crisis Event directly or indirectly, wholly or partly, caused by intentional self-inflicted injury or any such attempt by the Life Insured.
- Death from suicide within 13 months from the commencement date, date of increase or the last reinstatement date of the benefit. For a benefit increase, the benefit is not payable only in respect of the increase in the sum insured.

Female Crisis Assistance Benefit

- An event directly or indirectly caused by intentional self-inflicted injury or any such attempt by the Life Insured; and
- Complications of pregnancy as a result of abortion.

Child's Recovery Benefit

- An event directly or indirectly caused by intentional self-inflicted injury or any attempt by the Insured Child; and
- General exclusions (until 10th birthday of Insured Child):
 - An event caused by a congenital condition; and
 - An event intentionally caused by the Insured Child's parent, guardian or relative or someone who lives with or supervises the Insured Child.

Permanent Disablement Benefit

- Any disablement directly or indirectly, wholly or partly, caused by intentional self-inflicted injury or any such attempt by the Life Insured.

6. Disability Income Plan (Agreed Value or Indemnity)

The 'Disability Income Plan' condition applies only if the Disability Income Plan has been selected. The benefits chosen under the plan are shown on the Policy Schedule.

Priority Protection can provide two income protection benefits each of which provides an income stream in the event of the total or partial disablement of the Life Insured. They are:

Disability Income Benefit

Covers disablement due to Injury or Sickness and provides income protection on either of the following bases:

- Agreed Value, and
- Indemnity;

and

Disability Income Accident Only Benefit

Covers disablement due to Accidental Injury only and provides income protection on either of the following bases:

- Agreed Value, and
- Indemnity.

The Disability Income benefit offers the following optional benefits:

- Claim Escalation – (see condition 6.2);
- PLUS Optional – (see condition 6.3);
- Day 1 Accident – (see condition 6.4);
- Business Expenses Insurance – (see condition 6.5); and
- Home Expenses – (see condition 6.6).

The Disability Income Accident Only benefit offers the following optional benefits:

- Claim Escalation – (see condition 6.2); and
- Day 1 Accident – (see condition 6.4)

If chosen the Claim Escalation benefit and the PLUS Optional benefit will be on the same basis (i.e. 'agreed value' or 'indemnity') as the Disability Income benefit or Disability Income Accident Only benefit, whichever benefit is selected.

If selected, the Day 1 Accident benefit will be on an 'agreed value' basis and the Business Expenses Insurance benefit will be on an 'indemnity' basis.

Important Notice

This is not a savings plan and is without profits. The primary purpose of the Disability Income Plan is to provide an income benefit in the event of the disablement of the Life Insured either through Injury or Sickness or through Accidental Injury only.

If You terminate Your plan after the cooling-off period You will not receive any termination payment or refund of premium.

6.1 Disability Income Benefit and Disability Income Accident Only Benefit

The benefits under the Disability Income Benefit and Disability Income Accident Only benefit are described below or elsewhere in the Policy:

- Total Disablement (see condition 6.1.1)
- Partial Disablement (see condition 6.1.2)
- Waiver of Premium (see condition 6.1.3)
- Rehabilitation Expenses (see condition 6.1.4)
- Recurrent Disablement (see condition 6.1.5)
- Death (see condition 6.1.6)
- Indexation of Benefit (see condition 3.16)
- Worldwide Protection (see condition 6.1.7)
- AIDS Cover (see condition 6.1.8) – not available under the Disability Income Accident Only benefit.

6.1.1 Total Disablement Benefit

If the Life Insured is totally disabled for longer than the Waiting Period selected, the monthly benefit will be payable from the end of the Waiting Period and will continue to be paid throughout the Benefit Period selected as long as the Life Insured continues to be totally disabled. The benefit is calculated on a daily basis and paid monthly in arrears. The amount of the Total Disablement benefit may be subject to claim offsets (see condition 6.1.9).

The Life Insured is totally disabled if He or She satisfies the definition of total disablement relevant to the income protection benefit selected and the occupation category of the Life Insured at the commencement date of the benefit.

If the Disability Income benefit is selected, the relevant definitions are Total Disablement (Disability Income) applicable to occupation categories AAA, AA, A, B, C & D, and Total Disablement (Disability Income – Occupation E) applicable to occupation category E.

If the Disability Income Accident Only benefit is selected, the relevant definitions are Total Disablement (Disability Income Accident Only) applicable to occupation categories AAA, AA, A, B, C & D, and Total Disablement (Disability Income Accident Only – Occupation E) applicable to occupation category E.

See condition 2 for the definitions of total disablement.

6.1.1.1 Total Disablement Benefit Amount (Agreed Value)

This section applies if the Policy Schedule shows that the Disability Income (Agreed Value) benefit or the Disability Income Accident Only (Agreed Value) benefit has been selected.

The initial amount of benefit payable will be the Insured Monthly Benefit set out in the Policy Schedule, as amended from time to time by indexation increases, voluntary increases or voluntary decreases, less any claim offsets applicable (see condition 6.1.9).

6.1.1.2 Total Disablement Benefit Amount (Indemnity)

This section applies if the Policy Schedule shows that the Disability Income (Indemnity) benefit or the Disability Income Accident Only (Indemnity) benefit has been selected.

The initial amount of benefit payable will be the lesser of:

- (i) the Insured Monthly Benefit set out in the Policy Schedule, as amended from time to time by indexation increases, voluntary increases or voluntary decreases at the commencement of the total disablement, less any claim offsets applicable (see condition 6.1.9); and
- (ii) 75% of the first \$20,833 of monthly Pre-disablement Income (Indemnity) at the commencement of the total disablement, plus 50% of the next \$12,500 of monthly Pre-disablement Income (Indemnity), plus 25% of the balance of the monthly Pre-disablement Income over \$33,333, less any claim offsets applicable (see condition 6.1.9).

6.1.2 Partial Disablement Benefit

If the Life Insured is partially disabled beyond the end of the Waiting Period selected, after having been totally disabled for at least seven consecutive days at the start of the Waiting Period, a partial disablement benefit will be payable.

The Life Insured is partially disabled if He or She is Partially Disabled or Partially Disabled (Disability Income Accident Only) as defined in condition 2. The definition applicable to a Life Insured depends on the income protection benefit selected but not on the occupation category of the Life Insured.

The benefit will be a proportion of the monthly benefit and will be payable from the first day the Life Insured is partially disabled after the end of the Waiting Period and will continue throughout the Benefit Period selected as long as the Life Insured continues to be partially disabled. The benefit is calculated on a daily basis and paid monthly in arrears.

6.1.2.1 Partial Disablement Benefit Amount (Agreed Value)

The initial benefit payable will be: $(A - B)/A \times$ Insured Monthly Benefit, where A = Life Insured's monthly Pre-disablement Income (Agreed Value), and B = Life Insured's Income from all sources for the month in which the partial disablement benefit is being paid.

When the Life Insured is partially disabled but not working, 'B' will be calculated on the monthly income it would be reasonable for the Life Insured to earn if working as determined by Us. If work is unavailable or cannot be found then, following receipt of medical advice from the Life Insured's Medical Practitioner and any Medical Practitioners nominated by Us, We will determine what type of work the Life Insured could perform and the amount of income it would produce.

The amount of benefit payable will be adjusted for any claim offsets (see condition 6.1.9).

If the Life Insured is earning 25% or less of Pre-disablement Income (Agreed Value) during any of the first three months immediately after the end of the Waiting Period, We will pay the total disablement benefit for that month.

See condition 2 for the definitions of pre-disablement income. Different definitions apply to agreed value and indemnity.

6.1.2.2 Partial Disablement Benefit Amount (Indemnity)

The amount of benefit in a month will be: $(A - B)/A \times$ Insured Monthly Benefit, where A = Life Insured's monthly Pre-disablement Income (Indemnity), and B = Life Insured's earnings from all sources for the month in which the partial disablement benefit is being paid.

When the Life Insured is partially disabled but not working, 'B' will be calculated on the monthly Income it would be reasonable for the Life Insured to earn if working as determined by Us.

The calculation will have regard to the number of hours the Life Insured could work while partially disabled versus their pre-disability hours and the duties the Life Insured could perform versus their pre-disability duties. These comparisons will determine a percentage that will be applied to the monthly benefit to obtain the amount of the partial disablement benefit.

The amount of benefit payable in a month may be reduced for any claim offsets (see condition 6.1.9).

The aggregate of the partial disablement benefit, the Life Insured's earnings in that month from personal exertion and any other payments received by the Life Insured (see (i) and (ii) of the 'claim offset' condition in 6.1.9), where applicable, cannot exceed the lower of the Insured Monthly Benefit under the policy and 100% of the Life Insured's Pre-disablement Income (Indemnity).

If the Life Insured is earning 25% or less of Pre-disablement Income (Indemnity) during any of the first three months immediately after the end of the Waiting Period, We will pay the total disablement benefit for that month.

6.1.3 Waiver of Premium Benefit

If the Life Insured becomes totally disabled for longer than the Waiting Period, We will waive premiums as and when they fall due from the end of the Waiting Period until the end of the Benefit Period or until the date when total disablement ceases, whichever occurs first. Premium payments will recommence from the date on which the waiving of premium ceases.

6.1.4 Rehabilitation Expenses Benefit

Provided a total disablement benefit has been paid for at least three months, We will reimburse any expenses that You may incur due to the Life Insured's participation in a rehabilitation program that is approved by Us. These expenses must be necessary to assist in rehabilitating the Life Insured back to work.

The benefit does not cover additional expenses such as wheelchairs, artificial limbs, home and car modification and travelling and education expenses. The maximum benefit is 12 times the Insured Monthly Benefit and is payable in addition to any other benefit received.

6.1.5 Recurrent Disablement Benefit

If the Life Insured returns to work on a full time basis after receiving a total disablement benefit or partial disablement benefit and suffers a recurrence of the disablement from the same or a related Injury or Sickness (Disability Income benefit) or from the same Accidental Injury (Disability Income Accident Only benefit) within 12 months of returning to work on a full-time basis, We will waive the Waiting Period and recommence benefit payments immediately.

The claim will be treated as a continuation of the most recent claim and will be payable for up to the balance of the Benefit Period.

Any recurrence of total disablement or partial disablement occurring more than 12 months after returning to work on a full-time basis will be subject to another Waiting Period and another Benefit Period.

6.1.6 Death Benefit

If the Life Insured dies while the Disability Income Plan is in force We will pay You six times the Insured Monthly Benefit up to a maximum death benefit of \$60,000.

6.1.7 Worldwide Protection

The Life Insured is covered under the Disability Income Plan (Agreed Value or Indemnity) anywhere in the world, 24 hours each day.

6.1.8 AIDS Cover

The Disability Income benefit (Agreed Value or Indemnity) provides cover on the Life Insured's disablement due directly or indirectly to the human immunodeficiency virus (HIV) or the acquired immune deficiency syndrome (AIDS) from any cause, first diagnosed during the term of the benefit. We may require the Life Insured to undergo an HIV test at the time of application to ensure that the Life Insured is not HIV positive at the commencement of the benefit.

6.1.9 Claim Offsets

Occupation Categories AAA and AA (Agreed Value and Indemnity)

This condition applies to both the Disability Income benefit and the Disability Income Accident Only benefit.

In the event of a claim for the total disablement or partial disablement benefit We may reduce the amount of the benefit otherwise payable by amounts received from other sources for loss of income in respect of the Life Insured's Injury or Sickness.

Amounts that can be offset include regular payments made from another insurance policy or from a superannuation/pension plan, but only if that policy/plan was not disclosed to Us when You applied for this policy or when You applied for an increase in cover under the policy.

If any of these regular payments are paid other than monthly or in the form of a lump sum or are exchanged for a lump sum, We will convert them to an equivalent monthly payment. A lump sum payment will be deemed to be the monthly equivalent of 1/60 of the lump sum payment for up to five years. Any lump sum total and permanent disablement, crisis recovery or terminal illness benefit received will not be offset against Your total disablement or partial disablement benefit.

We will reduce the amount of the total disablement or partial disablement benefit only to the extent that:

- the aggregate of the total disablement benefit and any other payments made (see above) cannot exceed 75% of the first \$20,833 of the Life Insured's monthly pre-disablement income, plus 50% of the next \$12,500 of the Life Insured's monthly pre-disablement income, plus 25% of the balance

of the Life Insured's monthly pre-disablement income over \$33,333;

- the aggregate of the partial disablement benefit, the Life Insured's monthly Income and any other payments made (see above) cannot exceed 100% of the Life Insured's monthly pre-disablement income.

Occupation Categories A, B, C, D and E (Agreed Value and Indemnity)

This condition applies to both the Disability Income benefit and the Disability Income Accident Only benefit.

In the event of a claim for the total disablement or partial disablement benefit We may reduce the amount of the benefit otherwise payable by amounts received from other sources for loss of income in respect of the Life Insured's Injury or Sickness.

Amounts that can be offset are:

- regular payments made under a workers' compensation or motor accident claim or any claim made under any similar state or federal legislation; and
- regular payments made from another insurance policy or from a superannuation/pension plan, but only if that policy/plan was not disclosed to Us when You applied for this policy or when You applied for an increase in cover under the policy.

If any of these regular payments are paid other than monthly or in the form of a lump sum or are exchanged for a lump sum, We will convert them to an equivalent monthly payment. A lump sum payment will be deemed to be the monthly equivalent of 1/60 of the lump sum payment for up to five years. Any lump sum total and permanent disablement, crisis recovery or terminal illness benefit received will not be offset against Your total disablement or partial disablement benefit.

We will reduce the amount of the total disablement or partial disablement benefit only to the extent that:

- the aggregate of the total disablement benefit and any other payments made (see (i) and (ii) above) cannot exceed 75% of the first \$20,833 of the Life Insured's monthly pre-disablement income, plus 50% of the Life Insured's pre-disablement income over \$12,500, plus 25% of the balance of monthly pre-disablement income over \$33,333;
- the aggregate of the partial disablement benefit, the Life Insured's monthly Income and any other payments made (see (i) and (ii) above) cannot exceed 100% of the Life Insured's monthly pre-disablement income.

6.1.10 When Benefit Payments Cease

Benefits in the course of payment under the Disability Income benefit (Agreed Value or Indemnity) and the Disability Income Accident Only (Agreed Value or Indemnity) benefit will stop on the earliest to occur of the:

- death of the Life Insured;
- Life Insured ceasing to be disabled;
- end of the Benefit Period; and
- Expiry Date of the benefit.

6.2 Claim Escalation Benefit

The Claim Escalation benefit is an optional benefit under the Disability Income Plan. Where a total disablement claim or a partial disablement claim has been paid continuously for 12 consecutive months, We will increase the Insured Monthly Benefit by the greater of 5.0% per annum compound and the CPI Increase. This increase will commence at the end of the 12th consecutive month of claim and further increases will be made at the end of each 12-month period thereafter until the end of the Benefit Period.

6.3 PLUS Optional Benefit

The PLUS Optional benefit is an optional benefit under the Disability Income benefit.

The following benefits are available under the PLUS Optional Benefit:

- Specified Injury (see condition 6.3.1)
- Crisis Recovery (see condition 6.3.2)
- Bed Confinement (see condition 6.3.3)
- Cosmetic or Elective Surgery (see condition 6.3.4)
- Accommodation (see condition 6.3.5)
- Family Care (see condition 6.3.6)
- Home Care (see condition 6.3.7)
- No Claim Bonus (see condition 6.3.8)
- Relocation (see condition 6.3.9)
- Rehabilitation Incentive (see condition 6.3.10)
- Guaranteed Future Insurability (see condition 6.3.11)

6.3.1 Specified Injury Benefit

When the Life Insured suffers a listed event (see below) as the result of an Injury, the monthly benefit payable will be paid for the payment period shown, even if the Life Insured is working. Payments will begin from the date of the Injury, regardless of the Waiting Period.

If the Life Insured suffers another listed event during the payment period, We will continue to pay for the balance of the original payment period or the new payment period, whichever is the longer.

If You are eligible to claim a Crisis Recovery benefit at the same time as a Specified Injury benefit, We will only pay the benefit with the longer payment period.

The Specified Injury benefit is paid instead of any total or partial disablement benefit, Bed Confinement benefit or Day 1 Accident benefit. If the Life Insured is still disabled at the end of the payment period, any other disablement payments will be determined in accordance with the total disablement benefit, Recurrent Disablement benefit and partial disablement benefit as defined in the Policy.

Priority Protection – Policy Terms and Conditions (continued)

Listed Event	Payment Period (in months)
Paralysis	60*
Loss of:	
• both feet or both hands or sight in both eyes	24*
• any two of a foot, a hand and sight in one eye	24*
• one leg or one arm	18
• one foot or one hand	12
• sight in one eye	12
• the thumb and index finger of the same hand	6
Fracture of the:	
• thigh	3
• pelvis	3
• leg (between the knee and the foot)	2
• knee cap	2
• upper arm	2
• shoulder bone	2
• jaw	2
• forearm (above the wrist and below the elbow)	1.5
• collarbone	1.5
• heel	1
or the balance of the Benefit Period if less	

**If a 2-year Benefit Period has been selected, the payments will cease at the end of the Benefit Period.*

'Loss' for the purposes of this benefit means the total and permanent loss of:

- the use of the hand from the wrist or the foot from the ankle joint; or
- the use of the arm from the elbow or the leg from the knee joint; or
- the use of the thumb and index finger from the first phalange joint; or
- sight (to the extent of 6/60 or less) in the eye.

'Fracture' for the purposes of this benefit means any bone fracture requiring the application of a plaster cast or an immobilising device.

The Specified Injury benefit:

- starts from the date the Life Insured suffers the event as the result of an Injury;
- is paid monthly in advance; and
- will stop when the payment period expires, the Benefit Period expires, the plan expires or the Life Insured dies, whichever is the first to occur.

6.3.2 Crisis Recovery Benefit

If the Life Insured survives for 14 days from the date the Life Insured is diagnosed with one of the Crisis Events listed below and defined in condition 2, We will pay a lump sum benefit equal to six times the Insured Monthly Benefit upon Our confirmation of the satisfaction of the definition of the Crisis Events. Alternatively You can choose to receive the payment in equal monthly instalments.

After the payment of a claim under this benefit in respect of a Crisis Event, the benefit will cease and no further amount will be payable under this benefit.

This benefit, whether taken in a lump sum or in instalments, is in effect the payment of the first six monthly payments under the Disability Income benefit which otherwise may have become payable as a result of the Life Insured's total or partial disablement. Payment of the remainder of the total or partial disablement benefit will commence six months after the end of the Waiting Period provided the Life Insured is then totally disabled.

If You are eligible to claim a Specified Injury benefit at the same time as a Crisis Recovery benefit, You will be paid only for the benefit equivalent to the longest payment period.

The Crisis Recovery benefit will be paid instead of the total or partial disablement benefit or the Bed Confinement benefit under the PLUS Optional benefit.

6.3.2.1 Crisis Events Covered

The Crisis Events covered under this benefit are listed below and are defined in condition 2 of the Policy Terms and Conditions:

- Accidental HIV Infection
- Aplastic Anaemia
- Alzheimer's Disease
- Bacterial Meningitis
- Benign Brain Tumour
- Blindness
- Cancer*
- Cardiomyopathy
- Chronic Liver Disease
- Chronic Lung Disease
- Coma
- Coronary Artery By-pass Surgery
- Dementia
- Diplegia
- Heart Attack
- Heart Valve Surgery
- Hemiplegia
- Kidney Failure
- Loss of Hearing
- Loss of Independence
- Loss of Limbs and Sight of One Eye
- Loss of Speech
- Major Burns
- Major Head Trauma
- Major Organ Transplant
- Motor Neurone Disease
- Multiple Sclerosis
- Muscular Dystrophy
- Occupationally Acquired Hepatitis B or Hepatitis C Infection
- Other Serious Coronary Artery Disease
- Paraplegia
- Parkinson's Disease
- Pneumonectomy
- Pulmonary Arterial Hypertension (primary)
- Quadriplegia
- Stroke
- Surgery to Aorta
- Rheumatoid Arthritis
- Viral Encephalitis

*We will not pay a benefit for 'carcinoma in situ of the breast' under this Crisis Recovery benefit.

6.3.2.2 *Qualifying Period on Commencement, Increase or Reinstatement*

See condition 4.2.3

6.3.2.3 *Pre-existing Medical Condition*

See condition 4.2.4

6.3.2.4 *Proof of Positive Diagnosis of a Crisis Event Required*

See condition 4.2.6

6.3.2.5 *Claim Forms*

See condition 4.2.7

6.3.2.6 *Limitations*

After the happening of one Crisis Event for which payment of the Crisis Recovery benefit has been made, no further amount shall be payable under the Crisis Recovery benefit.

The Crisis Recovery benefit does not cover any disease or sickness or incapacity other than a Crisis Event as defined herein which occurs during the period the Crisis Recovery benefit remains in force.

6.3.3 **Bed Confinement Benefit**

If during the Waiting Period the Life Insured is Totally Disabled (Disability Income) and confined to bed and a Medical Practitioner certifies in writing that the Life Insured requires the continuous full-time care of a registered nurse for more than three days, We will pay 1/30th of the Insured Monthly Benefit for each day the Life Insured is confined to bed and is under the continuous full-time care of a registered nurse up to a maximum of 90 days or the end of the Waiting Period, whichever comes first.

The Medical Practitioner and the nurse cannot be the Life Insured or the Policy Owner, or a family member, business partner, employee or employer of either the Life Insured or the Policy Owner. The Bed Confinement benefit will not be paid if You are receiving the Specified Injury benefit or the Crisis Recovery benefit under the PLUS Optional benefit.

6.3.4 **Cosmetic or Elective Surgery Benefit**

Where the Life Insured is Totally Disabled (Disability Income) as a result of cosmetic or other elective surgery or as a result of surgery to transplant an organ from the Life Insured into the body of another person, then the total disablement benefit is payable, provided that such surgery took place more than 6 months after the commencement date of the benefit or any increase or reinstatement.

6.3.5 **Accommodation Benefit**

The Accommodation benefit will be payable if the Life Insured becomes Totally Disabled (Disability Income) and is more than 100 kilometres from home, or on the advice of a Medical Practitioner the Life Insured travels to a place more than 100 kilometres from home. The Accommodation benefit will assist an immediate family member with accommodation near the Life Insured, provided the Life Insured is confined to bed. We will pay \$250 a day, for up to 30 days in any 12-month period, for each day the immediate family member has to stay away from home.

6.3.6 **Family Care Benefit**

This benefit is payable if, as a result of Total Disablement (Disability Income), the Life Insured is totally dependent on an immediate family member for His or Her essential everyday needs (e.g. feeding, clothing and bathing) and consequently the family member's income is reduced. We will pay the amount of the reduction in their pre-tax monthly Income, or up to 50% of the Insured Monthly Benefit (whichever is the lesser) for up to 3 months, starting from the end of the Waiting Period.

6.3.7 **Home Care Benefit**

The Home Care benefit will be payable if, after the Waiting Period, the Life Insured is Totally Disabled (Disability Income), confined to or near a bed, other than in a hospital or a similar institution that provides nursing care, and is totally dependent upon a paid professional home carer (excluding relatives or members of the family). We will reimburse the lesser of \$150 a day or 100% of the Insured Monthly Benefit for up to six months to help cover the cost, provided the Life Insured remains totally dependent upon the professional home carer and You are not already receiving the Family Care benefit or Accommodation benefit.

6.3.8 **No Claim Bonus**

Periods without a claim against this plan will be rewarded, at no additional cost to You, with a special 'no-claim bonus' that will increase Your Insured Monthly Benefit by the percentage shown below if You do subsequently claim.

Claim-Free Years	Bonus
3	5%
4	10%
5 or more	15%

The increased benefit will be paid for up to 12 months while claim payments are being made. This benefit can be payable once only during the life of the Policy.

6.3.9 **Relocation Benefit**

If, while the Life Insured is travelling or residing outside of Australia, the Life Insured suffers Total Disablement (Disability Income) for a period in excess of three months, We shall reimburse You the cost of the single standard economy airfare to Australia upon the most direct route available or three times the Insured Monthly Benefit whichever is the lesser. The amount of this benefit will be reduced by any other reimbursement(s) which the Life Insured is entitled to receive in respect of the transportation (such as benefits provided by private medical and health insurance and travel insurance).

6.3.10 **Rehabilitation Incentive Benefit**

If the Life Insured returns to full-time paid employment after attending a rehabilitation program that is approved by Us, and remains in full-time paid employment for six consecutive months, We will pay a Rehabilitation Incentive benefit equal to three times the Insured Monthly Benefit. We will pay this benefit once only.

6.3.11 Guaranteed Future Insurability Benefit

This benefit provides You with an option to increase the Insured Monthly Benefit under the Disability Income benefit, without medical underwriting, whenever the Life Insured's salary package increases.

The following conditions apply to this benefit:

- You must apply for the increase in the Insured Monthly Benefit within the first 30 days after the increase in the Life Insured's salary package;
- The Life Insured must be aged 50 years or younger at commencement of the Disability Income benefit;
- The policy must have been issued without any medical or pastimes loading;
- The maximum increase in the Insured Monthly Benefit is the lesser of:
 - 10% of the Insured Monthly Benefit, after the addition of any benefit indexation increases since commencement of the Disability Income benefit; and
 - \$1,000;
- The total Insured Monthly Benefit, after any increase, cannot exceed 75% of the first \$20,833 of the Life Insured's monthly income at the time of the increase, plus 50% of the next \$12,500 of the Life Insured's monthly income at the time of the increase, plus 25% of the balance of the Life Insured's monthly income over \$33,333 at the time of the increase;
- Total of all increases in the Insured Monthly Benefit cannot exceed the initial Insured Monthly Benefit;
- The benefit can be exercised only if the:
 - Life Insured is not on claim, or eligible to make a claim, at the time of the request to exercise the option;
 - Life Insured is less than age 55 years at the time of the request to exercise the option, and
 - total Insured Monthly Benefit under all income protection benefits with Us and other insurers on the Life Insured is less than the maximum Insured Monthly Benefit allowed under the Policy for the Life Insured;
- The option can be exercised once only within a 12-month period;
- Benefit is restricted to employees only (not available to self-employed persons) at time of request to exercise the option; and
- We will require proof of the event e.g. in the form of a letter from the employer confirming the new salary package.

6.4 Day 1 Accident Benefit

The Day 1 Accident benefit is an optional benefit under the Disability Income benefit and the Disability Income Accident Only benefit. In the event that the Life Insured is totally disabled for at least 30 consecutive days due to an Accidental Injury (see condition 2) We will pay one lump sum per claim equal to the Insured Monthly Benefit less any payments made under the Bed Confinement benefit, Specified Injury benefit or Crisis Recovery benefit.

6.5 Business Expenses Insurance Benefit

See the Business Expenses Insurance Plan Terms and Conditions (condition 7).

These conditions apply to the Business Expenses Insurance Plan and to the optional Business Expenses Insurance benefit under the Disability Income Plan.

6.6 Home Expenses Benefit

6.6.1 Total Disablement Benefit

If the Insured Spouse is certified by Us as being Totally Disabled (Home Expenses) as defined in condition 2, the Insured Monthly Benefit will be payable if the Insured Spouse is Totally Disabled (Home Expenses) for longer than the 30-day Waiting Period (Home Expenses). The amount of benefit paid will be paid monthly in arrears. The benefit will be paid to the Insured Spouse and not to the Policy Owner. The amount of benefit will be the Home Expenses Insured Monthly Benefit selected subject to any claim offsets applicable (see condition 6.6.5). The benefit starts to accrue from the end of the Waiting Period (Home Expenses) and may continue for up to 24 months.

6.6.2 Recurrent Disablement Benefit

If the Insured Spouse suffers a recurrence of the Total Disablement (Home Expenses) from the same or related causes within 6 months of recovery, We will recommence benefit payments immediately, waiving the Waiting Period.

6.6.3 Waiver of Premium Benefit

This benefit is not available under the Home Expenses benefit.

6.6.4 Limitations

- The maximum Home Expenses benefit to be paid in respect of any and all claims arising from coverage under this benefit will not exceed in total the Home Expenses Sum Insured.
- After 24 months of benefit has been paid to the Insured Spouse, no further amount will be payable under the Home Expenses benefit.

6.6.5 Claim Offsets

In the event of a claim We will pay no amount under the Home Expenses benefit if there is any amount of benefit received or receivable by the Insured Spouse from any other disability income or business expenses insurance benefit with Us or other insurer due to the Injury or Sickness of the Insured Spouse.

Insured Spouse and Life Insured on claim at the same time

Where the Life Insured and Insured Spouse are both on claim, the Home Expenses benefit will be limited such that the total of the Disability Income benefit (Life Insured) and the Home Expenses benefit (Insured Spouse) does not exceed 85% of the Life Insured's pre-disablement income for the first 6 months of the Home Expenses benefit and does not exceed 75% of the Life Insured's pre-disablement income thereafter.

6.6.6 When Benefit Payments Cease

Benefits in the course of payment under the Home Expenses benefit will stop on the earliest to occur of the:

- death of the Insured Spouse or Life Insured;
- Insured Spouse ceasing to be Totally Disabled (Home Expenses);
- end of the Benefit Period;
- date on which no further payment of the monthly benefit can be made (total accumulated 24 months benefit period);
- latest Policy Anniversary prior to the Insured Spouse or the Life Insured's 65th birthday (the Expiry Date of the benefit);
- date the policy lapses or is cancelled;
- date the benefit is cancelled;
- Insured Spouse, who is originally insured, ceasing to meet the definition of 'Spouse' under the Policy. (The Home Expenses benefit is not transferable to a replacement Spouse, and must cease if the Life Insured under the original policy changes partners); or
- cessation of the Disability Income (Agreed Value or Indemnity) benefit.

6.7 Applying to all Benefits under the Disability Income Plan

6.7.1 Maximum Insured Monthly Benefit

The maximum Insured Monthly Benefit You can purchase is one twelfth of Your maximum annual benefit. Your maximum annual benefit is based on the yearly Income of the Life Insured and is:

- 75% of the first \$250,000 of yearly Income, plus
- 50% of the next \$150,000 of yearly Income over \$250,000, plus
- 25% of the balance of yearly Income over \$400,000.

Income is defined in condition 2 of the Policy Terms and Conditions.

The maximum Insured Monthly Benefits for each occupation category are listed below:

Category AAA and AA	\$30,000
Category A, B and C	\$22,500
Category D	\$15,000
Category E	\$10,000

In determining the maximum Insured Monthly Benefit acceptable to Us at the time of Your application We will have regard to the benefits payable under any other disability income or business expenses insurance policy in force or proposed for in respect of the Life Insured. If any such benefits are not disclosed to Us at the time of Your application to Us, We may reduce the amount of the monthly benefit otherwise payable if a claim occurs. See 'Claim Offsets' in conditions 6.1.9 and 6.6.5.

6.7.2 Exclusions

The benefits under the Disability Income Plan (Agreed Value or Indemnity) are not payable in the following circumstances:

Disability Income Benefit, Disability Income Accident Only Benefit, Claim Escalation Benefit, PLUS Optional Benefit, Day 1 Accident Benefit and Business Expenses Insurance Benefit

- Disablement due to intentional self-inflicted injury or any such attempt by the Life Insured;
- Disablement due to engaging in or taking part in service in the armed forces of any country; or
- Normal pregnancy, uncomplicated childbirth or miscarriage.

Day 1 Accident Benefit

In addition to the exclusions listed above the following exclusion also applies to this benefit:

- Disablement, which is caused, or contributed to, by an injury suffered as a result of the Life Insured's participation in any occupation, sport or pastime which We would not normally cover on standard terms.

Home Expenses Benefit

- Disablement due to mental illness (including depression and post-natal depression) of the Insured Spouse. No benefit will be payable for any mental health disorder, including but not limited to anxiety disorders, depression, stress, fatigue, exhaustion, psychiatric complications of physical disorders, chronic fatigue syndrome, behaviour disorders, fibromyalgia, physical disorders related or attributable to stress, or any other mental or functional nervous disorder, their treatment or complications thereof;
- Disablement due to the direct and indirect effects of alcoholism of the Insured Spouse;
- Disablement due to the direct and indirect effects of drug abuse by the Insured Spouse;
- Disablement due to intentional self-inflicted injury or any such attempt by the Insured Spouse;
- Disablement due to the Insured Spouse engaging in or taking part in service in the armed forces of any country; or
- Normal pregnancy, uncomplicated childbirth and miscarriage of the Insured Spouse or abortion of the Insured Spouse's unborn child/foetus.

6.7.3 Termination

The benefits under the Disability Income Plan (Agreed Value or Indemnity) will terminate on the:

Disability Income Benefit, Disability Income Accident Only Benefit, Claim Escalation Benefit, PLUS Optional Benefit, Day 1 Accident Benefit, and Business Expenses Insurance Benefit

- Life Insured's permanent retirement from the workforce, except when directly due to disablement;
 - death of the Life Insured;
 - Expiry Date of the plan (see condition 6.7.4);
 - date the benefit is cancelled; or
 - date the Policy lapses or is cancelled;
- whichever is the earliest to occur.

Home Expenses Benefit

- death of the Insured Spouse or Life Insured;
- Insured Spouse ceasing to be eligible for the Home Expenses benefit (e.g. starts working 25 hours per week);
- date on which no further payment of the monthly benefit can be made;
- Expiry Date of the benefit (see condition 6.7.4);
- date the policy lapses or is cancelled;
- date the benefit is cancelled;
- Insured Spouse, who is originally insured, ceasing to meet the definition of 'Spouse' under the Policy. (The Home Expenses benefit is not transferable to a replacement Spouse, and must cease if the Life Insured under the original policy changes partners); or
- cessation of the Disability Income (Agreed Value or Indemnity) benefit;

whichever is the earliest to occur.

6.7.4 Expiry Dates

Premiums and cover for each benefit cease at the Expiry Date of that benefit.

The Expiry Date for the Disability Income benefit (Agreed Value or Indemnity), Disability Income Accident Only benefit (Agreed Value or Indemnity), Claim Escalation benefit, PLUS Optional benefit, Day 1 Accident benefit and Business Expenses Insurance benefit is the latest Policy Anniversary prior to the Life Insured's 65th birthday (occupation category AAA, AA, A, B, C and D) and 55th birthday (occupation category E).

The Expiry Date for the Disability Income benefit (2 year benefit to age 70) is the latest Policy Anniversary prior to the Life Insured's 70th birthday (occupation category AAA and AA).

The Expiry Date for the Home Expenses benefit is the latest Policy Anniversary prior to the 65th birthday of the Insured Spouse or Life Insured, if earlier.

6.7.5 Premiums

Please see condition 3.5 of the Policy Terms & Conditions.

7. Business Expenses Insurance Plan

This 'Business Expenses Insurance Plan' condition applies if the Business Expenses Insurance Plan has been selected or the optional Business Expenses Insurance benefit has been selected under the Disability Income Plan. The benefits chosen under each plan are shown on the Policy Schedule.

Important Notice

This is not a savings plan and is without profits. The primary purpose of this Business Expenses Insurance Plan is to provide a monthly benefit in the event of the disablement of the Life Insured through Injury or Sickness.

If You terminate Your plan after the cooling-off period You will not receive any termination payment or refund of premium.

7.1 Business Expenses Insurance Benefit

The benefits available under the Business Expenses Insurance benefit are:

- Total Disablement (see condition 7.1.1)
- Extension of Benefit Period (see condition 7.1.2)
- Partial Disablement (see condition 7.1.3)
- Indexation of Benefit (see condition 3.16)
- Waiver of Premium (see condition 7.1.4)
- World Wide Protection (see condition 7.1.5)
- AIDS Cover (see condition 7.1.6)

No optional benefit is available under the Business Expenses Insurance Plan.

7.1.1 Total Disablement Benefit

The total disablement benefit will be paid if the Life Insured is Totally Disabled (Business Expenses) (see condition 2) for longer than the Waiting Period selected. This benefit is subject to the Claim Offsets and Limitations conditions in 7.1.7 and 7.1.8 respectively.

7.1.1.1 Total Disablement Benefit Amount

The amount of benefit paid will be determined on a daily basis and will be paid monthly in arrears. It will be the Business Expenses Insurance Insured Monthly Benefit, or the business expenses actually incurred which relate to the period during which the Life Insured is Totally Disabled (Business Expenses) less any amounts which are reimbursed from elsewhere, whichever is the lesser. The benefit starts to accrue from the end of the Waiting Period You select and may continue to the end of the Benefit Period.

7.1.2 Extension of Benefit Period

If at the end of the Benefit Period the Life Insured remains Totally Disabled (Business Expenses) and the total benefit paid is less than 12 times the Insured Monthly Benefit, payments will continue until the earliest to occur of:

- payment in total of 12 times the Insured Monthly Benefit;
- expiry of a further 12 months;
- cessation of the Total Disablement (Business Expenses); or
- Expiry Date of the benefit.

7.1.3 Partial Disablement Benefit

The partial disablement benefit will be paid if the Life Insured is Partially Disabled (see condition 2) after the expiry of the Waiting Period, after having been Totally Disabled (Business Expenses) for at least seven consecutive days during the start of the Waiting Period.

7.1.3.1 Partial Disablement Benefit Amount

The amount of benefit paid will be determined on a daily basis and will be paid monthly in arrears. It will be the lesser of the:

- Business Expenses Insurance Insured Monthly Benefit as amended from time to time; and
- Life Insured's share of the business expenses actually incurred which relate to the period the Life Insured is Partially Disabled less:
 - any amounts that are reimbursed from elsewhere; and
 - the Life Insured's share of the business turnover for that period.

Business turnover for a period will be the gross income of the business for that period.

The Life Insured's share of business expenses actually incurred or of business turnover will be determined in line with the usual manner of apportioning profits and/or losses of the business between the Life Insured and any co-owners of the business.

When the Life Insured is Partially Disabled and is not working, 'business turnover' will be determined by Us. We will, in Our determination consider the opinion of the Life Insured's Medical Practitioner and Medical Practitioners nominated by Us.

The partial disablement benefit:

- starts to accrue from the day after:
 - the Life Insured is no longer Totally Disabled (Business Expenses); or
 - the end of the Waiting Periodwhichever is the later; and
- will stop at the end of the benefit period or upon the death or recovery of the Life Insured whichever occurs first.

7.1.4 Waiver of Premium Benefit

If the Life Insured becomes totally disabled for longer than the Waiting Period, We will waive premiums as and when they fall due from the end of the Waiting Period until the end of the Benefit Period or until the date when total disablement ceases, whichever occurs first. Premium payments will recommence from the date on which the waiving of premium ceases.

7.1.5 Worldwide Protection

The Life Insured is covered under the Business Expenses Insurance benefit anywhere in the world, 24 hours each day. The business covered must be registered in Australia.

7.1.6 AIDS Cover

The Business Expenses Insurance benefit provides cover on the Life Insured's disablement due directly or indirectly to the human immunodeficiency virus (HIV) or the acquired immune deficiency syndrome (AIDS) from any cause, first acquired during the currency of the benefit. We may require the Life Insured to undergo an HIV test at the time of application to ensure that the Life Insured is not HIV positive at the commencement of the benefit.

7.1.7 Claim Offsets

The Business Expenses Insurance benefit payable for a period will be reduced by:

- the Life Insured's portion of the income of the business derived from trading during that period;
- the income generated by an employee hired after the Life Insured became Totally Disabled (Business Expenses) to perform the work normally performed by the Life Insured; and
- any amount received from any other insurance policy for reimbursement of Business Expenses that was not disclosed to Us when the present level of cover was applied for. The amount will only be reduced to the extent that the combined Business Expenses payments from the Policy and other insurance would otherwise exceed 100% of the Business Expenses Insurance Insured Monthly Benefit.

7.1.8 Limitations

Business expenses covered under the Policy are the regular normal operating expenses of the Life Insured's business or practice.

They include, but are not limited to, the following:

- Accounting and audit fees.
- Regular advertising costs, postage, printing and stationery.
- Electricity, gas, heating, water, telephone and cleaning costs.
- Security costs.
- Rent, property rates and taxes.
- Membership fees, publications and subscriptions to professional bodies.
- Leasing costs of plant and equipment.
- Bank charges, interest on business loans.
- Business related insurance premiums but not including premiums for the Policy.
- Salaries and other related costs (e.g.: payroll tax, superannuation contributions, FBT) for non-income generating employees of the Life Insured's business.
- Net costs associated with employing a locum i.e. a direct replacement of the Life Insured from a source outside the Life Insured's business.
- Prepaid or accrued business expenses will be apportioned over the period to which they relate.

Business Expenses not covered under the Policy include, but are not limited to, the following:

- Salaries and other related costs (e.g.: payroll tax, superannuation, FBT) for the Life Insured and income-generating employees of the business other than a locum.
- Salaries and other related costs for any relatives of the Life Insured or the Policy Owner unless that person was employed for at least 60 consecutive days prior to the Life Insured's disablement.
- Commissions or bonuses payable to the Life Insured.
- Repayments of principal of any loan or other finance agreement.
- Any costs of a capital nature including the cost of any books, equipment, fittings, fixtures, furniture goods, implements, merchandise or stock.
- Depreciation on real estate.
- Losses on investments.
- Taxes, other than in respect of related costs for non-income generating employees as above.
- Any payment which We determine on a fair and reasonable basis not to be a regular operating expense.

7.1.9 Maximum Insured Monthly Benefit

The Insured Monthly Benefit You can purchase is 100% of eligible business expenses subject to the maximum amounts listed below for each occupation category.

Category AAA, AA, A and B	\$25,000
Category C and D	\$15,000

The maximum combined insured monthly benefits for Disability Income and Business Expenses Insurance benefit for each occupation category are listed below:

Category AAA and AA	\$50,000
Category A and B	\$40,000
Category C and D	\$25,000

In determining the maximum insured monthly benefit acceptable to Us, We will have regard to the benefits payable under any other disability income or business expenses policy in force or proposed for in respect of the Life Insured. If any such benefits are not disclosed to Us at the time of Your application to Us, We may reduce the amount of the monthly benefit otherwise payable if a claim occurs.

7.1.10 Exclusions

The benefits under the Business Expenses Insurance benefit are not payable in the event of:

- disablement due to intentional self-inflicted injury or any such attempt by the Life Insured;
- disablement due to engaging in or taking part in service in the armed forces of any country; or
- normal pregnancy, uncomplicated childbirth or miscarriage.

7.1.11 When Benefit Payments Cease

Benefits in the course of payment under the Business Expenses Insurance benefit will stop on the earliest to occur of the:

- death of the Life Insured;
- Life Insured ceasing to be Totally Disabled (Business Expenses);
- end of the Benefit Period; and
- Expiry Date of the benefit.

7.1.12 Termination

The Business Expenses Insurance benefit will terminate on the:

- Life Insured's permanent retirement from the workforce, except when directly due to disablement;
- death of the Life Insured;
- Expiry Date of the benefit (see condition 7.1.13);
- date the benefit is cancelled; or
- date the Policy lapses or is cancelled;

whichever is the earliest to occur.

7.1.13 Expiry Date

The Expiry Date of the benefit is the latest Policy Anniversary prior to the Life Insured's 65th birthday.

7.2 Premiums

Please see condition 3.5 of the Policy Terms and Conditions.

8. Policy Schedule

The Policy Schedule sets out the benefits purchased under the Policy. The Policy Schedule should be read in conjunction with the Policy Terms and Conditions.

Memorandum of Transfer

DATE OF TRANSFER				
SIGNATURE OF TRANSFEROR (Current Policy Owner)				
WITNESS				
TRANSFeree'S FULL NAME (New Policy Owner)				
TRANSFeree'S ADDRESS (New Policy Owner)				
TRANSFeree'S OCCUPATION (New Policy Owner)				
SIGNATURE OF TRANSFeree (New Policy Owner)				
WITNESS				
DATE OF REGISTRATION OF TRANSFER BY COMPANY				
SIGNATURE OF PRINCIPAL OFFICER OF COMPANY OR AUTHORISED PERSON				

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AIG Life: A Member Company of AIG

AIG Life is a registered trading name of American International Assurance Company (Australia) Limited (AIA). AIA has been operating in Australia for over 30 years and is a member company of American International Group, Inc. (AIG). AIG is a world leading insurance and financial services organisation, employing over 106,000 people in more than 130 countries and jurisdictions. The strength of the AIG brand is evidenced by its global assets which exceed AU\$1.1 trillion (US\$980 billion).

AIG Life in Australia is a specialist provider of financial products designed to offer comprehensive, affordable solutions to life insurance.

SAMPLE ONLY

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