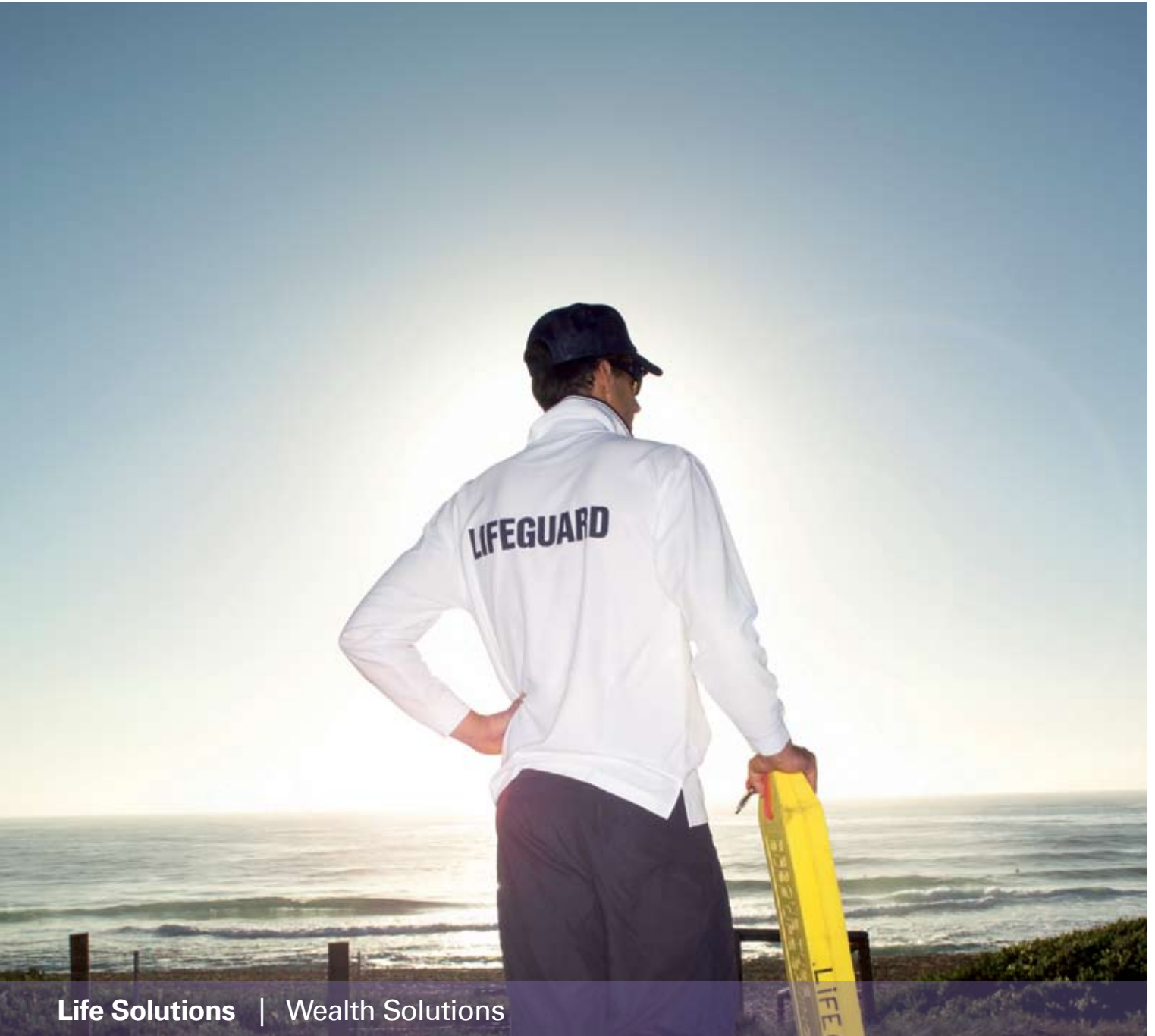




AT YOUR FINANCIAL SERVICE®



Life Solutions | Wealth Solutions

Asteron Lifeguard

Issue 1

Insurance information for your reference

Life Cover
Total and Permanent Disablement Stand Alone
Recovery Package
Recovery Stand Alone
Income Advantage
Income Protector
Business Expenses

About this Product Disclosure Statement

A Product Disclosure Statement (PDS) is an important document that you should consider before deciding whether to buy or keep a financial product. This PDS contains important information about the following Asteron Lifeguard selection of insurance products:

- » Life Cover
- » Total and Permanent Disablement Stand Alone
- » Recovery Package
- » Recovery Stand Alone
- » Income Advantage
- » Income Protector
- » Business Expenses

The policy document contains the full terms and conditions and you can obtain a copy free of charge by contacting us.

Asteron Life Limited (Asteron) (ABN 64 001 698 228, AFSL 237903) is the issuer of each of these insurance products. Asteron Portfolio Services (ABN 61 063 427 958, AFSL 237905, RSE Fund Registration No L0002059) is also the issuer of Life Cover through superannuation. The Trustee and Asteron are subsidiaries of Suncorp Metway Limited ABN 66 010 831 722 (Suncorp).

This PDS also contains important information about the Asteron Life Superannuation Fund (Fund). If you become a member of the Fund, Asteron Portfolio Services Limited (Trustee) will buy a Life Cover policy on your behalf. Asteron will pay any benefits under that policy to the Trustee, and the benefit amount will form part of your superannuation entitlements.

Both Asteron and the Trustee take full responsibility for the whole PDS. The obligations of Asteron and the Trustee are not guaranteed by any other company within the Suncorp Group. Except as otherwise stated, Suncorp and its subsidiaries do not guarantee the repayment of capital invested in or the investment performance of this product. This product is not a bank deposit or other bank liability.

Throughout this PDS where we refer to:

- » you or your in the context of death, disablement, a condition or procedure, income, expenses, occupation or age, we are referring to the insured person, who need not be the policy owner;
- » we, us or our, we are referring to Asteron Life Limited.

How to apply

Information about how to apply for any of the products referred to in this PDS is set out on page 115. The application form is in the inside back cover of the PDS.

Please read the duty of disclosure notice on the front page of the application form before applying. There is

a risk that a benefit will not be paid under a policy if you do not comply with the duty of disclosure. Cover is subject to our acceptance.

Cooling off

If you buy one of the products referred to in this PDS, you will have a cooling off period to decide whether the product is suitable for your needs. Information about the cooling off period can be found on page 112.

No savings component

The policies referred to in this PDS are not savings plans and do not participate in any surplus arising in any of our Statutory Funds. This means unless the policy is cancelled during the cooling off period, there will be no refund of monies paid up to the date you cancelled. If you have paid premiums beyond the date you cancelled (for example, you pay yearly), a pro-rata refund will apply. The policies are issued from our Number 1 Statutory Fund.

What to do if you have a complaint

Information about what to do if you have a complaint, including the external dispute resolution scheme that is available to you if you are not happy with the way Asteron or the Trustee deals with your complaint or the outcome of the complaint, can be found on page 112.

This PDS is not advice

The information in the PDS does not take into account your personal circumstances. You should consider the appropriateness of the information having regard to your objectives, financial situation and needs.

Future update information

All the information in this PDS is current at the time of issue. We may change or update information from time to time that is not materially adverse by preparing a Product Information Update. You will find Product Information Updates on our Website at www.asteron.com.au. You can also obtain a printed copy of any Product Information Update, at no cost, by contacting Customer Service using the details below.

Contacting Asteron or the Trustee

For further information you can contact Asteron or the Trustee via:

Customer Service

Locked Bag 5000

Chatswood NSW 2057

Ph: 1800 221 727

02 9978 9999

Fax: 02 9978 9798

Email: life_customerservice@asteron.com.au

Website: www.asteron.com.au

Welcome to Asteron

With a long history of operating in Australasia, Asteron's origins trace back to 1833 in Australia and 1878 in New Zealand.

Asteron is part of the Suncorp Group. This means being part of an entity with over \$600 million of Life Risk in force premiums and over \$26 billion funds under management. Asteron is also part of one of the top five Life companies (by in-force premium) in Australia and New Zealand.

Our goal is to help people secure their financial future so that they can make the most of every stage of their life. Today, we provide life insurance, superannuation, retirement incomes, financial planning and trustee services to around one million clients in Australia and New Zealand.

At Asteron we combine decades of experience, knowledge and integrity with vision, creativity and vitality for a responsive approach that enables us to put the interests of our clients first, fostering long lasting and mutually rewarding partnerships.

Our broad range of life insurance products has been designed to protect you, your family and your business against the financial impacts of death, sickness or injury.

At the end of December 2006, the life insurance portfolio of Asteron in Australia comprised of more than 257,000 policies and \$354 million in-force premiums. In 2006, Asteron paid over \$162 million in claims resulting from death, trauma or disablement, including almost \$84 million in disability claims. These payments were made to over 3,300 clients.

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Overview

Why choose Asteron Lifeguard?

Advantages of Asteron Lifeguard

Fast Facts

When we won't pay

How Asteron Lifeguard works

Why choose Asteron Lifeguard?

As you move through various 'financial generations', different protection needs and priorities emerge. While each person's situation requires expert assessment, the following profiles may help illustrate the protection needs that relate to each life stage.



Youthful Yearnings

The beginning of responsibilities such as cars, credit cards and living expenses may trigger the need for a protection plan. Such a plan would be used to cover lifestyle expenses, debts and treatment options if a major illness or injury strikes.



Expanding Expenses

Relationships, starting a family and buying a home may quickly change priorities. Protection should be in place for the new responsibilities, such as higher living expenses, mortgages and to secure family income.



Mid-life Mayhem

Household income may be starting to peak, with the possibility of a partner's return to work. The majority of income is still committed to living expenses, so risk protection may be a major priority. The amounts of cover may need to be increased in line with lifestyle changes and the increased chances of major illnesses.



Single Situation

Being single may create different priorities, or changes in the family situation may leave one parent with the major financial responsibility for the family. The protection plan may need to be adjusted but securing family assets and income remains a priority.



Finally Free

Children are becoming independent and expenses are tapering, but substantial commitments are still to be protected as health may become a greater concern. Protection for remaining mortgage debt, income protection and cover for major illnesses or injury may still be required.



Rest & Recreation

Risk needs may have diminished as commitments reduce and investments replace earned income. Risk protection may still be relevant for family bequests and to cover retirement expenses, and in case of major illness or disablement.

Asteron Lifeguard keeps you and/or your family’s financial safety ‘between the flags’ by providing you with a comprehensive range of lump sum and monthly income benefits. These can be integrated into a tailored package to suit your priorities, needs and budget.

Type of cover	How it protects your financial safety	
Lump Sum		
	Life Cover	Life Cover pays a lump sum upon death, enabling beneficiaries to pay out debts and bills and create ongoing income. Businesses can also use this type of cover to maintain financial stability by insuring against the loss of a key person.
	Total and Permanent Disablement	Total and Permanent Disablement (TPD) cover pays a lump sum, which can be used to pay out debts and bills and create ongoing income. It can also be used to fund disability related expenses, such as home modifications and special medical needs. Please note if TPD is through a superannuation fund then preservation requirements may apply.
	Recovery Products	Recovery products are targeted at a specific range of medical conditions and pay a lump sum upon diagnosis. This can be used to help reduce debt, change employment, pay medical expenses and fund more relaxation time. The <i>sum insured</i> is also payable upon death of the insured, unless you choose ‘Recovery Stand Alone’.
Monthly Income		
	Income Protection	Income Protection is designed to pay you up to 80% of your gross monthly income while you are unable to work due to sickness or injury. There are two types of cover available; Income Advantage is available to white collar occupations and offers some additional benefits, Income Protector is available to a wider range of occupations.
	Business Expenses	If you own a business and become sick or injured, you may need to protect more than just your personal income. Business Expenses allows you to insure monthly business expenses on a monthly reimbursement basis, to help keep your business viable until you return to work.

Advantages of Asteron Lifeguard

A lifeguard epitomizes the ideals of dependability, trust and care. Asteron Lifeguard embodies these same ideals in the way it protects you and your family's financial safety.

Asteron Lifeguard working for you

Asteron works cooperatively with your adviser, who assesses your needs and carries out ongoing reviews of your situation.



Innovative products to meet your needs

We offer flexibility at the start. For example:

- » Life Cover can be self owned, cross owned, business owned, owned through the Asteron Life Superannuation Fund, or owned through a self managed superannuation fund, according to your needs.
- » Outside of superannuation, Asteron offers flexibility on beneficiaries and you can nominate up to ten, including charitable organisations (if you are the policy owner as well as the insured).

Keeping your insurance relevant as your needs change. For example:

- » We recognise that it is vital to protect the whole family so our Child Cover Option offers a lump sum of up to \$200,000 per child including \$10,000 premium-free cover.
- » Indexation is guaranteed at a minimum of 3% pa (5% pa for Life Cover, TPD Stand Alone and Recovery products) for the life of your policy.
- » The Special Events Increase Benefit enables increases in death and *terminal illness* cover (subject to the maximum *sum insured*) due to major life events, such as starting a family or buying your first home, without any medical underwriting.

Sensitive and effective service

An enviable claims service record

Asteron is renowned for its professional and sensitive approach to claims service, which is underpinned by an exceptional team of dedicated people, and an open approach to communication.


There are over 60 members in our claims team, with a collective experience of 200 years. We operate on a maximum five working day assessment timeline and when you contact us, you will deal with a real person (your dedicated Case Manager) not a machine!

Grief Support Service offered within all of our products

Once a claim is accepted, you and your immediate family members are able to access this service. It is free of charge and is currently offered through Davidson Trahaire Corpsych - an independent professional counselling organisation which has an extensive network of offices and facilities throughout Australia (explained on pages 21 – 22).

Recognition of your loyalty

Asteron believes in rewarding you for continuing to hold your insurance with us by increasing the value of some of the in-built benefits within your policy. The table below details the in-built benefits that are increased and the details of the increase.

The value of the benefit will be based on the amount of time the policy was held prior to the claim event. You will also find  throughout this PDS to indicate a loyalty reward.

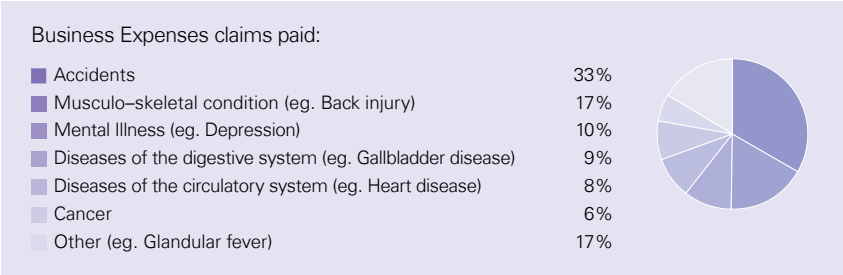
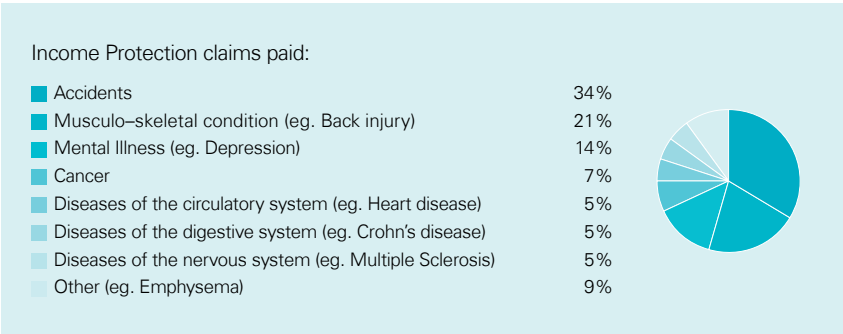
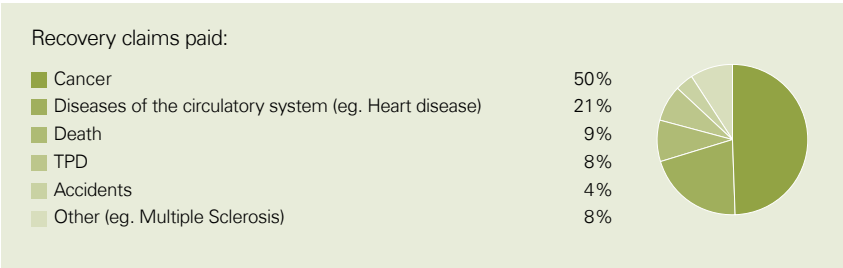
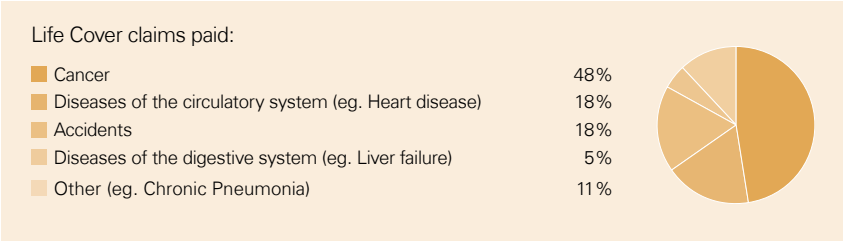
Product	Benefit impacted	Value at inception and for first 2 years	Value in 3rd and 4th years	Value from start of 5th year onwards
Life Cover TPD Stand Alone Recovery Package Recovery Stand Alone	Financial Planning Benefit	\$1,500	\$2,000	\$2,500
Life Cover Recovery Package	Funeral Advancement Benefit	\$10,000	\$12,500	\$15,000
TPD Stand Alone Recovery Stand Alone	Limited Death Benefit	\$10,000	\$12,500	\$15,000
Cancer Cover Option	Partial Cancer Cover Benefit	Pays greater of 15% or \$10,000	Pays greater of 17.5% or \$10,000	Pays greater of 20% or \$10,000
Recovery Package Recovery Stand Alone	Partial Recovery Benefit	Pays greater of 15% or \$10,000	Pays greater of 17.5% or \$10,000	Pays greater of 20% or \$10,000
Income Advantage Income Protector Business Expenses	Death Benefit	3 times <i>Total Monthly Benefit</i>	4 times <i>Total Monthly Benefit</i>	6 times <i>Total Monthly Benefit</i>

Fast Facts

The table below summarises the Asteron Lifeguard product range - what you're covered for. For more detailed information please refer to the page numbers specified or talk to your adviser.

Type of cover		Type of benefit payment	Events covered	Some examples of optional benefits:
Life Cover (page 27)	>	<ul style="list-style-type: none"> » Lump sum » Early part payment for <i>terminal illness</i> 	Death and <i>terminal illness</i>	<ul style="list-style-type: none"> » Cancer Cover Option » Needlestick Option » Child Cover Option
Total and Permanent Disablement (page 39)	<ul style="list-style-type: none"> » TPD Stand Alone » TPD linked to Life Cover 	<ul style="list-style-type: none"> » Lump sum » Early part payment for some conditions 	Total and permanent disablement defined in any one of four possible ways	<ul style="list-style-type: none"> » Cancer Cover Option » Child Cover Option
Recovery products (page 47)	<ul style="list-style-type: none"> » Recovery Package » Recovery Stand Alone 	<ul style="list-style-type: none"> » Lump sum » Early part payment for some conditions 	<ul style="list-style-type: none"> » Diagnosis of any one of listed medical conditions » Must survive at least 14 days under Stand Alone 	<ul style="list-style-type: none"> » Recovery Plus Option » Recovery Reinstatement Option » Child Cover Option
Income Protection (page 65)	<ul style="list-style-type: none"> » Income Advantage » Income Protector 	Monthly income payment. Amount calculated on: <ul style="list-style-type: none"> » 'Agreed value' or » 'Indemnity' basis. 	Unable to work due to <i>sickness</i> or <i>injury</i>	<ul style="list-style-type: none"> » Extras Package » Booster Option » SuperSaver Option
Business Expenses (page 87)	>	Monthly reimbursement of business expenses	Unable to work due to <i>sickness</i> or <i>injury</i>	No optional extras

During 2006, the common causes of claims paid by Asteron under our various policies were as follows:



When we won't pay

There are certain events that are not covered for all clients irrespective of their personal situation. We may also need to offer you insurance on varied terms because of factors unique to you, for example, health conditions or your occupation. If this is the case we'll tell you at the time you apply.

A benefit will not be paid in the situations listed in the following table.

Death Benefits under Life Cover, TPD, Recovery products and Child Cover Option
<p>We will not pay a benefit on death if death is caused directly or indirectly by an intentional self-inflicted act, within 13 months of:</p> <ul style="list-style-type: none">» the commencement date;» an increase to the <i>sum insured</i> (in respect of the increased portion only); or» the most recent reinstatement of the policy. <p>This exclusion does not apply to you or an insured child if:</p> <ul style="list-style-type: none">» the death cover under a policy replaces death cover on that person's life that has been continuously in place longer than 13 months (but only up to the amount insured under the policy being replaced); or» before death, there was a registered assignment of the policy to another person or company as part of a genuine business or genuine loan transaction entered into in good faith.
TPD Stand Alone and TPD Option under Life Cover
<p>The TPD Benefit will not be paid if total and permanent disablement is caused directly or indirectly by an intentional self-inflicted act.</p>
Income Protection and Business Expenses
<p>A benefit will not be paid, if the event giving rise to the claim is caused directly or indirectly by:</p> <ul style="list-style-type: none">» a <i>war or an act of war</i>, whether or not war has been declared (this exclusion does not apply to the Death Benefit);» an intentional self-inflicted act;» your voluntary participation in any <i>criminal activity</i>; or» pregnancy, miscarriage or childbirth, unless you are disabled for more than 3 months from the later of the date your pregnancy finishes and your disablement commences, (the later date being the date we will consider your disablement to have started). <p>We will not pay for any period while you are incarcerated.</p>

Needlestick Option under Life Cover, TPD Stand Alone and Income Protection

We will not pay a benefit, if *Hepatitis B or C – occupationally acquired* or *HIV – occupationally acquired* was caused directly or indirectly by an intentional self-inflicted act.

Cover for the Needlestick Option will not apply to:

- » *Hepatitis B or C – occupationally acquired* where a cure for Hepatitis B or C has become available prior to the accident or malicious act giving rise to the claim; and
- » *HIV – occupationally acquired*, where a cure for HIV or Acquired Immune Deficiency Syndrome (AIDS) has become available prior to the accident or malicious act giving rise to the claim.

Recovery products and Crisis Benefit under Income Protection and Business Expenses

A benefit will not be paid if the event (excluding death) giving rise to the claim was caused directly or indirectly by an intentional self-inflicted act.

Cover for the Recovery Benefit and the Crisis Benefit under Income Protection and Business Expenses will not apply to:

- » *HIV – medically acquired*, where a cure for HIV or Acquired Immune Deficiency Syndrome (AIDS) has become available prior to the medical procedure giving rise to the claim; and
- » *HIV – occupationally acquired*, where a cure for HIV or Acquired Immune Deficiency Syndrome (AIDS) has become available prior to the accident or malicious act giving rise to the claim.

Child Cover Option

We will not pay a benefit if the event giving rise to the claim (including death) was caused directly or indirectly by:

- » a congenital condition; or
- » the intentional act of the policy owner or person who will otherwise be entitled to the benefit payable.

How Asteron Lifeguard works

You meet with a financial adviser

Everyone has different financial and personal circumstances. Your financial adviser is well qualified to offer advice on the type and amount of cover you will need.



You and your financial adviser complete the application

When applying for an Asteron Lifeguard policy it is necessary for a full and accurate picture of your situation to be disclosed on the application form in this PDS. The validity of your policy will depend on true and correct completion. We ask for information that is relevant to our assessment and we maintain strict rules about confidentiality.



We assess your application

Our Underwriters will assess your application based on a range of factors, which may include but is not limited to your occupation, financial situation, health history and amount of cover requested. Most of our applications require no further information for approval. If we need additional medical or other information, or an examination or test is required, it is normally at our expense. While you are being assessed you have interim cover as explained on pages 116 – 119.



Your cover begins

When your application is approved, a policy document and schedule is issued and cover commences. Some applicants, however, have increased risk factors and may have some cover restrictions or an increased premium or we may be unable to offer cover. We will inform you if this is the case.

Cooling off

You have 28 days (20 through superannuation), to cancel the policy and obtain a refund of the premium once cover commences.



Keeping your cover up to date

As long as your premiums are kept up to date, your cover remains in place, regardless of changes to your health, occupation or pastimes. We will mail you annually with a statement outlining your cover and any increases or improvements you may qualify for. Meet with your financial adviser regularly to keep your cover relevant to your situation and remember to let us know if you change your contact details by calling 1800 221 727.



Making a claim

Contact your financial adviser and/or call us on 1800 024 812 as soon as possible (within 30 days) to advise us of the claim event (explained on page 23). A Case Manager will be assigned and claims kit sent to you. The kit will explain the information we will need from you.

Product information

Product overview

Worldwide cover

Guarantee of upgrade

Ownership of your insurance

Who we pay

Entry and expiry ages

Minimum and maximum levels
of cover


Common features and benefits

Grief Support Service at claim time

Making a claim

Product overview

Words and expressions that appear in italics in this PDS have a particular meaning. The meaning of these words or expressions can be found in the Glossary on pages 121 – 132.

Where  is displayed next to some of the benefits, the value of that benefit will increase the longer you hold the policy with Asteron (explained on page 7).

Worldwide cover – your policy will cover you wherever and whenever

You will receive worldwide, 24 hour a day cover. We will not cancel your policy because of a change in your health, occupation or pastimes, or in the event you move home, travel or become *unemployed*.

Guarantee of upgrade

From time to time we may make improvements to our products which are offered to you with no resulting increase in premium. Where these offers are made and you are suffering a *pre-existing condition* at the time of the improvement it will not apply when assessing any claim affected by that *pre-existing condition*.

In the event of a claim, you can be assessed against the terms of the policy before any upgrade on the policy, if, in your opinion, the improvements are less favourable.

Ownership of your insurance

You can own a policy on your own life (self-owned), however the Asteron Lifeguard range of products offers different ownership structures should you require them. The table below shows the different Asteron Lifeguard products and possible ownership structures. Your financial adviser can help determine which ownership structure is best for your situation.

Products	Ownership Structure (policy owner)								
	Self-owned	Another individual (eg. spouse or business partner)	Joint Ownership	Family Trust (which the insured controls)	Family Trust (which the insured does not control)	Company (which the insured controls)	Company (which the insured does not control)	Asteron Portfolio Services Limited (the Trustee of Asteron Life Superannuation Fund)	Trustee of a Self Managed Superannuation Fund or Small APRA fund
Life Cover	✓	✓	✓	✓	✓	✓	✓	✓	✓
TPD Stand Alone	✓	✓	✓	✓	✓	✓	✓	✗	✓
Recovery Package	✓	✓	✓	✓	✓	✓	✓	✗	✗
Recovery Stand Alone	✓	✓	✓	✓	✓	✓	✓	✗	✗
Income Protector	✓	✗	✗	✓	✗	✓	✗	✗	✓
Income Advantage	✓	✗	✗	✓	✗	✓	✗	✗	✓
Business Expenses	✓	✗	✗	✓	✗	✓	✗	✗	✗

Throughout this PDS references to:

- » Recovery products means both Recovery Package and Recovery Stand Alone
- » Income Protection means both Income Protector and Income Advantage

Who we pay

Who we pay depends on which policy we are paying a benefit for.

For Life Cover, TPD Stand Alone and Recovery products, in the event of death we pay the nominated beneficiaries (if applicable), otherwise we pay the policy owner, or if the policy owner has died, we pay their legal representative or a person we are authorised to pay under the relevant law (other than for payment of the Financial Planning Benefit and Grief Support Service).

For Income Protection and Business Expenses we pay all benefits to the policy owner or if the policy owner has died, we pay their legal representative (other than for payment of the Grief Support Service). You cannot nominate a beneficiary to receive benefits from Income Protection and Business Expenses.

All benefits for all policies will be paid in Australian dollars.

Entry and expiry ages

You need to be a certain age to be insured. The entry and expiry age limits that apply to each product are shown in the table below:

	Premium option	Entry ages	Expiry age ⁸
Life Cover Death Benefit	Stepped Level ¹	17 – 74 24 – 59	99 65
Life Cover Single TPD Payout Benefit ²	Stepped Level ¹	17 – 59 24 – 59	99 65
Life Cover Double TPD Payout Benefit ³	Stepped Level ¹	17 – 59 24 – 59	65 65
TPD Stand Alone	Stepped Level	17 – 59 24 – 59	65 65
Recovery products ⁴	Stepped Level ¹	17 – 59 24 – 59	75 ⁵ 65
Child Cover Option		2 – 20	21 ⁶
Income Protection	Stepped Level	17 – 59 ⁷ 20 – 59 ⁷	64 ⁹ 64 ⁹
Business Expenses	Stepped Level	17 – 59 20 – 59	64 64

¹ Level premiums will automatically convert to stepped premiums on the policy anniversary when you are age 65.

² Single TPD Payout Benefit will automatically convert to the *modified TPD* definition on the policy anniversary when you are age 65.

³ Double TPD Payout Benefit will automatically convert to Single TPD Payout Benefit with a *modified TPD* definition on the policy anniversary when you are age 65.

⁴ *Any or Own Occupation* TPD definition will automatically cease on the policy anniversary when you are age 65.

⁵ A Recovery Package policy will automatically convert to a Life Cover policy with *modified TPD* on the policy anniversary when you are age 75.

⁶ Child Cover Option can be converted to Recovery Package with no TPD from the insured child's 18th birthday.

⁷ If you choose the benefit period to age 60, the maximum entry age is 54.

⁸ Cover ends on the policy anniversary.

⁹ Unless you choose a benefit period to age 60.

Minimum and maximum levels of cover

The minimum and maximum levels of cover you can apply for are:

Benefit		
Life Cover Death Benefit	Minimum	subject to minimum premium ¹
	Maximum	no maximum
TPD Stand Alone and Life Cover TPD Option	Minimum	subject to minimum premium ¹
	Maximum ⁵	\$3,000,000 ²
Child Cover Option ³	Minimum	\$10,000
	Maximum ⁵	\$200,000
Recovery products	Minimum	\$10,000 ¹
	Maximum ⁵	\$2,000,000 ²
Income Protection	Minimum	subject to minimum premium ¹
	Maximum ⁵	\$30,000 ⁴ <i>monthly benefit</i>
Business Expenses	Minimum	subject to minimum premium ¹
	Maximum	no maximum

¹ refer to minimum premium information on page 108

² at policy commencement

³ includes \$10,000 premium-free cover (explained on page 61)

⁴ includes *SuperSaver monthly benefit* (if applicable)

⁵ maximum levels include insurance cover with all insurers

The Single and Double TPD Payout Benefit *sum insured* cannot exceed the Life Cover Death Benefit or Additional Life Cover (if applicable) *sum insured* for which they are optional benefits. Minimums and maximums for other options are detailed in each product section.

Common features and benefits

Funeral Advancement Benefit – Life Cover and Recovery Package

The Funeral Advancement Benefit is not available if the Life Cover policy is owned through a superannuation fund.

The Funeral Advancement Benefit allows prompt payment of an advance of the *sum insured* to help with funeral expenses and other immediate costs, with limited evidentiary requirements.

We will pay either \$10,000, \$12,500 or \$15,000 depending on the length of time you have held the policy with us (explained on page 7):

- » in the event of your *accidental death* during the first 3 years after the policy commencement date (or the date the policy was most recently reinstated); and
- » thereafter on your death from all causes.

The only document that needs to accompany a completed claim form is the original or a certified copy of the death certificate. The benefit need not be claimed, but if a claim is made under the Funeral Advancement Benefit, the policy *sum insured* will be reduced by the amount paid.

We will pay this benefit to the policy owner or if they have died we will pay the person who, in our opinion is to be appointed as their legal personal representative.

Payment of this benefit does not mean that any other benefit under this policy will be paid.

Financial Planning Benefit – Life Cover, TPD Stand Alone and Recovery products

Up to a total of either \$1,500, \$2,000 or \$2,500 per policy, depending on the length of time you have held the policy with us (explained on page 7) will be reimbursed for accredited financial planning advice for the recipient(s) of an accepted claim for:

- » a Death Benefit;
- » a Terminal Illness Benefit;
- » a Total and Permanent Disablement Benefit;
- » a benefit under the Cancer Cover Option;
- » a benefit under the Needlestick Option; or
- » a Recovery Benefit.

If there is more than one recipient of the benefit, each recipient will be entitled to an equal share of the benefit. We will not pay an amount more than \$1,500, \$2,000 or \$2,500 (whichever is relevant) in total in respect of this benefit. For example a \$2,500 benefit with 5 recipients, would see each recipient being entitled to receive up to \$500.

This benefit is only payable once per policy.

Financial planning advice must be provided by an accredited financial adviser and the benefit claimed within 12 months of receiving the claim payment from us or within 12 months of the benefit being paid to, or at the discretion of the Trustee.

We will require proof of the advice received, the qualifications of the accredited financial adviser and payment made for the advice. We will not reimburse any cost incurred when dealing with the claim or implementation of the financial plan, nor do we take any responsibility for the financial advice provided or the implementation of that advice.

Payment of the Financial Planning Benefit does not reduce the amount of the claim payment or any other benefit payable under the policy.

Automatic Increase Benefit

The Automatic Increase Benefit is designed to help keep cover protected against inflation. This means that your *sum insured* and/or *Total Monthly Benefit* will increase on each policy anniversary unless, the policy owner or you (if you are a member of the fund) elects not to accept the offer of the Automatic Increase Benefit by providing written notice within 30 days of the policy anniversary.

Asteron will offer the increase each year until your policy expires regardless of the *sum insured* or *Total Monthly Benefit* and regardless of your age, health, occupation or pastimes.

The increase in the *sum insured* or *Total Monthly Benefit* will be the greater of:

- » the *indexation factor*; and either
 - 5% (for Life Cover, TPD Stand Alone or Recovery products); or
 - 3% (for Income Protection or Business Expenses).

Premiums will then be increased to reflect the increased *sum insured* or *Total Monthly Benefit*.

For example, with Life Cover if the *sum insured* is \$500,000 and the *indexation factor* is 2%, an increase in *sum insured* of 5% will be offered, which is \$25,000, therefore if the offer is accepted the new total *sum insured* will be \$525,000. If however, the *indexation factor* is 6%, an increase in the *sum insured* of 6% will be offered, which is \$30,000, therefore the new total *sum insured* will be \$530,000.

The Automatic Increase Benefit will not apply:

- » if premiums are being waived because we have paid the Terminal Illness Benefit or the Double TPD Payout Benefit under a Life Cover policy;
- » if the Premium Freeze Option applies;
- » if the Business Security Option applies;
- » to the Needlestick Option *sum insured* (if applicable);
- » to the Child Cover Option *sum insured* (if applicable);
- » if premiums are being waived because we have paid the Recovery Benefit under the Double Recovery Option.

Medical Free Increases

Certain events in life such as marriage, the birth of a child or an increase in your salary may cause you to need to increase your insurance. Asteron's medical free increase benefits allow you to increase your cover without needing to provide any further medical information when certain changes in your circumstances occur as shown in the table below.

	Death Benefit (under Life Cover)	TPD (under Life Cover and TPD Stand Alone)	Recovery Products	Cancer Cover Option	Child Cover Option
Name of Benefit	Special Events Increase Benefit	Permanent Disability Increase Benefit	Recovery Increase Benefit	Cancer Cover Increase Benefit	Child Cover Increase Benefit
Is the Benefit available on loaded cases?	Yes, for those medically loaded up to and including plus 75%.	No, only for standard rates.	Yes, for those medically loaded up to and including plus 75%.		No, only for standard rates.
When can you increase cover?	You can increase your cover when one of the following life events occurs: <ul style="list-style-type: none"> » You get married. » You or your spouse gives birth to a child or adopts a child. » You take out or increase a loan secured over your own real estate or business of at least \$25,000. » Your annual salary increases by at least \$5,000. » You become a carer for the first time. » You are the working partner or a working director in a business and you increase your financial interest in the business by at least \$25,000. » Every 5th anniversary of the policy commencement date, if the policy owner has held the policy continuously since that date. 				You can increase the <i>sum insured</i> under the Child Cover Option when the insured child turns: <ul style="list-style-type: none"> » 6 » 10 » 14 » 18
	We will require evidence of the life event occurring when you apply for the increase. You must apply for the increase by providing written notice within 60 days of one of the above life events occurring, or 30 days either side of the policy anniversary when the event occurred within the previous 12 months.				
How often can you increase?	Once in any 12 month period.				When the child turns 6, 10, 14 or 18.
What is the eligible age to apply for the Benefit?	You must be aged 55 or under at the policy commencement.				The insured child must be 17 or under when cover under the Child Cover Option commences.
Is there an age limit for increasing your cover?	You must be aged 60 or under when the life event occurs.				The insured child must be aged 18 or under.
What is the minimum amount you can increase?	\$25,000				\$10,000

	Death Benefit (under Life Cover)	TPD (under Life Cover and TPD Stand Alone)	Recovery Products	Cancer Cover Option	Child Cover Option
Name of Benefit	Special Events Increase Benefit	Permanent Disability Increase Benefit	Recovery Increase Benefit	Cancer Cover Increase Benefit	Child Cover Increase Benefit
What is the maximum amount you can increase?	<p>the lesser of:</p> <ul style="list-style-type: none"> » \$200,000; » 50% of the <i>sum insured</i> for the Death Benefit under Life Cover at the policy commencement date; » 5 times the increase in annual salary (if applicable); » the amount of the new mortgage or the amount of increase in the mortgage (if applicable); and » the actual amount of increase in the financial interest in the business (if applicable). 	<p>the lesser of:</p> <ul style="list-style-type: none"> » \$200,000; » 25% of the <i>sum insured</i> at the policy commencement date; » 5 times the increase in annual salary (if applicable); » the amount of the new mortgage or the amount of increase in the mortgage (if applicable); and » the actual amount of increase in the financial interest in the business (if applicable). 			\$10,000
What is the maximum total amount that your cover can be increased by?	<p>The maximum total amount that your cover can increase by over the duration of the policy is the original <i>sum insured</i> at the commencement date. For example if the <i>sum insured</i> is \$500,000 at the commencement date, the maximum total increase under the medical free increase benefit is \$500,000 across the life of the policy (as long as you do not exceed the maximum <i>sum insured</i> for that policy).</p>				
Are there any restrictions on the increased sum insured?	<p>Cover is restricted if:</p> <ul style="list-style-type: none"> » the increase was as a result of mortgage, or » the increase was the result of an increase in a financial interest in a business. <p>In these cases, for the first six consecutive months after cover for the increased <i>sum insured</i> starts, any increase in excess of \$100,000 will only be paid for <i>accidental death</i>. Any exclusions or restrictions that apply on the policy will also apply to the increased portion.</p>	<p>Any increase amount in excess of \$25,000 will only be paid in the first six months for <i>accidental total and permanent disablement</i> or for the Recovery Benefit or Partial Recovery Benefit as a result of <i>injury</i>. Any exclusions or restrictions that apply on the policy will also apply to the increased portion.</p>			<p>No, the increased <i>sum insured</i> will be paid as a result of any of the events listed on page 61. Any exclusions or restrictions that apply on the Child Cover Option will also apply to the increased portion.</p>

Where there is an increase in the *sum insured*, premiums will be adjusted accordingly. The increase applies from the day we advise you of the new *sum insured* in writing subject to the additional premium being paid. The medical free increase benefits do not apply to certain options as detailed in each product section of this PDS.

For example if the Life Cover Death Benefit *sum insured* at commencement was \$700,000 and you have a child after the policy commencement, you would be able to increase the *sum insured* by up to \$200,000, as this is the lower of \$200,000 and \$350,000 (50% of the Life Cover Death Benefit *sum insured* at commencement).

Waiver of Premium Option – Life Cover, TPD Stand Alone and Recovery products

The Waiver of Premium Option is designed to help you continue your cover whilst you are *disabled* and unable to work for 6 consecutive months. As it may be difficult for you to meet your financial responsibilities, purchasing the Waiver of Premium Option may assist in easing this burden by allowing you to continue your Life Cover, TPD Stand Alone or Recovery products cover without having to pay premiums.

For example, if you suffered a disability that lasted for 2 years then Asteron would pay your premiums for the 2 years in which you were *disabled*.

If you are age 59 or under you can apply for the Waiver of Premium Option on Life Cover, TPD Stand Alone and Recovery products.

We will only waive premiums for the period of your *disablement* (or to the policy anniversary at age 65) if you are continuously disabled for at least 6 consecutive months. After this period the policy owner must recommence paying premiums for cover under the policy to continue. Any premiums paid during the first 6 months of disability will be refunded if we accept your Waiver of Premium claim.

We will not waive premiums if your disability is directly or indirectly caused by an intentional self-inflicted act.

If you become *disabled* from the same or related cause within 6 months of a previous claim ending, we will recommence waiving premiums without requiring you to be *disabled* for a further 6 consecutive months. If there is more than 6 months between the two periods of *disablement*, we will treat the later period as a new *disablement* even if it is from the same cause.

If the Automatic Increase Benefit applies, and we are waiving premiums because you are *disabled*, we will continue to make annual increases to the *sum insured*.

Cover for the Waiver of Premium Option ends on the policy anniversary when you are age 65.

Grief support service at claim time

The Grief Support Service (Service) is available to you and your immediate family who need support and grief counselling as a result of a traumatic event at time of claim.

Under the Service we will pay a benefit equal to the cost of providing initial confidential grief counselling from an independently owned counselling organisation appointed by Asteron. This amount is paid to the provider of the counselling service.

Up to 4 hours of counselling is available for you or one of your immediate family members. Alternatively you may choose combined counselling for you and your family, for up to 6 hours. Any travel time by the counsellors is included in this time.

The Service is only available in circumstances of grief. The counselling sessions are not for other forms of counselling.

Who can use the Service?

Who is classified as your immediate family, is reliant on whether or not the policy has been taken out through superannuation.

Life Cover through a superannuation arrangement	All other policies
<ul style="list-style-type: none">» Spouse» De facto spouse» Children» A person with whom you have an <i>interdependency relationship</i>» Other financial dependants	<ul style="list-style-type: none">» Spouse» De facto spouse (including same sex partner)» Fiancé» Children» Parents» Siblings

All counselling sessions must be completed within 2 years of the date the Service was first used.

Provision of the Service does not mean any admission or acceptance of any claim or liability regarding any payments (including future payments) that may be payable under any of our policies.

We may at any time amend or cancel the Service or change the provider of the grief counselling. These changes may affect the Service that is available to you.

When can you use the Service

Initial use of the Service must commence within 13 months of when we have:

- » been notified of your death, or
- » accepted either your Recovery Benefit, Terminal Illness Benefit, TPD Benefit, Needlestick Option, Cancer Cover Option or Child Cover Option claim (if applicable).

For Child Cover Option claims the Service is available to you, your child and immediate family.

Under Recovery products and TPD the Service will not be available following partial payments, for example *single loss of limb or eye*.

Making a claim

If you are entitled to make a claim you should notify us within 30 days of the event giving rise to the claim. This will enable us to assess your claim promptly and it will also ensure we can make appropriate payments as soon as possible.

We may reduce the amount we pay or may refuse to pay the claim if:

- » we are not told of the event giving rise to the claim within 30 days; and
- » we are disadvantaged because of the delay.

As the products contained within this PDS provide cover for many different events, our claim requirements will vary depending on the type of, and reason for, the claim you are making. As the circumstances surrounding a *sickness* or *injury* (or death, if applicable) usually will be different, our claims requirements may also vary.

Only limited claim requirements apply to the Funeral Advancement Benefit (if applicable), explained on page 16.

Otherwise our claim requirements may include (but are not limited to):

- » properly completed claim forms;
- » the original policy document and schedule;
- » a certified copy of your birth certificate;
- » medical evidence (we may require you to be examined by a health care professional of our choice);
- » specific financial requirements, including but not limited to, a statement of financial performance and regular monthly expense statements (we may require an accountant of our choice to verify income and/or expenses prior to and during your *disablement*);

- » proof of diagnosis of condition or occurrence of the procedure for which the claim is being made and when it occurred, including copies of confirmatory investigations performed by a specialist;
- » a signed authority to enable us to obtain information from the Health Insurance Commission Agency and other Government departments; or
- » a certified copy of your death certificate (if applicable).

We may also ask for additional information including but not limited to:

- » your medical history;
- » your business or personal income;
- » your business or personal expenses;
- » your activities;
- » other insurance policies and claims.

Unless we notify you otherwise, you will be required to meet the costs of satisfying those claim requirements.

Payment of a benefit is subject to our acceptance of the claim, satisfaction of our claim requirements and adherence to relevant legislative requirements.

For further details on claim requirements or updates on any claim in progress, please contact our Claims Department via:

Locked Bag 5000
Chatswood NSW 2057

Ph: 1800 024 812.

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Detailed product information

About Life Cover

About Total and Permanent
Disablement Stand Alone

About Recovery products

About Child Cover Option

About Income Protector
and Income Advantage

About Business Expenses

Life Cover through superannuation

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About Life Cover

Life Cover pays a lump sum if you die or become *terminally ill*. For an additional premium, benefits such as the Total and Permanent Disablement (TPD) Option can also be added to the policy. The amount of cover you choose is called the *sum insured*.

Please familiarise yourself with the benefits you will receive and ask your financial adviser to explain anything you are not sure about.

Life Cover is also available if owned through the Asteron Life Superannuation Fund and also through an external superannuation fund.

Summary of key benefits available under Life Cover

Included benefits	Life Cover	Life Cover through a superannuation arrangement	Refer to pages:
Life Cover Death Benefit	✓	✓	29
Terminal Illness Benefit	✓	✓	29
Funeral Advancement Benefit	✓	✗	29
Automatic Increase Benefit	✓	✓	29
Premium Freeze Option	✓	✓	30
Financial Planning Benefit	✓	✓	30
Nominated Beneficiaries	✓	✗	30
Special Events Increase Benefit	✓	✓	30
Guarantee of Upgrade	✓	✓	31
Binding and Non-Binding Nominations	✗	✓	99 – 100

Optional benefits	Life Cover	Life Cover through a superannuation arrangement	Refer to pages:
Total and Permanent Disablement Option	✓	✓	31
Cancer Cover Option	✓	✗	33
Child Cover Option	✓	✗	35
Needlestick Option	✓	✗	35
Waiver of Premium Option	✓	✓	36
Business Security Option	✓	✗	36

Life Cover in action



David and I had always dreamed of bringing up our children in the country.

Eight years after we married, and our son Jack was in grade 1, David took a teaching job at a country school, and we found a property just outside of town.

We took out a large mortgage to buy it and a Life Cover policy to protect us in case anything unexpected happened.

Six months ago, while driving home from the rugby club, David's car collided with another and he was killed instantly.

I never thought something like this would happen to us!

The lump sum I received from the life insurance policy helped me pay off the mortgage on the farm and there was still money left over.

My insurer offered a financial planning service, which enabled me to get advice on how I should best use the rest of the money.

I also used the grief support service provided within our insurance policy and it did assist me with sympathetic counselling when I needed it most.

I am selling the farm and plan to buy a small cottage nearby so Jack can still grow up in the country. It's what David would have wanted.

Jan Russell

Based on a real claim. Names have been changed.

When we won't pay

There are some circumstances in which we will not pay a benefit (explained on page 10).

Generally, payment of a benefit is subject to the acceptance of your claim and satisfaction of our claim requirements.

When does the policy end

All cover ends on the earliest of:

- » the date we receive the policy owner's written request to cancel the policy;
- » cancellation of the policy for non-payment of the premium;
- » reduction of the Life Cover Death Benefit *sum insured* to nil following a payment under the Terminal Illness Benefit, TPD Option (Single TPD Payout) or Cancer Cover Option;
- » the date you are no longer eligible to make superannuation contributions (if applicable);
- » you cease to be a member of the Fund;
- » the policy anniversary when you are age 99; and
- » your death.

Included benefits

The following benefits are automatically included under Life Cover.

Life Cover Death Benefit

The Life Cover Death Benefit will be paid as a lump sum if you die.

The Life Cover Death Benefit will be reduced by any amount paid for *terminal illness* or under the Single TPD Payout Benefit under the TPD Option, Funeral Advancement Benefit or Cancer Cover Option, if applicable.

Terminal Illness Benefit

If you become *terminally ill*, we will advance the Life Cover Death Benefit, less any

payments we have made for the TPD Single Payout Benefit or the Cancer Cover Option to a maximum of \$2,000,000. The remaining *sum insured* for Life Cover will be reduced by the amount paid for *terminal illness* and future premiums will be waived for any remaining Life Cover Death Benefit.

For example, if your Life Cover Death Benefit *sum insured* was \$3,000,000 at the time of a *terminal illness* claim we would pay \$2,000,000. The remaining \$1,000,000 would be paid on death and we would waive the remaining premiums for the \$1,000,000 balance.

Funeral Advancement Benefit

The Funeral Advancement Benefit is an advance payment of \$10,000, \$12,500 or \$15,000 (whichever is relevant) of the Life Cover Death Benefit in order to help meet immediate expenses (explained on page 16).

Automatic Increase Benefit

To help keep cover protected against inflation, the *sum insured* will increase on each policy anniversary by the greater of the *indexation factor* and 5% unless the policy owner elects not to accept the offer of the Automatic Increase Benefit by providing written notice within 30 days of the policy anniversary (explained on page 17).

The Automatic Increase Benefit will not apply:

- » if premiums are being waived because we have paid the Terminal Illness Benefit or the Double TPD Payout Benefit;
- » if the Premium Freeze Option or Business Security Option applies,
- » to the Needlestick Option *sum insured* (if applicable), or
- » to the Child Cover Option *sum insured* (if applicable).

Premium Freeze Option

This option allows you to fix premiums so that your premiums remain the same and the *sum insured* changes (usually decreases) each year (explained on page 109).

Financial Planning Benefit

When the Death Benefit, Terminal Illness Benefit or, if applicable the TPD Option, Cancer Cover Option or Needlestick Option has been paid, the recipient(s) of the payout may also be reimbursed \$1,500, \$2,000 or \$2,500 in total (whichever is relevant) if they obtain financial planning advice (explained on page 17).

Grief Support Service

The Service helps you or your immediate family start to come to terms with a reaction to grief.

The Service is available to your immediate family if you die. It is also available to you and your immediate family in the event of your *terminal illness*, or if applicable TPD, diagnosis of *cancer*, payment of the Needlestick Option, or Child Cover Option (explained on page 21).

Nominated Beneficiaries

When your policy is self-owned and not through superannuation, you can nominate beneficiaries (such as your partner or children) to receive the Life Cover Death Benefit (apart from any advanced payment under the Terminal Illness Benefit or the Funeral Advancement Benefit).

By nominating a beneficiary, possible delays of obtaining probate and administering the estate can be avoided. It can also mean a claim can be processed more efficiently than if no nomination was made.

A nominated beneficiary must be an individual, a charitable foundation or a company. You can nominate up to 10 beneficiaries and change them at any time before your death.

In some circumstances the amount paid to nominated beneficiaries may be subject to court review.

If your policy is owned through the Asteron Life Superannuation Fund you will also be able to nominate beneficiaries, however this will not be binding on the Trustee unless a valid binding nomination is in place (explained on page 99).

Special Events Increase Benefit

Certain events in life such as marriage, the birth of a child, or an increase in your salary may cause you to need to increase your Life Cover Death Benefit. The Special Events Increase Benefit allows you to increase your Life Cover Death Benefit without needing to provide any further medical information when certain changes in your circumstances occur (explained on pages 19 – 20).

The Special Events Increase Benefit does not apply:

- » if you or the policy owner is entitled to make a claim, or we have accepted a claim or we have paid a benefit under the Life Cover Death Benefit or Terminal Illness Benefit;
- » if the Business Security Option applies (explained on page 36);
- » if premiums are being waived under the Waiver of Premium Option until the policy anniversary immediately after you are no longer *disabled* and premium payments recommence (explained on page 36);
- » if premiums are being waived under the Double TPD Payout Benefit, under the TPD Option (explained on page 31);
- » to the *sum(s) insured* for the Child Cover Option (if applicable);
- » to the *sum insured* for the TPD Option (if applicable);

- » to the *sum insured* for the Cancer Cover Option (if applicable); or
- » to the *sum insured* for the Needlestick Option (if applicable).

Guarantee of Upgrade

If we make any improvements to the Life Cover product without any increase in our standard premium rates we will automatically provide them to you (explained on page 14).

Optional benefits

The following optional benefits are available under the Life Cover policy for an additional premium.

Total and Permanent Disablement (TPD) Option

The TPD Option provides cover in the event that a *sickness* or *injury* results in you being *totally and permanently disabled*.

In addition to the terms provided on page 29 as to 'When cover ends', the TPD Option ends if we pay the Terminal Illness Benefit.

TPD availability is restricted to certain occupation categories. Your financial adviser will tell you if your occupation entitles you to elect this option.

What types of TPD Definition are available?

You can apply for one of three types of TPD definition according to your individual needs. The type of coverage provided by each definition is different, as is the cost. The three types of TPD definitions available are:

- » *modified TPD*;
- » *any occupation TPD*; or
- » *own occupation TPD*.

If you are a *home-maker* when you make an application for a policy we will issue the policy with an *any occupation TPD* definition, which allows you to move in and out of the workforce without having to change the TPD definition. At claim time we will assess you under either the *home-maker* or *any occupation TPD* definition depending on whether you are in paid employment or a *home-maker*.

What types of TPD Benefit are available?

There are 2 types of TPD Benefit available:

- » Single TPD Payout; and
- » Double TPD Payout.

The Double TPD Payout Benefit is not available if the Business Security Option or Cancer Cover Option apply to the policy.

There are important differences between Single TPD Payout Benefit and Double TPD Payout Benefit in relation to what happens to your Life Cover Death Benefit if a full TPD Benefit is paid.

Single TPD Payout	Double TPD Payout
<ul style="list-style-type: none"> » Death Benefit under Life Cover is reduced by the amount of TPD payment, with premiums adjusted appropriately. If the Death Benefit under Life Cover is reduced to nil, cover ends. » Option to buy back the amount of the TPD payment amount to a Life Cover Death and Terminal Illness Benefit 12 months later (explained under Buy Back Option on page 32). 	<ul style="list-style-type: none"> » Death Benefit under Life Cover is not reduced. » Premiums for the Death Benefit under Life Cover equal to the amount of the TPD payment are waived for the remaining life of the policy. » Premiums are not waived for amounts above this.

If the Cancer Cover Option has been chosen the Cancer Cover Option *sum insured* will be reduced (if necessary) so that it is no greater than the Life Cover Death Benefit *sum insured* after the TPD payment.

When does the Double TPD Payout Benefit end?

The Double TPD Payout Benefit ends on the policy anniversary when you are age 65. Your TPD cover will then convert to the Single TPD Payout Benefit with a *modified TPD* definition. The premium will be recalculated based on our rates for the Single TPD Payout Benefit with the *modified TPD* definition increased by any loading factors which apply under this policy.

We will notify the policy owner within 30 days of this conversion taking place.

Buy Back Option (in-built feature of the Single TPD Benefit)

If the full Single TPD Payout Benefit has been paid before the policy anniversary where you are age 65, the policy owner can take out a new Life Cover policy (death and *terminal illness* cover only) for a *sum insured* equal to the amount of the TPD Benefit that was paid, without the need to provide further medical information. The new cover will be provided by the policy that in our opinion, is most comparable to the current Life Cover policy.

The option can only be taken up 12 months after the later of:

- » the date we receive your fully completed claim form; and
- » the date you meet the definition for *total and permanent disablement*.

We will write to the policy owner in the 30 days prior to the end of the 12 months when the Buy Back Option is available, enclosing an application form to complete and the terms and conditions of the new policy. The

option must be taken up within 30 days of the offer. If the option is taken up the new policy will begin once we have received the first premium and we will send the policy owner a new policy document.

Any exclusions or medical, occupational or pastimes loadings that applied to the original Life Cover policy may also apply to the new Life Cover policy. The terms and premiums payable on the Life Cover policy will be based on those offered to our Life Cover policies (or their equivalent) at that time.

Single Loss of Limb or Eye Benefit

The Single Loss of Limb or Eye Benefit is not available if the policy is owned through a superannuation arrangement.

A benefit will be paid if you suffer *single loss of limb or eye*. The minimum we will pay is \$10,000. The maximum we will pay is the lesser of:

- » 25% of the *sum insured* for the TPD Option; and
- » \$250,000.

We will pay a benefit under the Single Loss of Limb or Eye Benefit only once.

The TPD Option *sum insured* will be reduced by the payment made under the Single Loss of Limb or Eye Benefit and your premiums will be changed accordingly.

If the Single TPD Payout Benefit has been chosen, the Life Cover Death Benefit *sum insured* will also be reduced by the payment made under the Single Loss of Limb or Eye Benefit and your premiums will be changed accordingly.

If the Cancer Cover Option has been chosen the Cancer Cover Option *sum insured* will be reduced if necessary so that it is no greater than the Life Cover Death Benefit *sum insured* after the Single Loss of Limb or Eye Benefit

payment and your premiums will be changed accordingly.

The Buy Back Option is not available for the Single Loss of Limb or Eye Benefit.

Permanent Disability Increase Benefit

Certain events in life such as marriage, the birth of a child, or an increase in your salary may cause you to need to increase your TPD Option *sum insured*. The Permanent Disability Increase Benefit which is included under the TPD Option, allows you to increase your TPD Option without needing to provide any further medical information when certain changes in your circumstances occur (explained on pages 19 – 20).

The benefit does not apply:

- » if you or the policy owner is entitled to make a claim or we have accepted a claim or a benefit (other than for the Child Cover Option) has been paid under this policy;
- » if the Business Security Option applies;
- » if premiums are being waived under the Waiver of Premium Option until the policy anniversary immediately after you are no longer *disabled* and premiums recommence (explained on page 36); or
- » if the maximum TPD *sum insured* has been reached (explained on page 16);
- » to the *sum(s) insured* for the Child Cover Option (if applicable);
- » to the *sum insured* for Life Cover;
- » to the *sum insured* for the Cancer Cover Option (if applicable); or
- » to the *sum insured* for the Needlestick Option (if applicable).

Cancer Cover Option

If you are age 59 or under you can apply for the Cancer Cover Option.

The Cancer Cover Option allows you to apply for additional insurance that will pay you a benefit in the event you are diagnosed with *cancer*.

We will pay the Cancer Cover Option *sum insured* if you;

- » are diagnosed with *cancer*;
- » undergo *removal of the prostate as a result of carcinoma in situ of the prostate*; or
- » undergo *removal of the prostate as a result of early stage prostatic cancer*.

The minimum *sum insured* you can apply for is \$10,000.

The maximum *sum insured* you can apply for is the lesser of the Life Cover Death Benefit *sum insured* and \$2,000,000 (including any cover you apply for under the Recovery products).

If a claim event occurs that qualifies for both a full TPD and full Cancer Cover payment, the total payment will be no more than the *sum insured* of the Life Cover Death Benefit.

Partial Cancer Cover Benefit

If the Cancer Cover Option is chosen, we will pay you a Partial Cancer Cover Benefit if you are diagnosed with:

- » *carcinoma in situ of the breast*;
- » *carcinoma in situ of the cervix-uteri*;
- » *carcinoma in situ of the fallopian tube*;
- » *carcinoma in situ of the ovary*;
- » *carcinoma in situ of the prostate*;
- » *carcinoma in situ of the vagina*;
- » *carcinoma in situ of the vulva*;
- » *early stage chronic lymphocytic leukaemia*;
- » *early stage melanoma*; or
- » *early stage prostatic cancer*.

These conditions and procedures are defined in the Glossary on pages 121 – 132.

The amount paid will be the greater of:

- » \$10,000 and;
- » 15%, 17.5% or 20% of the Cancer Cover Option *sum insured* (whichever is relevant, explained on page 7).

We will pay a benefit under the Partial Cancer Cover Benefit only once.

When other benefits will be reduced

The Cancer Cover Option and Life Cover Death Benefit will be reduced by any payments made under the Cancer Cover Option and premiums will be changed accordingly.

If the Single TPD Payout Benefit has been chosen the TPD Option *sum insured* will be reduced, if necessary, so that it is no greater than the Life Cover Death Benefit *sum insured* after a payment under the Cancer Cover Option and premiums will be changed accordingly.

Unless this policy is a *replacement policy*, cover does not start under the Cancer Cover Option until the date 3 months after:

- » the commencement date; or
- » an increase to the *sum insured* is confirmed by us in writing (in respect of the increased portion only); or
- » the most recent reinstatement of the policy.

This means that you must first be diagnosed after cover for the Cancer Cover Option (or increase in the *sum insured* in respect of the increased portion) starts.

Buy Back Option (in-built feature of the Cancer Cover Option)

If the full Cancer Cover Option *sum insured* has been paid before the policy anniversary when you are age 65, the policy owner can take out a new Life Cover policy (death and *terminal illness* cover only) for a *sum insured* equal to the Cancer Cover Option that was paid without the need to provide further medical information. The new cover will be provided by the policy that in our opinion is most comparable to the current Life Cover policy.

The option can only be taken up 12 months after the later of:

- » the date we receive your fully completed claim form; and
- » the date you satisfy the definition for;
 - *cancer, or*
 - *removal of the prostate as a result of carcinoma in situ of the prostate, or*
 - *removal of the prostate as a result of early stage prostatic cancer.*

We will write to the policy owner in the 30 days prior to the end of the 12 months when the Buy Back Option is available, enclosing an application form to complete and the terms and conditions of the new policy. The option must be taken up within 30 days of the offer. If the option is taken up the new policy will begin once we have received the first premium and we will send the policy owner a new policy document.

Any exclusions or medical, occupational or pastimes loadings that applied to the original Life Cover policy may also apply to the new Life Cover policy. The terms and premiums payable on the Life Cover policy will be based on those offered to our Life Cover policies (or their equivalent) at that time.

Cancer Cover Increase Benefit

Certain events in life such as marriage, the birth of a child, or an increase in your salary may cause you to need to increase your Cancer Cover Option *sum insured*.

The Cancer Cover Increase Benefit, which is included under the Cancer Cover Option, allows you to increase your Cancer Cover Option *sum insured* without needing to provide any further medical information when certain changes in your circumstances occur (explained on page 19 – 20).

The benefit does not apply:

- » if the policy owner is entitled to make a claim or we have accepted a claim or a benefit has been paid under this policy (other than for Child Cover Option);
- » if premiums are being waived under the Waiver of Premium Option until the policy anniversary immediately after you are no longer *disabled* and premium payments recommence (explained on page 36);
- » if the maximum Cancer Cover *sum insured* has been reached (explained on page 33);
- » to the *sum(s) insured* for the Child Cover Option (if applicable);
- » to the *sum insured* for Life Cover;
- » to the *sum insured* for the TPD Option (if applicable); or
- » to the *sum insured* for the Needlestick Option (if applicable)

When does the Cancer Cover Option end?

The Cancer Cover Option ends on the earliest of the following:

- » payment of the full *sum insured* for the Cancer Cover Option;
- » the date we receive the policy owner's written request to cancel the Cancer Cover Option;

- » the policy anniversary when you are age 75;
- » the date on which all benefit entitlements under the policy end; and
- » the date cover ends under the policy (explained on page 29).

Child Cover Option

Where you apply for the Child Cover Option we provide the first \$10,000 Child Cover premium-free for each insured child.

A benefit under the Child Cover Option will be paid as a lump sum if the insured child:

- » dies;
- » suffers a *terminal illness*; or
- » suffers a condition or undergoes a procedure listed on page 61.

You can apply for cover up to a total maximum of \$200,000 per child across all Asteron policies for an additional premium.

The Child Cover Option is explained further on pages 61 – 62.

Needlestick Option

This option is available to selected health care professionals. Your financial adviser will tell you if your occupation entitles you to select this option.

We will pay the Needlestick Option *sum insured* if you become infected with *HIV-occupationally acquired* or *Hepatitis B or C – occupationally acquired* whilst working in your normal occupation.

You can apply for cover between \$50,000 and \$500,000 in multiples of \$50,000. The maximum *sum insured* for the Needlestick Option across all policies with Asteron is \$500,000. The Needlestick Option *sum insured* cannot exceed the Life Cover Death Benefit *sum insured*.

The Automatic Increase Benefit does not apply to the Needlestick Option.

The Needlestick Option ends on the earliest of the following:

- » payment of the full *sum insured* for the Needlestick Option;
- » the date we receive the policy owner's written request to cancel the Needlestick Option;
- » the policy anniversary when you are age 65;
- » the date on which all benefit entitlements under the policy end; and
- » the date cover ends under the policy (explained on page 29).

Waiver of Premium Option

If the Waiver of Premium Option applies we will waive the premiums for any period during which you are *disabled* and covered for this option as long as you have been continuously *disabled* for the previous 6 consecutive months (explained on page 21).

Business Security Option

The Business Security Option can be added to the Life Cover policy where the cover is for business purposes (for example, loan cover, buy/sell purposes, key man or partnership insurance). The option allows increases to the Life Cover Death Benefit and Single TPD Payout Benefit (if applicable) without needing to provide further medical information where the increase is financially justified. Any increases or decreases must be applied for in writing.

Where there is an increase or decrease premiums will be changed accordingly. The increase or decrease applies from the date we advise you of the new *sum insured* in writing subject to the premium being paid.

Eligibility Criteria for the Business Security Option

Maximum Entry Age	55
Minimum Sum Insured	\$250,000
Maximum Increase (Life Cover Death Benefit)	For the life of the policy the maximum the <i>sum insured</i> can be increased to is the lesser of up to 3 times the <i>sum insured</i> at policy commencement and \$10,000,000.
Maximum Increase (Single TPD Payout Benefit)	For the life of the policy the maximum the <i>sum insured</i> can be increased to is the lesser of up to 3 times the <i>sum insured</i> at policy commencement and \$3,000,000.
How often can you increase or decrease?	Once every 12 months.
How much can each increase be?	Up to the increase in value of the business purpose, subject to the maximums listed above.
Restrictions on increase for Loan Cover	If the increase in cover is related to a loan, for the first 6 months after the cover for the increase starts, the increase amount is only payable in the event of your <i>accidental death</i> or <i>accidental total and permanent disablement</i> (if applicable).
Expiry	The option expires on the earliest of: <ul style="list-style-type: none"> » the maximum increase limit for Life Cover Death Benefit <i>sum insured</i> and the TPD Option <i>sum insured</i> (if applicable) being reached; » when you are entitled to make a claim or we have accepted a claim or we have paid a benefit; » the policy anniversary 3 years after the latest decrease or increase in <i>sum insured</i>; » the date we receive the policy owner's written request to cancel the Business Security Option; » the policy anniversary when you are age 60; and » the date cover ends under the policy (explained on page 29).
Varied terms	The following benefits do not apply to the policy: <ul style="list-style-type: none"> » Financial Planning Benefit » Automatic Increase Benefit » Special Events Increase Benefit » Permanent Disability Increase Benefit » Buy Back Option » Double TPD Payout Benefit » Waiver of Premium Option » Child Cover Option » Cancer Cover Option » Needlestick Option.

For example if the Life Cover Death Benefit *sum insured* at inception is \$1,000,000, the Life Cover Death Benefit *sum insured* can increase to a total of \$3,000,000 over the life of the policy before the insured must provide further medical information.

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About Total and Permanent Disablement Stand Alone

Total and Permanent Disablement Stand Alone (TPD Stand Alone) is designed to pay a lump sum if you become *totally and permanently disabled*. The amount of cover you choose is called the *sum insured*.

Please familiarise yourself with the benefits you will receive and ask your financial adviser to explain anything you are not sure about.

TPD Stand Alone is also available if owned through an external superannuation arrangement but cannot be owned by the Asteron Life Superannuation Fund.

Summary of key benefits available under TPD Stand Alone

Included benefits	TPD Stand Alone	TPD Stand Alone through an external superannuation arrangement	Refer to page:
Total and Permanent Disablement Benefit	✓	✓	41
Single Loss of Limb or Eye Benefit	✓	✗	41
Limited Death Benefit	✓	✓	42
Automatic Increase Benefit	✓	✓	42
Premium Freeze Option	✓	✓	42
Financial Planning Benefit	✓	✓	42
Future Cover Benefit	✓	✓	42
Nominated Beneficiaries (Limited Death Benefit only)	✓	✗	42
Permanent Disability Increase Benefit	✓	✓	43
Guarantee of Upgrade	✓	✓	43

Optional benefits	TPD Stand Alone	TPD Stand Alone through an external superannuation arrangement	Refer to page:
Cancer Cover Option	✓	✗	44
Needlestick Option	✓	✗	45
Waiver of Premium Option	✓	✓	45
Child Cover Option	✓	✗	45

TPD Stand Alone in action



Jane Lee, nurse, single mother, and carer to elderly grandparents

Jane's parents had always instilled in her the value of insurance. As a single mother, with two small children, even when times were tough, Jane paid her premiums, knowing that she would always find money somewhere to provide for her family. Several times, Jane considered throwing away her policy with 'it won't happen to me!'

When Jane's elderly grandparents moved in with her, Jane used the 'increase event' trigger in her 'own' occupation TPD insurance to increase her sum insured. This was to ensure that if she was unable to

work as a nurse and provide for her, now very large family, that there would be enough money from her insurance to care for them all.

While driving up the coast to visit her parents one weekend, Jane was in a serious car accident. She sustained spinal injuries and a broken arm.

As a result, Jane now suffers from permanent restricted mobility and cannot stand for more than two hours a day. Her doctor told her that she would never be able to work at full capacity as a nurse again, given the physically demanding nature of her job, and the long shifts spent standing and walking around.

Jane received a lump sum payment from her TPD insurance. As she had 'own' occupation TPD Jane received the full sum insured, some of which she used to modify her house to account for her restricted mobility. Jane also received her income protection benefits for nine months, while in rehabilitation, before deciding she wanted to retrain and work part-time.

Jane now works two days a week as a receptionist and nurse at a local medical centre – a job which involves sitting for most of the day. Jane now receives partial benefits from her income protection insurance to supplement her income from the medical centre.

Based on a real claim. Names have been changed.

When we won't pay

There are some circumstances in which we will not pay a benefit (explained on pages 10 – 11).

Generally, payment of a benefit is subject to the acceptance of your claim and satisfaction of our claim requirements.

Under TPD Stand Alone for *loss of limbs or sight, activities of daily living, or significant cognitive impairment*, we will only consider you to be *totally and permanently disabled* if you survive at least 14 days.

When does the policy end

All cover ends on the earliest of:

- » the date we receive the policy owner's written request to cancel the policy;
- » cancellation of the policy for non-payment of the premium;
- » full payment of the TPD *sum insured*;
- » reduction of the *sum insured* to nil following a payment made by us;
- » the policy anniversary when you are age 65; and
- » your death.

Included benefits

The following benefits are automatically included under TPD Stand Alone.

Total and Permanent Disablement Benefit

The Total and Permanent Disablement (TPD) Benefit will be paid as a lump sum if you become *totally and permanently disabled*.

You can apply for one of two types of TPD definition, according to your individual needs. The type of coverage provided by each

definition is different, as is the cost. The two TPD definitions available are:

- » *any occupation TPD*; or
- » *own occupation TPD*.

TPD availability is restricted to certain occupation categories. Your financial adviser will tell you if your occupation entitles you to select this product.

If you are a *home-maker* when you make an application for a policy we will issue the policy with an *any occupation TPD* definition, which allows you to move in and out of the workforce without having to change the TPD definition. At claim time we will assess you under either the *home-maker* or *any occupation TPD* definition depending on whether you are in paid employment or a *home-maker*.

Single Loss of Limb or Eye Benefit

A benefit will be paid if you suffer *single loss of limb or eye*. The minimum we will pay is \$10,000. The maximum we will pay is the lesser of:

- » 25% of the *sum insured* for the TPD Benefit; and
- » \$250,000.

We will pay a benefit under the Single Loss of Limb or Eye Benefit only once.

The *sum insured* for the TPD Benefit will be reduced by the Single Loss of Limb or Eye Benefit payment and your premiums will be changed accordingly.

If the Cancer Cover Option has been chosen (explained on pages 43 – 44), the *sum insured* for the Cancer Cover Option will be reduced (if required) so that it is no greater than the TPD Benefit *sum insured* and premiums changed accordingly.

Limited Death Benefit

If you die, and the TPD Benefit is not payable, we will pay either the Limited Death Benefit of \$10,000, \$12,500 or \$15,000 (whichever is relevant, explained on page 7).

Automatic Increase Benefit

To help keep cover protected against inflation, the *sum insured* will increase on each policy anniversary by the greater of the *indexation factor* and 5% unless the policy owner elects not to accept the offer of the Automatic Increase Benefit by providing written notice within 30 days of the policy anniversary (explained on pages 17 – 18).

The Automatic Increase Benefit will not apply:

- » if the Premium Freeze Option applies,
- » to the Needlestick Option *sum insured* (if applicable),
- » to the Child Cover *sum insured* (if applicable).

Premium Freeze Option

This option allows you to fix premiums so that your premiums remain the same and the *sum insured* changes (usually decreases) each year (explained on pages 109 – 110).

Financial Planning Benefit

When the TPD Benefit, or, if applicable the Cancer Cover Option or Needlestick Option has been paid the recipient(s) of the payout may also be reimbursed \$1,500, \$2,000 or \$2,500 in total if they obtain financial planning advice (explained on page 17).

Grief Support Service

The Service helps you or your immediate family to start to come to terms with a reaction to grief.

The Service is available to you and your immediate family if we pay the TPD Benefit, or if applicable, the Cancer Cover Option,

Needlestick Option, or Child Cover Option.

The Service is also available to your immediate family if we pay the Limited Death Benefit (explained on pages 21 – 22).

Future Cover Benefit

If we have not paid the TPD Benefit before the expiry date, the policy will automatically convert to a Life Cover policy with Single TPD Payout Benefit (see page 31). The TPD definition will be *modified TPD* (see page 127).

The *sum insured* for the Life Cover policy will be the lesser of:

- » the *sum insured* for the TPD Benefit at the expiry date; and
- » \$50,000.

The new policy will be the policy that in our opinion is most comparable to the current Life Cover policy.

The new policy will begin once we have received the first premium and we will send the policy owner a new policy document.

Any exclusions or medical, occupational or pastimes loadings that applied to the original TPD Stand Alone policy may also apply to the new policy. The terms and premiums payable on the policy will be based on those offered to our Life Cover policies (or their equivalent) at that time.

Nominated Beneficiaries

When your policy is self-owned and not through superannuation, you can nominate beneficiaries (such as your partner or children) to receive the Limited Death Benefit.

By nominating a beneficiary, possible delays of obtaining probate and administering the estate can be avoided. It can also mean a claim can be processed more efficiently than if no nomination was made.

A nominated beneficiary must be an individual, a charitable foundation or a company. You can nominate up to 10 beneficiaries and change them at any time before your death.

In some circumstances the amount paid to nominated beneficiaries may be subject to court review.

Permanent Disability Increase Benefit

Certain events in life such as marriage, the birth of a child, or an increase in your salary may cause you to need to increase your TPD Benefit *sum insured*.

The Permanent Disability Increase Benefit allows you to increase your TPD Benefit without needing to provide any further medical information when certain changes in your circumstances occur (explained on pages 19 – 20).

The benefit does not apply:

- » if the policy owner is entitled to make a claim or we have accepted a claim or a benefit (other than for the Child Cover Option) has been paid under this policy;
- » if premiums are being waived under the Waiver of Premium Option until the policy anniversary immediately after you are no longer *disabled* and premiums recommence (explained on page 21);
- » if the maximum TPD Stand Alone *sum insured* has been reached (explained on page 16);
- » to the *sum(s) insured* for the Child Cover Option (if applicable);
- » to the *sum insured* for the Cancer Cover Option (if applicable);
- » to the *sum insured* for the Needlestick Option (if applicable).

Guarantee of Upgrade

If we make any improvements to the TPD Stand Alone product without any increase in our standard premium rates we will automatically provide them to you (explained on page 14).

Optional benefits

Cancer Cover Option

If you are age 59 or under you can apply for the Cancer Cover Option.

The Cancer Cover Option allows you to apply for additional insurance that will pay you a benefit in the event you are diagnosed with *cancer*.

We will pay the Cancer Cover Option *sum insured* if you;

- » are diagnosed with *cancer*;
- » undergo *removal of the prostate as a result of carcinoma in situ of the prostate*; or
- » undergo *removal of the prostate as a result of early stage prostatic cancer*.

The minimum *sum insured* you can apply for is \$10,000.

The maximum *sum insured* you can apply for is the lesser of the TPD Benefit *sum insured* and \$2,000,000 (including any cover you apply for under the Recovery products).

Partial Cancer Cover Benefit

If the Cancer Cover Option is chosen we will pay you a Partial Cancer Cover Benefit if you are diagnosed with:

- » *carcinoma in situ of the breast*;
- » *carcinoma in situ of the cervix-uteri*;
- » *carcinoma in situ of the fallopian tube*;
- » *carcinoma in situ of the ovary*;
- » *carcinoma in situ of the prostate*;
- » *carcinoma in situ of the vagina*;
- » *carcinoma in situ of the vulva*;

- » *early stage chronic lymphocytic leukaemia*;
- » *early stage melanoma*; or
- » *early stage prostatic cancer*.

These conditions and procedures are defined in the Glossary on pages 121 – 132.

The amount paid will be the greater of:

- » \$10,000 and;
- » 15%, 17.5% or 20% of the Cancer Cover Option *sum insured* (whichever is relevant, explained on page 7).

We will pay a benefit under the Partial Cancer Cover Benefit only once.

The Cancer Cover Option and TPD Stand Alone Benefit will be reduced by any payments made under the Cancer Cover Option and premiums will be changed accordingly.

Unless this policy is a *replacement policy*, cover does not start under the Cancer Cover Option until the date 3 months after:

- » the commencement date; or
- » an increase to the *sum insured* is confirmed by us in writing (in respect of the increased portion only); or
- » the most recent reinstatement of the policy.

This means that you must first be diagnosed after cover for the Cancer Cover Option (or increase in the *sum insured* in respect of the increased portion) starts.

Cancer Cover Increase Benefit

Certain events in life such as marriage, the birth of a child, or an increase in your salary may have an impact on the level of cover that is appropriate to your situation.

The Cancer Cover Increase Benefit, which is included under the Cancer Cover Option, enables you to increase your Cancer Cover Option *sum insured* without needing to provide any medical information when certain changes in your circumstances occur (explained on pages 19 – 20).

The benefit does not apply:

- » if the policy owner is entitled to make a claim or a benefit has been paid under this policy (other than for Child Cover);
- » if premiums are being waived under the Waiver of Premium Option until the anniversary immediately after you are no longer *disabled* and premiums recommence (explained on page 21);
- » if the maximum Cancer Cover *sum insured* has been reached (explained on page 16);
- » to the *sum insured* for the TPD Benefit;
- » to the *sum(s) insured* for the Child Cover Option (if applicable); or
- » to the *sum insured* for the Needlestick Option (if applicable).

When does the option end?

The Cancer Cover Option ends on the earliest of the following:

- » payment of the full *sum insured* for the Cancer Cover Option;
- » the date we receive the policy owner's written request to cancel the Cancer Cover Option;
- » the policy anniversary when you are age 65;
- » the date on which all benefit entitlements under the policy end; and
- » the date cover ends under the policy (explained on page 41).

Needlestick Option

This option is available to selected health care professionals. Your financial adviser will tell you if your occupation entitles you to select this option.

We will pay the Needlestick Option *sum insured* if you become infected with *HIV-occupationally acquired* or *Hepatitis B or C – occupationally acquired* whilst working in your normal occupation.

You can apply for cover between \$50,000 and \$500,000, in multiples of \$50,000. The maximum *sum insured* for the Needlestick Option across all policies with Asteron is \$500,000.

The Automatic Increase Benefit does not apply to the Needlestick Option.

The Needlestick Option ends on the earliest of the following:

- » payment of the full *sum insured* for the Needlestick Option;
- » the date we receive the policy owner's written request to cancel the Needlestick Option;
- » the date on which all benefit entitlements under the policy end; or
- » the date cover ends under the policy (explained on page 41).

Waiver of Premium Option

If the Waiver of Premium Option applies we will waive the premiums for any period during which you are *disabled* and covered for this option as long as you have been continuously *disabled* for the previous 6 consecutive months (explained on page 21).

Child Cover Option

Where you apply for the Child Cover Option we provide the first \$10,000 Child Cover premium-free for each insured child.

A benefit under the Child Cover Option will be paid as a lump sum if the insured child:

- » dies;
- » suffers a *terminal illness*; or
- » suffers a condition or undergoes a procedure listed on page 61.

You can apply for cover up to a total maximum of \$200,000 per child across all Asteron policies for an additional premium.

The Child Cover Option is explained further on pages 61 – 62.

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About Recovery products

Recovery Package and Recovery Stand Alone are designed to pay a benefit if you:

- » suffer a listed serious medical condition; or
- » undergo a listed procedure; or
- » become totally and permanently disabled.

Recovery Package also pays a benefit if you die or become *terminally ill*. The amount of cover you choose is called the *sum insured*.

Please familiarise yourself with the benefits you will receive and ask your financial adviser to explain anything you are not sure about.

Recovery products are not available to be owned through a superannuation fund.

Summary of key benefits available under Recovery products

Included benefits	Recovery Package	Recovery Stand Alone	Refer to pages:
Recovery Benefit	✓	✓	49 – 51
Partial Recovery Benefit	✓	✓	51 – 52
Funeral Advancement Benefit	✓	✗	52
Limited Death Benefit	✗	✓	52
Automatic Increase Benefit	✓	✓	52 – 53
Premium Freeze Option	✓	✓	53
Buy Back Option	✓	✗	53
Life Cover Conversion	✓	✗	53 – 54
Financial Planning Benefit	✓	✓	54
Future Cover Benefit	✗	✓	54
Nominated Beneficiaries	✓	✓	54
Recovery Increase Benefit	✓	✓	54 – 55
Guarantee of Upgrade	✓	✓	55
Optional benefits	Recovery Package	Recovery Stand Alone	Refer to pages:
Recovery Plus Option	✓	✓	55 – 56
Double Recovery Option	✓	✗	56 – 57
Recovery Reinstatement Option	✓	✓	57 – 58
Additional Life Cover	✓	✗	58 – 59
Waiver of Premium Option	✓	✓	59
Child Cover Option	✓	✓	59

Recovery Package in action



Maria Francis, home maker, wife, mother

Maria, 40 and Tony, 47 lived with their four year old twin daughters, and Tony's teenage son from a previous marriage.

Tony earned \$90,000 a year working in Information Technology, and frequently travelled interstate on business. Maria was a stay-at-home parent, but had been working one day a week as a marketing consultant since the twins started part-time pre-school.

Maria planned to return to work when the twins reached school age.

Maria and Tony saw their financial adviser when the girls were born, and asked how to best protect the family should anything happen to either of them. Their financial adviser recommended that they should insure Maria and Tony's lives. Their adviser calculated a total sum insured based on the cost of the childrens' child care, education, carer fees, medical expenses, as well as an ongoing income for the kids. They took out Life Cover and Recovery Package insurance.

A year later, Maria was diagnosed with ovarian cancer. The couple decided to use her Recovery benefits to pay off some debts, while Maria underwent treatment.

Based on a real claim. Names have been changed.

When we won't pay

There are some circumstances in which we will not pay a benefit (explained on page 10).

Generally, payment of a benefit is subject to the acceptance of your claim and satisfaction of our claim requirements.

If you have chosen Recovery Stand Alone you must survive 14 days from the diagnosis, or date of surgery or becoming totally and permanently disabled to be paid the Recovery or Partial Recovery Benefit (including under the Recovery Plus Option). If you do not survive 14 days we will pay the Limited Death Benefit (explained on page 52).

When does the policy end

All cover ends on the earliest of:

- » the date we receive the policy owner's written request to cancel the policy;
- » cancellation of the policy for non-payment of the premium;
- » full payment of the *sum insured* for the Recovery Benefit (Note: If there is any Additional Life Cover and no benefit has been paid under this Additional Life Cover, then the Additional Life Cover does not end);
- » the policy anniversary when you are age 75; and
- » your death.

Included benefits

The following benefits are automatically included under Recovery products.

Recovery Benefit

When the Recovery Benefit is payable depends on whether you choose Recovery Package or Recovery Stand Alone.

The differences are illustrated below:

Event	Recovery Package	Recovery Stand Alone
You die or suffer <i>terminal illness</i>	✓	✗
You are diagnosed with one of the conditions below, or undergo major surgery listed below	✓	✓
You suffer total and permanent disablement (TPD) (explained on page 50)	✓	✓

Conditions and major surgery procedures covered

<i>aplastic anaemia</i>	<i>intracranial benign tumour</i>
<i>blindness</i>	<i>loss of independent existence</i>
<i>cancer*</i>	<i>loss of limbs or sight</i>
<i>cardiomyopathy</i>	<i>loss of speech</i>
<i>chronic kidney (renal) failure</i>	<i>major head trauma</i>
<i>chronic liver failure</i>	<i>major organ transplant</i>
<i>chronic lung failure</i>	<i>meningitis</i>
<i>coma</i>	<i>Motor Neurone Disease</i>
<i>coronary artery angioplasty – triple vessel*</i>	<i>Multiple Sclerosis</i>
<i>coronary artery surgery*</i>	<i>Muscular Dystrophy</i>
<i>Creutzfeldt-Jakob Disease</i>	<i>out of hospital cardiac arrest*</i>
<i>deafness</i>	<i>paralysis</i>
<i>dementia</i>	<i>Parkinson's Disease</i>
<i>encephalitis</i>	<i>primary pulmonary hypertension</i>
<i>heart attack*</i>	<i>repair or replacement of aorta*</i>
<i>heart surgery (open)*</i>	<i>repair or replacement of valves*</i>
<i>HIV – medically acquired</i>	<i>severe burns</i>
<i>HIV – occupationally acquired</i>	<i>severe rheumatoid arthritis</i>
<i>insertion of a pacemaker*</i>	<i>significant cognitive impairment</i>
<i>intensive care</i>	<i>stroke*</i>

These conditions and procedures are defined in the Glossary on pages 121 – 132.

Unless you are applying for the policy as a *replacement policy*, cover does not start for conditions or major surgery procedures marked * until the date 3 months after:

- » the policy commencement date; or
- » an increase to the *sum insured* is confirmed by us in writing (in respect of the increased portion only); or
- » the most recent reinstatement of the policy.

This means that:

- » the *cancer* must be first diagnosed;
- » the *heart attack, out of hospital cardiac arrest* or *stroke* must first occur; or
- » the disease or condition which the *coronary artery angioplasty – triple vessel, coronary artery surgery, heart surgery (open), insertion of a pacemaker, repair or replacement of aorta, or repair or replacement of valves*, as the case may be, is intended to address, must be first diagnosed,

after cover for that condition or major surgery (or increase in the *sum insured* in respect of the increased portion) starts.

TPD

TPD availability is restricted to certain occupation categories. Your financial adviser will provide more details. You can also remove this coverage at the time of application.

You can apply for one of two types of TPD definition according to your individual needs. The type of coverage provided by each definition is different. The two TPD definitions available are:

- » own occupation TPD; or
- » any occupation TPD.

Own occupation TPD

If the own occupation definition of TPD applies, we will consider you to be totally and permanently disabled if:

- » you have suffered a *sickness* or *injury* while working in regular employment for income, or while *unemployed* for less than 12 consecutive months; and
- » you have been absent from and unable to work because of the *sickness* or *injury* for a continuous period of at least 6 consecutive months; and
- » in our opinion, after consideration of medical and any other evidence, you are incapacitated to such an extent that you are unlikely ever to be able to work again in the occupation in which you were last engaged before becoming unable to work.

We will reduce the period that you have to have been absent from and unable to work because of the *sickness* or *injury* for a continuous period of 6 consecutive months to 3 consecutive months where medical evidence clearly indicates that you will be unable to work for a period of at least 6 consecutive months.

If you have been *unemployed* for more than 12 consecutive months immediately before suffering a *sickness* or *injury*, the any occupation TPD definition (explained below) will apply.

Any occupation

If the any occupation definition of TPD applies, we will consider you to be totally and permanently disabled if:

- » you have suffered a *sickness* or *injury*;
- » you have been absent from and unable to work because of the *sickness* or *injury* for a continuous period of at least 6 consecutive months; and

- » in our opinion, after consideration of medical and any other evidence, that you are incapacitated to such an extent that you are unlikely ever to be able to work again in any occupation for which you are reasonably suited by education, training or experience which would pay remuneration at a rate greater than 25% of your earnings during your last 12 consecutive months of work.

We will reduce the period that you have to have been absent from and unable to work because of the *sickness* or *injury* for a continuous period of 6 consecutive months to 3 consecutive months where medical evidence clearly indicates that you will be unable to work for a period of at least 6 consecutive months.

Home-maker

In recognition of the unique duties performed by people who remain at home full-time within both our own occupation and any occupation definition of TPD we have a specific home-maker definition.

You are a *home-maker* if you have been engaged *full-time* in *normal domestic duties* in your own residence for more than 6 consecutive months.

We will consider you to be totally and permanently disabled if:

- » you have suffered a *sickness* or *injury*;
- » you are unable to engage in any *normal domestic duties* because of the *sickness* or *injury* for a continuous period of at least 6 consecutive months; and
- » in our opinion, after consideration of medical and any other evidence, that you are incapacitated to such an extent that you are unlikely ever to be able to:
 - perform *normal domestic duties*; and
 - engage in any occupation for which you are reasonably suited by education, training or experience.

We will reduce the period that you have to have been absent from and unable to engage in any *normal domestic duties* because of the *sickness* or *injury* for a continuous period of at least 6 consecutive months to 3 consecutive months where medical evidence clearly indicates that you will be unable to work for a period of at least 6 consecutive months.

If you are a *home-maker* when you make an application for a policy we will issue the policy with an any occupation TPD definition, which allows you to move in and out of the workforce without having to change the TPD definition. At claim time we will assess you under either the *home-maker* or any occupation TPD definition depending on whether you are in paid employment or a home-maker.

Partial Recovery Benefit

We will pay you a Partial Recovery Benefit if you:

- » are diagnosed with *carcinoma in situ of the breast**;
- » are diagnosed with *carcinoma in situ of the fallopian tube**;
- » are diagnosed with *carcinoma in situ of the prostate**;
- » are diagnosed with *carcinoma in situ of the vagina**;
- » are diagnosed with *carcinoma in situ of the vulva**;
- » undergo *coronary artery angioplasty*;
- » are diagnosed with *early stage prostatic cancer**;
- » suffer a *serious accidental injury*; or
- » suffer a *single loss of limb or eye*.

These conditions and procedures are defined in the Glossary on pages 121 – 132.

The amount paid for all conditions other than *single loss of limb or eye* will be the greater of:

- » \$10,000 and;
- » 15%, 17.5% or 20% of the *sum insured* (whichever is relevant, explained on page 7).

For example, if the Recovery Benefit sum insured is \$60,000, and the Partial Recovery event occurs in the first 2 years of the policy then we will pay \$10,000 (which is the greater of \$10,000 and 15% of the *sum insured*). However, if the *sum insured* is \$500,000 we will pay \$75,000 (which is 15% of the *sum insured*).

The amount we will pay for *single loss of limb or eye* is the greater of:

- » \$10,000; and
- » 25% of the *sum insured* for the Recovery Benefit.

The benefit will be paid once for each of the following:

- » *carcinoma in situ of the breast**; or *carcinoma in situ of the fallopian tube**; or *carcinoma in situ of the prostate**; or *carcinoma in situ of the vagina**; or *carcinoma in situ of the vulva**; or
- » *early stage prostatic cancer**; or
- » *serious accidental injury*; or
- » *single loss of limb or eye*.

For *coronary artery angioplasty* the benefit will be paid for:

- » the first *coronary artery angioplasty* to occur after the cover for this starts; and
- » each subsequent *coronary artery angioplasty* to occur at least 6 months after the previous *coronary artery angioplasty*.

The Recovery Benefit *sum insured* will be reduced by each payment made under the Partial Recovery Benefit and your premiums will be changed accordingly.

Unless you are applying for the policy as a *replacement policy*, cover does not start for the conditions marked * until the date 3 months after:

- » the policy commencement date; or
- » an increase to the *sum insured* is confirmed by us in writing (in respect of the increased portion only); or
- » the most recent reinstatement of the policy.

This means that:

- » the carcinoma in situ in any of the above sites must first be diagnosed; or
- » the disease or condition which the *coronary artery angioplasty* is intended to address must first be diagnosed,

after cover for that condition (or increase in the *sum insured* in respect of the increased portion) starts.

Funeral Advancement Benefit

If you have chosen Recovery Package, the Funeral Advancement Benefit is an advance payment of \$10,000, \$12,500 or \$15,000 (whichever is relevant) of the Recovery Benefit *sum insured* if you die in order to help meet immediate expenses (explained on page 16).

Limited Death Benefit

If you choose Recovery Stand Alone and you die but no Recovery Benefit is payable, we will pay the Limited Death Benefit of \$10,000, \$12,500 or \$15,000 (whichever is relevant, explained on page 7).

Automatic Increase Benefit

To help keep cover protected against inflation, the *sum insured* will increase on each policy anniversary by the greater of the *indexation*

factor and 5% unless the policy owner elects not to accept the offer of the Automatic Increase Benefit by providing written notice within 30 days of the policy anniversary (explained on pages 17 – 18).

The Automatic Increase Benefit will not apply:

- » if the Premium Freeze Option applies;
- » if premiums are being waived because we paid the Recovery Benefit under the Double Recovery Option;
- » to the Child Cover *sum insured* (if applicable).

Premium Freeze Option

This option allows you to fix premiums so that your premiums remain the same and the *sum insured* changes (usually decreases) each year (explained on pages 109 – 110).

Buy Back Option

If you have chosen Recovery Package and the Recovery Benefit has been paid before the policy anniversary when you are age 65 (other than for death or *terminal illness*) and the Double Recovery Option does not apply, the policy owner can take out a new Life Cover policy (death and *terminal illness* cover only) equal to the amount of the Recovery Benefit (excluding any booster payments made under the Recovery Plus Option if applicable) that was paid without the need to provide further medical information. The new cover will be provided by the policy that in our opinion is most comparable to the current Life Cover policy.

The option can only be taken up 12 months after the later of:

- » the date we receive your fully completed claim form; and
- » the date you satisfy the criteria for the Recovery Benefit.

We will write to the policy owner in the 30 days prior to the end of the 12 months when the Buy Back Option is available, enclosing an application form to complete and the terms and conditions of the new policy. The option must be taken up within 30 days of the offer. If the option is taken up the new policy will begin once we have received the first premium and we will send the policy owner a new policy document.

Any exclusions or medical, occupational or pastimes loadings that applied to the original Recovery Package policy may also apply to the new Life Cover policy. The terms and premiums payable on the Life Cover policy will be based on those offered to our Life Cover policies (or their equivalent) at that time.

Life Cover Conversion

If you have chosen the Recovery Package and we have not paid the Recovery Benefit, the policy can be converted to a Life Cover policy with the same *sum insured* at any time by providing us with a written request. On the policy anniversary at age 75, the Recovery Package will automatically convert to a Life Cover policy with the same *sum insured*. The new cover will be provided by the policy that in our opinion is most comparable to the current Life Cover policy.

The new policy will include the Single TPD Payout Benefit (explained on page 31 – 32) and the definition of TPD will be the equivalent of *loss of independent existence, loss of limbs or sight* and *significant cognitive impairment*.

If you are under age 65 at the time of conversion and the Recovery Package policy included own or any occupation TPD then this will also apply to the new policy.

The terms and premiums payable on the Life Cover policy and TPD Option will be based on those offered to our Life Cover policies (or their equivalent) at that time.

The new policy will begin once we have received the first premium and we will send the policy owner a new policy document.

Any exclusions or medical, occupational or pastimes loadings that applied to the original Recovery Package policy may also apply to the new Life Cover policy and TPD Option (if applicable).

Financial Planning Benefit

When the Recovery Benefit has been paid, the recipient(s) of the payout may also be reimbursed \$1,500, \$2,000 or \$2,500 in total (whichever is relevant) if they obtain financial planning advice (explained on page 17).

Grief Support Service

The Service helps you or your immediate family to start to come to terms with a reaction to grief.

The Service is available to you and your immediate family if we pay the Recovery Benefit, or if applicable the Child Cover Option (explained on pages 21 – 22).

Future Cover Benefit

If you have chosen Recovery Stand Alone and we have not paid the Recovery Benefit before the expiry date, the policy will automatically convert to a Life Cover policy with Single TPD Payout Benefit. The TPD definition will be the equivalent of *loss of independent existence, loss of limbs or sight and significant cognitive impairment*.

The *sum insured* for the Life Cover policy will be the lesser of:

- » the *sum insured* for the Recovery Benefit at the expiry date; and
- » \$50,000.

The new policy will be the policy that in our opinion is most comparable to the current Life Cover and TPD Option policy.

The terms and premiums payable on the policy will be based on those offered to our Life Cover policies (or their equivalent) at that time.

The new policy will begin once we have received the first premium. We will notify the policy owner within 30 days of the conversion taking place and send the policy owner a new policy document.

Any exclusions or medical, occupational or pastimes loadings that applied to the original Recovery Stand Alone policy may also apply to the new policy.

Nominated Beneficiaries

If your policy is self-owned, you can nominate beneficiaries (such as your partner or children) to receive the benefit if you die (apart from any advance payment under the Funeral Advancement Benefit).

By nominating a beneficiary, possible delays of obtaining probate and administering the estate can be avoided. It can also mean a claim can be processed more efficiently than if no nomination was made.

A nominated beneficiary must be an individual, a charitable foundation or a company. You can nominate up to 10 beneficiaries and change them at any time before your death.

In some circumstances the amount paid to nominated beneficiaries may be subject to court review.

Recovery Increase Benefit

Certain events in life such as marriage, the birth of a child, or an increase in your salary may cause you to need to increase your Recovery Benefit *sum insured*.

The Recovery Increase Benefit allows you to increase your Recovery Benefit without needing to provide any further medical information when certain changes in your

circumstances occur (explained on pages 19 – 20).

The benefit does not apply:

- » if the policy owner is entitled to make a claim or a claim has been accepted or a benefit under the policy has been paid (other than for the Child Cover Option);
- » if premiums are being waived under the Waiver of Premium Option until the policy anniversary immediately after you are no longer *disabled* and premiums recommence (explained on page 21);

- » if the Recovery Benefit maximum *sum insured* has been reached (explained on page 16); or
- » to the *sum insured* for the Child Cover Option (if applicable).

Guarantee of Upgrade

If we make any improvements to the Recovery products without any increase in our standard premium rates we will automatically provide them to you (explained on page 14).

Optional benefits

Recovery Plus Option

If you choose this option we will boost the payment for some conditions covered under the Recovery Benefit, cover additional conditions under the Recovery Benefit and pay a Partial Recovery Benefit for additional conditions as listed below.

Condition	Benefit Paid
You undergo: <ul style="list-style-type: none"> » <i>removal of the prostate as a result of carcinoma in situ of the prostate*</i>; or » <i>removal of the prostate as a result of early stage prostatic cancer*</i>. 	The Recovery Benefit <i>sum insured</i> .
You are diagnosed with or suffer: <ul style="list-style-type: none"> » <i>blindness</i>; » <i>Motor Neurone Disease</i>; » <i>Muscular Dystrophy</i>; » <i>paralysis</i>; or » <i>severe burns</i>. 	The Recovery Benefit <i>sum insured</i> boosted by an additional 25% to a total maximum of \$2,000,000.
You are diagnosed with: <ul style="list-style-type: none"> » <i>carcinoma in situ of the cervix-uteri*</i>; » <i>carcinoma in situ of the ovary*</i>; » <i>early stage melanoma*</i>; » <i>early stage chronic lymphocytic leukaemia*</i>; » <i>hydrocephalus</i>; » <i>severe Crohn's disease</i>; » <i>before age 50 severe osteoporosis</i>; or » <i>severe ulcerative colitis</i>. 	Partial Recovery Benefit of 15%, 17.5% or 20% of the Recovery Benefit <i>sum insured</i> (whichever is relevant, explained on page 7).
You undergo a: <ul style="list-style-type: none"> » <i>colostomy and/or ileostomy</i>. 	
You suffer: <ul style="list-style-type: none"> » <i>major burns</i>. 	

These conditions and procedures are defined in the Glossary on pages 121 – 132.

The Recovery Benefit *sum insured* will be reduced by each payment made under the Partial Recovery Benefit of the Recovery Plus Option and your premiums will be changed accordingly.

The benefit will be paid once for each of the following:

- » *carcinoma in situ the cervix-uteri** or *carcinoma in situ of the ovary** or *early stage lymphocytic leukaemia** or *early stage melanoma**;
- » *colostomy and/or ileostomy*;
- » *hydrocephalus*;
- » *major burns*;
- » *severe Crohn's disease*;
- » *severe osteoporosis*; or
- » *severe ulcerative colitis*.

Unless you are applying for the policy as a *replacement policy*, cover does not start for conditions marked * until the date 3 months after:

- » the policy commencement date; or
- » an increase to the *sum insured* is confirmed by us in writing (in respect of the increased portion only); or
- » the most recent reinstatement of the policy.

This means that the:

- » *removal of the prostate as a result of carcinoma in situ of the prostate*; or
- » *removal of the prostate as a result of early stage prostatic cancer*; or
- » *carcinoma in situ of the cervix-uteri*; or
- » *carcinoma in situ of the ovary*; or
- » *early stage melanoma*; or
- » *early stage chronic lymphocytic leukaemia*

must first be diagnosed after cover for that condition (or increase in the sum insured in respect of the increased portion) starts.

Double Recovery Option

If you have chosen the Recovery Package and the Double Recovery Option applies, if we have paid the Recovery Benefit (other than for death or *terminal illness*), rather than having to wait 12 months to buy back your death and *terminal illness* cover, we will reinstate this cover if you are alive and 14 days have passed since:

- » you were first diagnosed with the condition listed on page 49 or page 55 if the Recovery Plus Option applies for which the Recovery Benefit was paid; or
- » you underwent the major surgery listed on page 49 or page 55 if the Recovery Plus Option applies for which the Recovery Benefit was paid; or
- » the benefit was paid due to your total and permanent disablement.

We will reinstate the Recovery Benefit *sum insured* (excluding any booster payments made under the Recovery Plus Option, if applicable) but only for death and *terminal illness* cover, and waive your premiums for the remaining life of the policy.

Terms and conditions of the reinstated premium-free death and terminal illness cover

The *sum insured* will be payable if you die or suffer *terminal illness*. The sum insured cannot be increased.

When we won't pay

We will not pay a benefit on death if death is caused directly or indirectly by a self-inflicted act, whether sane or insane, within 13 months of:

- » the commencement date of the Recovery Package policy;
- » an increase to the sum insured on the Recovery Package policy (in respect of the increased portion only); or

- » the most recent reinstatement of the Recovery Package policy.

This exclusion will not apply if before death, there was a registered assignment of the policy to another person or company as part of a genuine business or genuine loan transaction which we determine was entered into in good faith.

When does the policy end

All cover ends on the earliest of:

- » the date we receive the policy owner's written request to cancel the policy;
- » full payment of the *sum insured*;
- » the policy anniversary when you are age 99; and
- » your death.

Included benefits

- » Guarantee of Upgrade (explained on page 14)
- » Funeral Advancement Benefit (explained on pages 16 – 17)
- » Financial Planning Benefit if you die or are diagnosed as *terminally ill* (explained on page 17)

We will confirm the reinstatement in writing and send you a new policy document.

Cover for the Double Recovery Option ends on the policy anniversary when you are age 65.

Recovery Reinstatement Option

If the Recovery Reinstatement Option applies and we have paid the Recovery Benefit (other than for total and permanent disablement, *loss of independent existence, significant cognitive impairment, loss of limbs or sight, terminal illness* or death) you can purchase a new Recovery Stand Alone policy (excluding TPD) without providing further medical information. The new policy can have a *sum insured* up to 100% of the Recovery Benefit payment

(excluding any booster payments made under the Recovery Plus Option if applicable) to a maximum of \$1,000,000.

The Recovery Plus Option is available on the new policy provided it applied to the original policy at the time of claim.

For example, if your original Recovery Benefit payment was \$750,000 your new *sum insured* can be up to \$750,000. If your original Recovery Benefit payment was \$1,200,000 your new *sum insured* can be up to \$1,000,000.

The new policy can be bought 12 months after the later of:

- » the date we receive your fully completed claim form; and
- » the date you suffer one of the conditions or undergo one of the major surgeries listed on page 49 and page 55 if the Recovery Plus Option applies.

We will write to the policy owner when the option is available enclosing an application form to complete and the terms and conditions of the new policy. The option must be taken up within 30 days of the offer.

The new policy will begin once we have received the first premium and we will send the policy owner a new policy document.

Any exclusions or medical, occupational or pastimes loadings that applied to the original Recovery Package or Recovery Stand Alone policy will also apply to the new Recovery Stand Alone policy. The terms and premiums payable on the policy will be based on those offered to our Recovery Stand Alone (or equivalent) policies at that time.

The following benefits and options will not apply to the new policy:

- » Recovery Increase Benefit;

- » Future Cover Benefit;
- » Recovery Reinstatement Option;
- » Total and Permanent Disablement; and
- » Waiver of Premium Option (and if premiums were being waived under the Waiver of Premium Option for the original policy, the waiver will not apply to the new Recovery Stand Alone Policy).

We will pay a claim under your new Recovery Benefit, if your:

- » new policy commences; and
- » diagnosis or symptoms/circumstances that lead to diagnosis of one of the listed conditions or major surgeries first occurs after the new policy commences; and
- » condition or major surgery is not excluded below.

The following conditions or major surgeries will be excluded and we will not pay a claim under your new policy if:

- » the condition is *loss of limbs or sight, loss of independent existence or significant cognitive impairment*;
- » the condition is the same listed condition or major surgery that the original Recovery Benefit was paid for or the condition is directly or indirectly caused by or related to the listed condition or major surgery that the original Recovery Benefit was paid for;
- » the Partial Recovery Benefit condition is the type of condition for which a Partial Recovery Benefit was paid on the original policy, including a payment under the Recovery Plus Option (if applicable);
- » the condition is a Heart Condition and the original Recovery Benefit payment was also for a Heart Condition; or
- » the condition is a *stroke or paralysis* (directly or indirectly resulting from a *stroke*) and the

original Recovery Benefit payment was for a Heart Condition.

Heart Condition means any of the following serious medical conditions or types of major surgery:

- » *cardiomyopathy*
- » *coronary artery angioplasty*
- » *coronary artery angioplasty – triple vessel*
- » *coronary artery surgery*
- » *heart attack*
- » *heart surgery (open)*
- » *insertion of a pacemaker*
- » *out of hospital cardiac arrest*
- » *primary pulmonary hypertension*
- » *repair or replacement of aorta*
- » *repair or replacement of valves*

As defined in the Glossary on pages 121 – 132.

Cover for the Recovery Reinstatement Option ends of the policy anniversary when you are age 65.

Additional Life Cover

If you have chosen Recovery Package you can purchase extra death, *terminal illness* and total and permanent disablement (optional) cover to 'top up' your Recovery Package policy by taking Additional Life Cover.

This will provide extra financial security in the event of death or TPD (if applicable). The premiums, benefits and other details will be based on those offered under the Life Cover policy (explained on pages 27 – 37). Please note that the Grief Support Service, Financial Planning Benefit, Funeral Advancement Benefit, and Business Security Option do not apply to Additional Life Cover. You can add the Cancer Cover Option as an additional benefit

under the Additional Life Cover subject to maximum sums insured (explained on page 33).

Waiver of Premium Option

If the Waiver of Premium Option applies we will waive the premiums for any period during which you are *disabled* and covered for this option as long as you have been continuously disabled for the previous 6 consecutive months (explained on page 21).

Child Cover Option

Where you apply for the Child Cover Option we provide the first \$10,000 Child Cover premium-free for each insured child.

A benefit under the Child Cover Option will be paid as a lump sum if the insured child:

- » dies;
- » suffers a *terminal illness*; or
- » suffers a condition or undergoes a procedure listed on page 61.

You can apply for additional premium paying cover up to a total maximum of \$200,000 per child across all Asteron policies.

The Child Cover Option is explained further on page 61.

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About the Child Cover Option

The Child Cover Option is not available if the policy is owned through a superannuation fund

Where you apply for the Child Cover Option we provide the first \$10,000 Child Cover premium-free for each insured child.

You can apply to attach the Child Cover Option to Life Cover, TPD Stand Alone, or Recovery products.

Each child can be covered for a total *sum insured* between \$10,000 and \$200,000 per child across all Asteron policies (including the premium-free \$10,000 cover), in multiples of \$10,000.

We will pay the total *sum insured* only once for each insured child.

Payment of the Child Cover Option *sum insured* does not reduce the *sum insured* paid under any other benefit.

When we won't pay

There are some circumstances in which we will not pay a benefit (explained on pages 10 – 11).

Generally, payment of a benefit is subject to the acceptance of your claim and satisfaction of our claim requirements.

When does the Child Cover Option end?

The Child Cover Option for an insured child will end on the earliest of:

- » the date we receive the policy owner's written request to cancel the policy or the Child Cover Option;
- » when the Child Cover Option *sum insured* is paid in full for that insured child;
- » the policy anniversary when the insured child is age 21;

- » the date cover under the policy ends (explained for Life Cover on page 29, TPD Stand Alone on page 41, Recovery products on page 49);
- » the date the Child Cover Option is converted to a Recovery Package policy; and
- » the date the insured child dies.

The Automatic Increase Benefit, Premium Freeze Option, Special Events Increase Benefit, Permanent Disability Increase Benefit, Cancer Cover Increase Benefit and Recovery Increase Benefit do not apply to the Child Cover Option.

Child Cover Option

We will pay the Child Cover Option *sum insured* if the insured child:

- » dies;
- » suffers a *terminal illness*; or
- » suffers one of the following serious medical conditions or undergoes one of the following procedures:
 - *blindness*
 - *brain damage*
 - *cancer**
 - *cardiomyopathy*
 - *chronic kidney (renal) failure*
 - *deafness*
 - *encephalitis*
 - *intensive care*
 - *intracranial benign tumour*
 - *loss of limbs or sight*
 - *loss of speech*
 - *major head trauma*
 - *major organ transplant*
 - *meningitis*
 - *paralysis*
 - *severe burns*
 - *stroke**

These conditions and procedures are defined in the Glossary on pages 121 – 132.

Unless you are applying for the policy as a *replacement policy*, cover does not start for the insured child under this option for conditions marked * until the date 3 months after:

- » the policy commencement date; or
- » an increase to the *sum insured* is confirmed by us in writing (in respect of the increased portion only); or
- » the most recent reinstatement of the policy.

This means that:

- » the *cancer* must be first diagnosed; or
- » the *stroke* must first occur,

after cover for that condition (or increase in the *sum insured* in respect of the increased portion) starts.

Partial Child Cover Benefit

We will pay \$10,000 if the insured child suffers:

- » a *serious accidental injury*, or
- » *single loss of limb or eye*.

The Partial Child Cover Benefit is paid once only in respect of each listed condition for each insured child.

The Child Cover Option *sum insured* will be reduced by the amount paid under this benefit and the premium will change accordingly. If the *sum insured* is reduced to nil cover under this option ends.

These conditions and procedures are defined in the Glossary on pages 121 – 132.

Child Cover Increase Benefit

This benefit enables the policy owner to automatically increase the Child Cover Option *sum insured* without the need for further medical information when the insured child

turns 6, 10, 14 and 18 (explained on pages 19 – 20).

The Child Cover Increase Benefit does not apply if the policy owner is entitled to make, or we have accepted a claim, or we have paid a benefit for the insured child under this policy.

New Policy Option

From the insured child's 18th birthday and before the Child Cover Option ends, if no benefit has become payable for the insured child under the Child Cover Option, the policy owner can continue the child's cover under a Recovery Package policy without TPD. The new cover will be provided by the policy that in our opinion is most comparable to the current Recovery Package policy.

If the new policy is for the same amount of cover as the original policy, you will not need to provide any further medical information. The terms and premiums payable on the policy will be based on those offered to our policies at that time. The policy owner must apply and pay the first premium within 30 days of the expiry date of the Child Cover Option.

The new policy will begin once we have received the first premium and we will send the policy owner a new policy document.

Any exclusions, medical or pastimes loadings that applied to the original Child Cover Option may also apply to the new Recovery Package policy.

Protecting your children

Michael and Lucy O'Donnell had two children, Isabella and James.

When the kids were school-aged they visited their financial adviser for a review of their finances. Their adviser recommended they take out Child Cover Insurance on James and Isabella's lives.

Two years later, James began experiencing back pain and symptoms like pneumonia. Lucy took him to their GP and he was referred to a specialist. The specialist confirmed the unthinkable had occurred, James was diagnosed with Lymphoblastic Lymphoma.

The prognosis was alarming. James was classified in the "high risk group" because of the aggressive growth of the tumour and the 90% chance of it relapsing.

James started chemotherapy straight away and had five consecutive days of chemotherapy for twelve weeks. On nine occasions, James was admitted to theatre for lumbar punctures and bone marrow biopsies.

Lucy left work to be at James' bedside to support him through treatment. Isabella and James' school raised money for toys and games to keep James busy during his treatment.

The insurance company provided the O'Donnells with a claim cheque for \$50,000 within a week of the claim being notified. The O'Donnells used the money to fund James' treatment and to pay the ongoing bills that would have been outstanding, as Lucy was no longer working.

James is now back at school, but he still has a couple of years before the doctors can give him the all clear.



James O'Donnell, primary school student and full-time kid

Based on a real claim. Names have been changed.

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About Income Protector and Income Advantage

Asteron Lifeguard's Income Protection products (Income Protector and Income Advantage) are designed to pay a *monthly benefit* if you become *disabled* and are unable to work due to *sickness or injury*.

Who can apply?

You can apply for Income Protection if you work at least 30 hours per week. If your occupation class is AA, A1 or A2 you can apply for Income Advantage or Income Protector. If your occupation class is B, C or S you can apply for Income Protector. Your financial adviser will tell you what occupation class you are in.

Income Protection purchased by a superannuation fund other than the Asteron Life Superannuation Fund

Asteron Income Protector or Income Advantage can be purchased by a superannuation fund trustee other than Asteron Portfolio Services Limited.

Unless that trustee has an appropriate determination from APRA or the Commissioner of Taxation to the contrary, the allowable deduction for premiums will only be available to the extent that the premiums relate to benefit periods of two years or less.

The trustee of that fund is solely responsible for ensuring that they have received independent financial and taxation advice about their ability to purchase one of the Asteron products. Asteron will make all payments to the trustee of the superannuation fund.

We strongly recommend that the trustee specifically requests advice in relation to the tax deductibility of premiums, the impact of the sole purpose test requirements of the Superannuation Industry (Supervision) Act 1993 (SIS) on the purchase of income

protection and information regarding the release of any insurance payments received by the trustee from the insurer.

Benefits paid into the fund under the policy may be assessable income of the fund. The payment of the proceeds out of the fund to the member is not tax deductible. The amount is assessable as income to the member and taxed at their marginal rate of tax. This is because the benefits replace income that would be assessable income.

How much cover can I apply for?

You can apply to insure up to:

- » 75% of the first \$250,000 of your annual insurable income;
- » 50% of the next \$150,000 of your annual insurable income;
- » 25% of the next \$100,000 of your annual insurable income; and
- » 15% of the next \$500,000 of your annual insurable income.

To determine your *monthly benefit*, these figures are divided by 12.

If you have chosen the SuperSaver Option you can apply to insure a higher *Total Monthly Benefit* (explained on pages 85 – 86).

The maximum *Total Monthly Benefit* you can apply for is \$30,000.

For example, if you earn \$100,000 per year, and have not chosen the SuperSaver Option you can apply for a *monthly benefit* of up to \$6,250.

Recovery and income protection



Ross Detersen, accountant, husband and new father

I have been an accountant for more than 10 years, and have always been aware of the value of life insurance. But, it wasn't until I started my own business that I went and saw a financial planner colleague who recommended I take out life insurance for the first time. I didn't realise it at the time, but this would end up being one of the best financial decisions I would ever make.

My friend and planner recommended that I take out insurance including Recovery and Income Protection to ensure that my wife and I were not put under financial pressure

if I were to suffer an illness or injury.

One year later, just as my business was really taking off, and I was extremely busy with work, I was diagnosed with throat cancer. This was a huge shock to my wife and I, especially as I was told I had to undergo immediate surgery, and then commence chemotherapy treatment.

Shortly after the insurance company received my paperwork, I received a call from the claims area to say that my Recovery benefit of \$300,000 would be paid immediately and that my monthly Income Protection benefit would also commence after my waiting period.

I used the Recovery benefit to pay for the treatment costs, and we could then afford for my wife to take time off work to be with me. The Income Protection benefit covered our day to day living expenses, including the mortgage and other essential bills. Most importantly, though, it meant I wasn't forced to return to work while I was still recovering.

My planner was instrumental in ensuring my family was covered appropriately if anything were to happen to me. When I was contacted by my insurance company, I immediately rang him to share the great news that my claim would be paid ... and that we'd just found out my wife was expecting our first child!

I finished my chemotherapy treatment just after our daughter Emily was born. I'm not out of the woods yet, but my cancer is in remission, so I am staying positive and looking forward to seeing Emily grow up.

Based on a real claim. Names have been changed.

Does an agreed value or an indemnity contract suit my needs?

Agreed value and indemnity are important concepts to understand. Income Protector and Income Advantage are agreed value policies unless you choose the Indemnity Option. By choosing the Indemnity Option you will pay a lower premium.

Under agreed value the *monthly benefit* is the amount we accepted at application. Although your income may have increased or decreased since then, we pay the agreed *monthly benefit* shown in your schedule.

Under indemnity we accept a *monthly benefit* at application but at claim time we pay the lesser of:

- » the *monthly benefit* shown in your schedule; and
- » up to 75% of your pre-disability income (explained on page 74).

What definition of disablement can I choose?

Income Advantage gives you the flexibility of choosing between a 10 Hours and a 1 Duty definition when you apply. Income Protector provides a 10 Hours definition.

There may be a different outcome in the assessment of your claim depending on which definition applies to the policy.

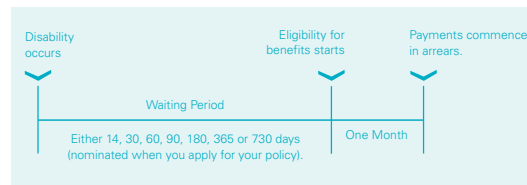
The 10 Hours and 1 Duty definitions are explained on pages 71 – 73.

How long do I wait before I start receiving payments?

Most benefits under Income Protection start after a *waiting period*. The *waiting period* is the period of time during which a benefit will not be paid. Payments are made monthly in arrears after the end of the *waiting period*. The

available *waiting periods* are 14, 30, 60, 90, 180, 365 or 730 days. If your occupation class is S the 14 day *waiting period* is not available.

Waiting Period



For example, if your *waiting period* is 30 days we will make the first payment after 60 days.

How long will I be paid for?

The benefit period is the maximum period of time for which we will pay a benefit while you are *disabled*. The shorter the benefit period, the lower the premium will be.

The available benefit periods are 2 years, 5 years, to age 60, or to age 65. If your occupation class is S, only a 2-year benefit period is available.

What happens to the policy if I become unemployed?

If you become *unemployed* we continue to cover you unless cover ends due to any of the circumstances outlined on pages 68 – 69. After 12 consecutive months of continuous unemployment your definition of *disablement* for the Severely Disabled and Partially Disabled Benefits will change as outlined on pages 71 and 73. It is important to note that we do not consider sabbatical, long service, maternity or paternity leave as unemployment.

Additionally if you choose the optional Extras Package you may be entitled to have your premiums waived for up to 6 months under the Unemployment Benefit (see page 84).

What if I am a Commercial Pilot or Flight Engineer?

If you are a *commercial pilot* or *flight engineer* you can apply for Income Protector. However due to the nature of your occupation the following revised terms will apply to the policy.

- » you can apply for cover between the entry ages of 20 – 49;
- » the policy will end at the policy anniversary when you are age 54;
- » only the 90, 180, 365 or 730 day *waiting periods* are available;
- » only 2 years, 5 years or to age 55 benefit periods are available;
- » the Accidental Injury Option, Accidental Injury Plus Option and SuperSaver Option are not available;
- » any benefits payable are determined on the basis that the Indemnity Option applies;
- » the maximum *monthly benefit* including any increases under the Income Update Option is \$12,000;
- » in addition to the circumstances listed on page 75 we will also reduce the benefit payable for any compensation for temporary incapacity under any loss of licence cover;
- » in addition to the circumstances listed on page 10, a benefit will not be paid if the event giving rise to the claim was in any way, directly or indirectly, caused by, or contributed to by, a 'terror event', which occurred while you were:
 - at your place of work;
 - or performing the duties of your occupation;
 - or on lay over between flights outside Australia.

For the purposes of this provision, a 'terror event' includes an act (or threatened act) involving force or violence (or your

apprehension of force or violence) on the part of an individual or group which, from its nature or context:

- » has (or appears to have) as its objective, the intimidation of government, or of a governmental, public, social or religious institution, or economic or social disruption of any kind; or
- » is done in connection with political, social, religious, ideological or similar cause or objective, and includes any action taken to control, prevent, suppress or otherwise deal with, or respond to, that act (or threatened act).

If you have been a *commercial pilot* or *flight engineer* for less than 5 years, the Severely Disabled Benefit will be the same as for those of other occupations that have been *unemployed* for 12 consecutive months or more (explained on page 71).

When we won't pay

There are some circumstances in which we will not pay a benefit (explained on page 10 and 11).

Generally, payment of a benefit is subject to the acceptance of your claim and satisfaction of our claim requirements.

When does the policy end

All cover ends on the earliest of:

- » the date you permanently leave the workforce, other than because of *disablement* where benefits are still payable under the policy;
- » the date we receive the policy owner's written request to cancel the policy;
- » cancellation of the policy for non-payment of the premium;
- » the date on which all benefit entitlements under the policy end;

- » the policy anniversary when you are age 59, or age 64 if you choose a benefit period of 2 years, 5 years or to age 65;¹
- » you turn age 65;²

- » your death.

¹ except under Income Advantage if cover continues under the Continuation of Cover Benefit.

² if you are receiving a benefit under this policy before the policy anniversary when you are age 64, we will continue to make payments until you are age 65 unless the benefit period or your *disability* ends prior to you turning age 65.

Benefits under Income Protection

The table below lists the included benefits and the optional benefits you may choose to purchase with Income Protector and Income Advantage.

Please familiarise yourself with the benefits you will receive and ask your financial adviser to explain anything you are not sure about.

Summary of Key benefits available under Income Protection

Income Protection is available if owned through an external superannuation arrangement but cannot be owned by the Asteron Life Superannuation Fund.

Included benefits	Income Protector	Income Advantage	Refer to pages:
Severely Disabled Benefit	10 Hours definition	Choice at application stage of 10 Hours or 1 Duty definition	70 – 72
Partially Disabled Benefit	✓	✓	72 – 74
Recurring Disability	✓	✓	76
Payments Whilst Overseas	Limited to 3 months whilst you remain overseas	✓	76
Overseas Assist Benefit	✓	✓	77
Elective Surgery Benefit	✓	✓	77
Pregnancy Premium Waiver Benefit	✓	✓	77
Premium and Cover Suspension Benefit	✓	✓	77 – 78
Automatic Increase Benefit	✓	✓	78
Premium Waiver Benefit	✓	✓	78
Retraining Benefit	✓	✓	78 – 79
Return to Work Benefit	✓	✓	79
Continuation of Cover beyond age 65	✗	✓	79
Specific Injury Benefit	✓	✓	79 – 80
Death Benefit	✓	✓	80
Guarantee of Upgrade	✓	✓	80
For a discounted premium, the Indemnity Option is available			
Indemnity Option	✓	✓	80 – 81
» Income Update Benefit			81

Optional benefits	Income Protector	Income Advantage	Refer to pages:
Extras Package	✓	✓	81 – 84
» Accommodation Benefit	✓	✓	81 – 82
» Bed Confinement Benefit	✓	✓	82
» Crisis Benefit	✓	✓	82 – 83
» Family Assist Benefit	✓	✓	83
» Transportation Benefit	✓	✓	83
» Unemployment Benefit	✓	✓	84
Accidental Injury Option	✓	✓	84
Accidental Injury Plus Option	✓	✓	84
Increasing Claim Option	✓	✓	84
Booster Option	✓	✓	84 – 85
Needlestick Option	✓	✓	85
SuperSaver Option	✓	✓	85 – 86

Included benefits

The following benefits are automatically included under Income Protector and Income Advantage.

Severely Disabled Benefit

There are important differences under this benefit between Income Protector and Income Advantage.

Income Protector	Income Advantage
<p>The Severely Disabled Benefit will be paid at the end of the <i>waiting period</i> if:</p> <ul style="list-style-type: none"> » you have been continuously severely disabled for at least 7 consecutive days during the <i>waiting period</i>; » you have been either severely or partially disabled for the remainder of the <i>waiting period</i>; » unless your disablement is a recurring disability (explained on page 76), you have been continuously severely or partially disabled since the end of the <i>waiting period</i>; and » you are severely disabled. 	<p>The Severely Disabled Benefit will be paid at the end of the <i>waiting period</i> if:</p> <ul style="list-style-type: none"> » you have been either severely or partially disabled for the entire <i>waiting period</i>; » unless your disablement is a recurring disability (explained on page 76), you have been continuously severely or partially disabled since the end of the <i>waiting period</i>; and » you are severely disabled. <p>There is no requirement for a period of severe disability during the <i>waiting period</i>.</p>

What does severely disabled mean?

The meaning of severely disabled depends on whether a 10 Hours or a 1 Duty definition applies.

Income Advantage gives you the choice at application stage between a 10 Hours and a 1 Duty definition. Income Protector has a 10 Hours definition.

– 10 Hours definition

Unless you have been *unemployed* for 12 consecutive months or more immediately before your *disability* started, we will consider you to be severely disabled if, solely due to *sickness or injury*:

- » you are unable to perform the *important income producing duties* of your *usual occupation* for more than 10 hours per week; and
- » you are not working for more than 10 hours per week in any *gainful occupation*,

as long as you are following the advice of a *registered doctor* in relation to that *sickness or injury*.

If you have been *unemployed* for 12 consecutive months or more immediately before your *disability* started, we will treat 'your *usual occupation*' as being 'any occupation for which you are reasonably suited by education, training or experience'.

Sabbatical, long service, maternity or paternity leave is not considered as unemployment.

– 1 Duty definition

This definition applies if you chose it under Income Advantage.

Unless you have been *unemployed* for 12 consecutive months or more immediately before your *disability* started, we will consider you to be severely disabled if, solely due to *sickness or injury*:

- » you are unable to perform one or more of the *important income producing duties* of your *usual occupation*; and
- » you are not working in any *gainful occupation*,

as long as you are following the advice of a *registered doctor* in relation to that *sickness or injury*.

If you have been *unemployed* for 12 consecutive months or more immediately before your *disability* started, we will treat 'your *usual occupation*' as being 'any occupation for which you are reasonably suited by education, training or experience'.

Sabbatical, long service, maternity or paternity leave is not considered as unemployment.

If you return to *full-time* work during the *waiting period* for 5 days or less (or 10 days or less if your *waiting period* is greater than 30 days), the days you returned to work will be added to the *waiting period*, but we will otherwise treat you as being continuously *disabled*. A longer return to *full-time* work means the *waiting period* starts again.

The amount we pay under the Severely Disabled Benefit

The amount payable for the Severely Disabled Benefit is the *Total Monthly Benefit*. If you have chosen the Indemnity Option, the *Total Monthly Benefit* may be limited to a percentage of your pre-disability income (explained on page 74).

If the benefit payable while you are severely disabled is payable for less than a month, the amount payable will be calculated as 1/30th of the amount payable for a full month for each day you are severely disabled.

If you are severely disabled under the 10 Hours definition, we do not deduct any income earned while you are working for 10 hours or less per week when paying the Severely Disabled Benefit. However, some other reductions may apply (explained on page 75).

When the Severely Disabled Benefit starts and stops

Payments start to accrue after the *waiting period* and will be paid monthly in arrears.

Payment of the Severely Disabled Benefit will stop on the earliest of:

- » the date you are no longer severely disabled;
- » the end of the benefit period; or
- » the date cover ends under the policy (explained on pages 68 – 69).

Partially Disabled Benefit

There are important differences under this benefit between Income Protector and Income Advantage.

Income Protector	Income Advantage
<p>The Partially Disabled Benefit will be paid at the end of the <i>waiting period</i> if:</p> <ul style="list-style-type: none"> » you have been either severely disabled for at least 7 consecutive days during the <i>waiting period</i>; » you have been continuously severely or partially disabled for the remainder of the <i>waiting period</i>; » unless your disablement is a recurring disability (explained on page 76), you have been continuously severely or partially disabled since the end of the <i>waiting period</i>; and » you are partially disabled. <p>If in our opinion you will be permanently partially disabled or partially disabled for at least 12 consecutive months, we will waive the requirement to be continuously severely disabled for 7 consecutive days during the <i>waiting period</i>.</p>	<p>The Partially Disabled Benefit will be paid at the end of the <i>waiting period</i> if:</p> <ul style="list-style-type: none"> » you have been either partially or severely disabled for the entire <i>waiting period</i>; » unless your disablement is a recurring disability (explained on page 76), you have been continuously severely or partially disabled since the end of the <i>waiting period</i>; and » you are partially disabled <p>There is no requirement for a period of severe disability during the <i>waiting period</i>.</p>

What does partially disabled mean?

The meaning of partially disabled depends on whether a 10 Hours definition or a 1 Duty definition applies.

– 10 Hours definition

Unless you have been *unemployed* for 12 consecutive months or more immediately before your *disability* started we will consider you to be partially disabled if:

- » you are working in your *usual occupation* or a *gainful occupation* for more than 10 hours per week; and

- » solely due to *sickness* or *injury* your *monthly income* is less than your pre-disability income,

as long as you are following the advice of a *registered doctor* in relation to that *sickness* or *injury*.

– 1 Duty definition

This definition only applies if you choose it under Income Advantage.

Unless you have been *unemployed* for 12 consecutive months or more immediately before your *disability* started, we will consider

you to be partially disabled if, solely due to *sickness or injury*:

- » you are unable to perform at least one of the *important income producing duties* of your *usual occupation* at full capacity, but you are working in your *usual occupation*, or a *gainful occupation*; and
- » your *monthly income* is less than your pre-disability income,

as long as you are following the advice of a *registered doctor* in relation to that *sickness or injury*.

If you have been *unemployed* for 12 consecutive months or more immediately before your *disability* started, we will consider you to be partially disabled, if solely due to *sickness or injury*:

- » you are unable to perform at least one of the *important income producing duties* of any occupation at full capacity, for which you are reasonably suited by education, training or experience, but you are working in a *gainful occupation*; and
- » your *monthly income* is less than your pre-disability income,

as long as you are following the advice of a *registered doctor* in relation to that *sickness or injury*.

If you return to *full-time* work during the *waiting period* for 5 days or less (or 10 days if your *waiting period* is greater than 30 days), the days you returned to work will be added to the *waiting period* but we will otherwise treat you as being continuously *disabled*. A longer return to *full-time* work means the *waiting period* starts again.

The amount we pay under the Partially Disabled Benefit

Irrespective of whether the 10 Hours or 1 Duty definition applies, if you are partially disabled,

benefit payments will be calculated using the following formula:

$$\frac{A - B}{A} \times C$$

Where:

A = pre-disability income

B = *monthly income* while partially disabled

C = *Total Monthly Benefit*

For example, let's assume that:

- » your pre-disability income is \$7,500 (A)
- » your *monthly income* while partially disabled is \$2,000 (B); and
- » the *Total Monthly Benefit* is \$5,000 (C).

Then the *Total Monthly Benefit* we will pay (assuming no reductions, see page 75) is:

$$\frac{\$7,500 - \$2,000}{\$7,500} \times \$5,000 = \$3,666$$

If 'B' is negative in a month, we will treat 'B' as zero.

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

If you are partially disabled and not working to your capability, 'B' will be calculated based on what you could reasonably be expected to earn if you were working to the extent of your capability.

In determining what you could reasonably be expected to earn if you were working to the extent of your capability, we will take into account available medical evidence (including the opinion of your *registered doctor*) and any other relevant considerations directly related to your medical condition (including information provided by you).

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

If you choose Income Advantage and you are continuously *disabled* for the first 3 months immediately after the end of the *waiting*

period and 'B' is less than or equal to 20% of 'A', we will pay the *Total Monthly Benefit* for the first 3 months.

While you are *disabled*, your pre-disability income will be increased by the *indexation factor* every 12 months on the anniversary of the date you became *disabled*.

What is pre-disability income?

There are important differences on how we calculate your pre-disability income between Income Protector and Income Advantage.

Your pre-disability income is dependent on whether you have chosen an agreed value or indemnity contract.

Income Protector – Agreed Value	Income Advantage – Agreed Value
Pre-disability income is your highest average <i>monthly income</i> for any 12 consecutive months during the 3 years before the start of your <i>waiting period</i> .	Pre-disability income is your highest average <i>monthly income</i> for any 12 consecutive months between the date 2 years before the policy commencement date and the start of your <i>waiting period</i> .
Income Protector – Indemnity	Income Advantage – Indemnity
<p>Irrespective of whether Income Protector or Income Advantage applies, if you have chosen the Indemnity Option, your pre-disability income will be calculated based on your average <i>monthly income</i> during the 12 consecutive months before the start of your <i>waiting period</i>.</p> <p>If you become <i>disabled</i> while you are on sabbatical, long service, maternity or paternity leave and you choose the Indemnity Option, your pre-disability income will be calculated based on your average <i>monthly income</i> during the 12 consecutive months before you commenced sabbatical, long service, maternity or paternity leave.</p> <p>Also, if you are self-employed, in determining your pre-disability income, we will consider your average <i>monthly income</i> during the most recent of the following 12-month periods prior to the commencement of disability:</p> <ul style="list-style-type: none"> » the previous tax year; » the last 12-month period for which the accountant for your business has prepared a set of financial statements for your business; or » the last 12-month period for which an accountant is able to prepare a set of financial statements for your business. 	

When the Partially Disabled Benefit starts and stops

Payments will start to accrue after the *waiting period* and will be paid monthly in arrears.

Payment of the Partially Disabled Benefit will stop on the earliest of:

- » the date you are no longer partially disabled;
- » the end of the benefit period; and
- » the date cover under the policy ends (explained on pages 68 – 69).

When we will limit the benefit payable

There are some circumstances when we will limit the amount payable under the Severely Disabled or Partially Disabled Benefits and the Accidental Injury Plus Option (if applicable).

Income Protector	Income Advantage
<p>For all occupations, the amount payable will be recalculated if you or the policy owner receive other payments in relation to the <i>sickness or injury</i> causing your <i>disablement</i> by way of:</p> <ul style="list-style-type: none"> » sick leave entitlements; » any compulsory insurance scheme such as Workers' Compensation or Accident Compensation scheme for loss of income; or » other disability, group, sickness or accident insurance cover, including cover under a mortgage repayment insurance policy or through a superannuation fund. <p>We will recalculate the benefit so that the amount we pay, when added to your <i>monthly income</i> and the other payments above, is no more than the greater of:</p> <ul style="list-style-type: none"> » 75% of your pre-disability income; and » the benefit otherwise payable. 	<p>For all occupations, the amount payable will be recalculated if you or the policy owner receive other payments in relation to the <i>sickness or injury</i> causing your <i>disablement</i> by way of:</p> <ul style="list-style-type: none"> » other disability, group, sickness or accident insurance cover, including cover under a mortgage repayment insurance policy or through a superannuation fund. <p>For occupations classified as A1 or A2, in addition to the above, the amount payable will also be recalculated if you or the policy owner receive other payments in relation to the <i>sickness or injury</i> causing your <i>disablement</i> by way of:</p> <ul style="list-style-type: none"> » sick leave entitlements; or » any compulsory insurance scheme such as Workers' Compensation or Accident Compensation scheme for loss of income. <p>We will recalculate the benefit so that the amount we pay, when added to your <i>monthly income</i> and the other payments above, is no more than the greater of:</p> <ul style="list-style-type: none"> » 75% of your pre-disability income where the Severely Disabled Benefit or Accidental Injury Plus Option is payable, or 100% of your pre-disability income where the Partially Disabled Benefit is payable; and » the benefit otherwise payable.

If any of the payments listed above (other than sick leave) are received as a lump sum instead of as a monthly amount, we will convert that to income on the basis of 1% of the loss of earnings component for each month that we pay the benefit, for a maximum of 8 years. The balance of the lump sum, if any, will not be offset.

If we are paying you the Severely Disabled Benefit under the 10 Hours definition and you are working for 10 hours or less per week in a *gainful occupation*, your income attributable to such work will not be included in your *monthly income* when we recalculate the benefit having regard to the payments above.

Recurring Disability

There are important differences between Income Protector and Income Advantage.

Income Protector	Income Advantage
<p>If you suffer from the same or a related <i>sickness</i> or <i>injury</i> within:</p> <ul style="list-style-type: none"> » 6 months of a disability claim ending, we will consider your <i>disablement</i> as being recurring. 	<p>If you suffer from the same or a related <i>sickness</i> or <i>injury</i> within:</p> <ul style="list-style-type: none"> » 12 months of a disability claim ending (if the benefit period is longer than 5 years); or » 6 months of a disability claim ending (if the benefit period is 5 years or less), <p>we will consider your <i>disablement</i> as being recurring.</p>

If we consider you to have a recurring *disability*, the monthly payments for the Severely Disabled Benefit or Partially Disabled Benefit (as applicable) will recommence without applying a new *waiting period* and the benefit period will be reduced by any previous periods for which benefits were paid for the *disablement* and each recurrence of the *disablement*.

If the benefit period is 5 years or less, and payments have been made for the full benefit period, you must return to *full-time* work for at least 6 consecutive months and perform all of the *important income producing duties* of your *usual occupation* without restriction before becoming eligible to submit a new claim for the same or a related *sickness* or *injury*. A new *waiting period* and benefit period will then apply.

Payments Whilst Overseas

There are important differences under this benefit between Income Protector and Income Advantage.

Income Protector	Income Advantage
<p>If you are <i>disabled</i> outside Australia and New Zealand and are entitled to receive payments from us, and in our opinion can still meet our claim requirements (explained on page 23), benefits will continue to be paid for up to 3 months whilst you remain outside Australia and New Zealand.</p> <p>Benefits will recommence without a new <i>waiting period</i> when you return to Australia or New Zealand if:</p> <ul style="list-style-type: none"> » your <i>disablement</i> has been continuous since we ceased payments; and » you are still <i>disabled</i> from the same cause when you return to Australia or New Zealand; and » you are entitled to receive payments for that <i>disablement</i> under the policy. 	<p>If you are <i>disabled</i> while overseas and are entitled to receive payments from us, and in our opinion can still meet our claim requirements (explained on page 23), benefits will continue to be paid whilst you remain overseas.</p>

Overseas Assist Benefit

The Overseas Assist Benefit will be paid if you are overseas and become *disabled* and you are entitled to receive payments.

Reasonable expenses will be reimbursed for you and your immediate family members to return to either your home address or to a medical facility in Australia. We will reimburse up to \$10,000 over the life of the policy.

You must advise us in advance of your return journey to Australia. Payment will be made after appropriate evidence is received.

The Overseas Assist Benefit will not apply:

- » if your journey overseas before becoming *disabled* was taken against the advice of a health care professional; or
- » for expenses covered by any other policy of insurance, for example, travel insurance.

Under Income Protector this benefit will not apply if your return journey takes place when you have been *disabled* whilst overseas for more than 3 months after the end of the *waiting period*.

Elective Surgery Benefit

The Severely Disabled Benefit or the Partially Disabled Benefit (as applicable) will be paid if, on the advice of a *registered doctor*, you have elective surgery to:

- » transplant part of your body to someone else; or
- » improve your appearance,

where the applicable benefit would otherwise have been payable except that your *disability* was due to surgery, rather than a *sickness* or *injury*.

The Elective Surgery Benefit will not apply if your elective surgery to improve your appearance took place within 6 months of:

- » the policy commencement date;

- » an increase in the *Total Monthly Benefit* but only in respect of the increased portion; or
- » the most recent reinstatement of the policy.

Pregnancy Premium Waiver Benefit

If you become pregnant while your policy is in force, and:

- » you provide us with a certificate of pregnancy from a *registered doctor*; and
- » you did not become pregnant within 6 months of:
 - the start of the policy; or
 - the most recent reinstatement of the policy; and
- » you are not working in a *gainful occupation*,

we will waive the premiums for up to 6 months. Cover continues during the period that premiums are being waived under this benefit.

You can waive the premiums at any stage between the second trimester and 6 months after your pregnancy finishes. You must notify us in writing when you wish to waive premiums under this benefit.

A total of 6 months premiums will be waived under this benefit during the life of the policy.

Premium and Cover Suspension Benefit

If the policy has been continuously in force and premiums have been paid for at least 12 consecutive months and you are:

- » *unemployed*; or
- » on sabbatical, maternity, paternity or long-term leave from work,

the policy owner can tell us in writing to suspend premiums and cover under the policy.

Cover and premiums will be suspended for a maximum of 12 months from the time the policy owner notifies us in writing. Cover can

only be reinstated at the written request of the policy owner and after we have received the next premium. If the policy owner does not notify us in writing to reinstate the cover within 12 months, the policy will be cancelled.

If you are suffering a *pre-existing condition* at the time the cover is reinstated, no benefit is payable for any subsequent claim affected by that *pre-existing condition*.

Automatic Increase Benefit

To help keep cover protected against inflation, the *Total Monthly Benefit* will increase on each policy anniversary by the greater of the *indexation factor* and 3%, unless the policy owner elects not to accept the offer of the Automatic Increase Benefit by providing written notice within 30 days of the policy anniversary (explained on pages 17 – 18).

The Automatic Increase Benefit will not apply if the policy owner is receiving payments under the policy (the Pregnancy Premium Waiver Benefit and the Unemployment Benefit are not considered payments for this purpose).

Premium Waiver Benefit

There are important differences under this benefit between Income Protector and Income Advantage.

Income Protector	Income Advantage
<p>If we are paying a benefit because you are <i>disabled</i>, the premiums payable under the policy will be waived until the earlier of:</p> <ul style="list-style-type: none"> » the date you are no longer <i>disabled</i>; or » the policy owner is not entitled to a benefit for that <i>disablement</i> under the policy. 	<p>If we are paying a benefit because you are <i>disabled</i>, the premiums payable under the policy will be waived until:</p> <ul style="list-style-type: none"> » you are no longer <i>disabled</i> (even if the benefit period expires earlier).

If a benefit is payable after the end of the *waiting period*, the premium waiver will be backdated to the start of the *waiting period* and refunded with the first payment from us.

The Premium Waiver Benefit will also apply during the payment period for the Specific Injury Benefit or the Crisis Benefit.

Retraining Benefit

To assist you to return to a *gainful occupation* and help you recover, we will reimburse up to 9 times the *Total Monthly Benefit* for any retraining or rehabilitation expenses, if:

- » we agree to your retraining or rehabilitation expenses before they are incurred;
- » these expenses are incurred while we are making payments for *disablement*; and
- » they are not being otherwise reimbursed.

Reimbursement will commence on the first day you meet the terms of this benefit and will be made monthly in arrears.

Retraining and rehabilitation expenses may include Government sponsored or approved rehabilitation program fees, vocational training expenses, travel expenses and special equipment.

If you are suffering from a recurring disability (explained on page 76), we will only reimburse expenses up to the remainder (if any) of the 9 months maximum payment under this benefit.

If you suffer from a new *disablement* a new maximum payment under this benefit will apply.

Return to Work Benefit

The Return to Work Benefit will be paid if:

- » we have agreed to pay the Retraining Benefit; and
- » you commence a *gainful occupation* immediately following retraining or rehabilitation.

If you return to *full-time* work for 3 consecutive months, you will receive a single amount equal to the *Total Monthly Benefit*; and after 6 consecutive months of full-time work, you will receive a further amount equal to two times the *Total Monthly Benefit*.

Continuation of Cover beyond age 65

This benefit only applies to Income Advantage.

If you are working *full-time* within an occupation classified by us as AA at the time the policy expires, the policy owner may apply to continue the policy at that time and at each policy anniversary for a further period of one year, but not beyond the policy anniversary when you are age 74.

To be eligible to apply to continue the policy, the policy owner must contact us 30 days prior to when the policy would otherwise expire. We will require information about your occupation and assess the application based on that information and any other matters that we believe are relevant.

We may accept or decline the application.

If cover continues, it will be on the basis of the following revised terms:

- » the *waiting period* will be the greater of 30 days and the then current *waiting period*;
- » the benefit period will be 1 year;

- » any benefits payable will be determined on the basis that the Indemnity Option applies;
- » the *monthly benefit* will be the lesser of \$20,000 and the then current *monthly benefit*; and
- » the Automatic Increase Benefit, Increasing Claim Option, Booster Option, Accidental Injury Option, Accidental Injury Plus Option, Needlestick Option and the SuperSaver Option will not apply.

If we accept your application, we will confirm this in writing.

Specific Injury Benefit

The Specific Injury Benefit applies if you choose a 14, 30, 60 or 90 day *waiting period*.

If you suffer an *injury* listed under this benefit while covered under this policy you will be treated as if you are severely disabled. Payments will be made for the payment period shown in the following table, unless the policy ends earlier (explained on pages 68 – 69). We will do this without applying the *waiting period*, even if you are working.

Specific injury	Payment period
<i>Paralysis</i>	60 months
Total and permanent loss of use of:	
Both hands or both feet	24 months
Sight in both eyes	24 months
One hand and one foot	24 months
One hand and sight in one eye	24 months
One foot and sight in one eye	24 months
One arm or one leg	18 months
One hand or one foot or sight in one eye	12 months
Thumb and one index finger of the same hand	6 months
A fracture, requiring immobilisation of your:	
Thigh shaft	3 months
Pelvis, except coccyx	3 months

Specific injury	Payment period
Skull, except bones of the nose or face	2 months
Jaw	2 months
Upper arm	2 months
Elbow	2 months
Shoulder	2 months
Shoulder blade	2 months
Leg (excluding knee cap, foot, ankle, heel and toes)	2 months
Ankle (excluding heel, foot and toes)	2 months
Knee cap	2 months
Foot (excluding ankle, heel and toes)	1.5 months
Heel (excluding ankle, foot and toes)	1.5 months
Lower arm (excluding elbow, wrist, hand and fingers)	1.5 months
Hand (excluding fingers)	1.5 months
Wrist (excluding hand and fingers)	1.5 months
Collar bone	1 month

If you suffer from more than one specific *injury* at the same time, we will only pay for the *injury* with the longest payment period.

The policy owner can choose to have this benefit paid either as:

- » monthly payments of the *Total Monthly Benefit* in advance. If you die before the end of the payment period, we will pay the remainder of the monthly payments up to the next anniversary of your claim together with the Death Benefit; or
- » lump sum payment(s), of up to 12 times the *Total Monthly Benefit* at any one time. If we have paid a lump sum and you die before the end of the payment period, we will pay the policy owner the Death Benefit.

The benefit will not be paid in conjunction with any other payment under the policy. If the

Specific Injury Benefit and the Crisis Benefit are payable at the same time, the higher benefit, but not both, will be payable.

At the end of your payment period your eligibility for other benefits will be determined under the appropriate terms of this policy.

Death Benefit

If you die while covered under the policy, we will pay 3, 4 or 6 times the *Total Monthly Benefit* (explained on page 7).

Grief Support Service

The Service helps you or your immediate family to start to come to terms with a reaction to grief.

The Service is available to your immediate family if you die or you and your immediate family if we pay the Needlestick Option (explained on pages 21 – 22).

Guarantee of Upgrade

If we make any improvements to our Income Protector and Income Advantage products without any increase in our standard premium rates we will automatically provide them to you (explained on page 14).

Optional benefits

The following optional benefits are available under Income Protector and Income Advantage.

Apart from the Indemnity Option, which reduces the premium, these optional benefits are available for an additional premium.

Indemnity Option

If the Indemnity Option is chosen, the *monthly benefit* used to determine the amount payable will be the lesser of:

- » the *monthly benefit* you applied for and we accepted, as varied under the terms of the policy and shown in your schedule, and

- » the total of:
 - 75% of the first \$20,833* of monthly pre-disability income (explained on page 74);
 - 50% of the next \$12,500* of monthly pre-disability income;
 - 25% of the next \$8,333* of monthly pre-disability income; and
 - 15% of the next \$41,667* of monthly pre-disability income,

less the *SuperSaver percentage* (if applicable) of the above four items

* On each anniversary of the commencement date, we will increase this amount by the greater of the *indexation factor* and 3%.

If the SuperSaver Option (explained on pages 85 – 86) applies the *SuperSaver monthly benefit* used to determine the amount payable will be the lesser of:

- » the *SuperSaver monthly benefit* you applied for, and we accepted, as varied under the terms of the policy and shown in your schedule, and
- » the *SuperSaver percentage* multiplied by your pre-disability income.

For example, if the SuperSaver Option has not been chosen and your schedule states the *monthly benefit* is \$5,000 and your pre-disability income is \$8,000 (75% of this amount is \$6,000), the *monthly benefit* payable is \$5,000. However if your pre-disability income is \$4,000; the *monthly benefit* payable is \$3,000, (based on 75% of \$4,000).

Income Update Benefit

This benefit, which is only available under the Indemnity Option, gives you the flexibility to help keep your cover in line with your current income.

The Income Update Benefit is available if you are age 49 or under when you apply for the policy. It allows the policy owner to increase

the *Total Monthly Benefit* each year on the policy anniversary, without needing to provide further financial or medical information before age 55. An increase can only be made under this benefit if no benefit is being received or is payable under the policy at that time and premiums are not being waived.

The maximum increase is the lesser of:

- » 10% of the *Total Monthly Benefit* at the policy commencement date;
- » \$1,000 per month; and
- » the difference between the *Total Monthly Benefit* and \$20,000.

The total of all increases over the life of the policy in the *Total Monthly Benefit* under this benefit, cannot exceed the original *Total Monthly Benefit* at the policy commencement date.

This benefit is not available, or ceases to be available, if the *Total Monthly Benefit* is equal to or greater than \$20,000.

Extras Package

The Extras Package is a group of additional benefits, which you can add to either Income Protector or Income Advantage to extend your cover.

If the Extras Package applies, all the following benefits are included.

Accommodation Benefit

If you are *bed confined* as a result of being severely disabled and:

- » you became severely disabled more than 100km from your usual place of residence; or
- » on the advice of a *registered doctor*, you travel to a place more than 100km from your usual place of residence,

we will reimburse actual accommodation costs directly incurred for an immediate

family member to stay near where you are *bed confined*. The amount payable is up to \$220 per day* for a maximum of 30 days in any 12 month period, less amounts that are otherwise reimbursed.

Payments will be made monthly in arrears.

* as at 1 March 2007 and will be increased each year by the *indexation factor*.

Bed Confinement Benefit

If you are *bed confined* for more than 72 consecutive hours as a result of being severely disabled during the *waiting period*, we will pay 1/30th of the *Total Monthly Benefit* for each day (including the first 72 consecutive hours) you are *bed confined* during the *waiting period*, for up to 90 days.

If you become *bed confined* as a result of suffering from a recurring disability (explained on page 76), any further benefits will be determined after taking into account payments already made under this benefit.

This benefit will not be paid in conjunction with any other payment under the policy.

Payments will be made monthly in arrears.

Crisis Benefit

The Crisis Benefit is available if you choose a 14, 30, 60 or 90 day *waiting period*.

If you suffer from a condition or undergo a procedure listed under this benefit you will be treated as if you are severely disabled. We will make payments for the payment period shown in the table below, unless the policy ends earlier. We will do this without applying the *waiting period*, even if you are working.

Waiting period	Payment period
14 or 30 days	6 months
60 days	4 months
90 days	3 months

The policy owner can choose to have this benefit paid either as:

- » monthly payments of the *Total Monthly Benefit* in advance. If you die before the end of the payment period we will pay the remainder of the monthly payments together with the Death Benefit; or
- » a single payment of the *Total Monthly Benefit* multiplied by the payment period. If you die before the end of the payment period, we will pay the Death Benefit.

The conditions and major surgery procedures covered are:

<i>aplastic anaemia</i>	<i>intracranial benign tumour</i>
<i>blindness</i>	<i>loss of independent existence</i>
<i>cancer*</i>	<i>loss of limbs or sight</i>
<i>cardiomyopathy</i>	<i>loss of speech</i>
<i>chronic kidney (renal) failure</i>	<i>major head trauma</i>
<i>chronic liver failure</i>	<i>major organ transplant</i>
<i>chronic lung failure</i>	<i>meningitis</i>
<i>coma</i>	<i>Motor Neurone Disease</i>
<i>coronary artery angioplasty – triple vessel*</i>	<i>Multiple Sclerosis</i>
<i>coronary artery surgery*</i>	<i>Muscular Dystrophy</i>
<i>Creutzfeldt-Jakob Disease</i>	<i>out of hospital cardiac arrest*</i>
<i>deafness</i>	<i>paralysis</i>
<i>dementia</i>	<i>Parkinson’s Disease</i>
<i>encephalitis</i>	<i>primary pulmonary hypertension</i>
<i>heart attack*</i>	<i>repair or replacement of aorta*</i>
<i>heart surgery (open)*</i>	<i>repair or replacement of valves*</i>
<i>HIV – medically acquired</i>	<i>severe burns</i>
<i>HIV – occupationally acquired</i>	<i>severe rheumatoid arthritis</i>
<i>insertion of a pacemaker*</i>	<i>significant cognitive impairment</i>
<i>intensive care</i>	<i>stroke*</i>

These conditions and procedures are defined in the Glossary on pages 121 – 132.

Unless you are applying for the policy as a *replacement policy*, cover does not start under this benefit for conditions or procedures marked with * until the date 3 months after:

- » the policy commencement date; or
- » an increase to the *Total Monthly Benefit* is confirmed by us in writing (in respect to the increased portion only); or
- » the most recent reinstatement of the policy.

This means that:

- » the *cancer* must be first diagnosed;
- » the *heart attack, out of hospital cardiac arrest or stroke* must first occur; or
- » the disease or condition which the *coronary artery angioplasty – triple vessel, coronary artery surgery, heart surgery (open), insertion of a pacemaker, repair or replacement of aorta, or repair or replacement of valves*, as the case may be, is intended to address, must be first diagnosed,

after cover for that condition or procedure (or increase in the *Total Monthly Benefit* in respect of the increased portion) starts.

If you suffer from another condition under this benefit during the payment period, payment for the earlier condition will cease and a new payment period (adjusted for any advance payments made for the earlier condition) will commence for the subsequent condition.

This benefit will not be paid in conjunction with any other benefit payment under the policy. If the Crisis Benefit and Specific Injury Benefit are payable at the same time, the higher benefit, but not both, will be payable.

If you are still *disabled* at the end of the payment period, other benefits will be determined under the appropriate terms of the policy.

Family Assist Benefit

If we have paid the Severely Disabled Benefit for at least 30 consecutive days and you continue to be severely disabled and need someone to look after you at home, we will pay for either:

- » an immediate family member, who was in a *full-time gainful occupation* immediately before you became severely disabled, to stop all paid employment to care for you for the period you are severely disabled; or
- » a registered nurse (who is not an immediate family member) to care for you at home at least 3 times per week for the period you are severely disabled.

We will pay the lesser of:

- » \$2,300 a month,* and
- » the *Total Monthly Benefit*,

for up to 6 months over the life of the policy.

* as at 1 March 2007 and will be increased each year by the *indexation factor*.

Payments accrue from the first day the requirements of this benefit are met and will be paid monthly in arrears.

Transportation Benefit

If you become either severely or partially disabled and require emergency transportation (other than by ambulance) within Australia, we will reimburse the actual cost directly incurred of your transportation, other than for expenses for services which are regulated by the National Health Act, 1958 (Cth) and expenses reimbursed from elsewhere.

Up to 3 times the *Total Monthly Benefit* will be paid and the benefit is payable only once in any 12 month period.

Payment will be made when the requirements of the benefit are met and after sufficient evidence is received.

Unemployment Benefit

While you are involuntarily *unemployed* for reasons other than you being *disabled*, for example, you are made redundant, and:

- » you have registered with an accredited employment agency; and
- » the unemployment did not occur within 6 months of:
 - the start of the policy; or
 - the most recent reinstatement of the policy,

the daily proportion of premiums will be waived monthly in arrears, from the first day of unemployment, until you are no longer *unemployed* for up to 6 months. Cover continues during the period that premiums are being waived.

A total of 6 months premiums will be waived under this benefit during the life of the policy.

Accidental Injury Option and Accidental Injury Plus Option

If you choose a *waiting period* of either 14 or 30 days you can apply for either the Accidental Injury Option or the Accidental Injury Plus Option.

A benefit under these options will not be paid in conjunction with any other benefit.

Accidental Injury Option (also known as Day 30 Accident)	Accidental Injury Plus Option (also known as Day 3 Accident)
If as a result of <i>injury</i> , you are continuously severely disabled for the entire <i>waiting period</i> , we will pay 1/30th of the <i>Total Monthly Benefit</i> for each day of your <i>waiting period</i> , less any payments made under the Bed Confinement Benefit, Specific Injury Benefit or Crisis Benefit.	If as a result of <i>injury</i> , you are continuously severely disabled for longer than 3 consecutive days from the day you first seek medical advice for your <i>injury</i> , we will pay 1/30th of the <i>Total Monthly Benefit</i> for each day of your <i>waiting period</i> that you are continuously severely disabled after the first 3 days, less any payments made under the Bed Confinement Benefit, Specific Injury Benefit or Crisis Benefit. This Option is not available if your occupation is classified by us as S.

For example if your *waiting period* is 30 days and you are severely disabled for 15 days no benefit would be payable under the Accidental Injury Option but 12/30th of the *Total Monthly Benefit* will be payable under Accidental Injury Plus Option.

If you are still *disabled* at the end of the payment period, other benefits will be determined under the appropriate terms of the policy.

Increasing Claim Option

If the Increasing Claim Option applies, the *Total Monthly Benefit* will be increased at each policy anniversary whilst the policy owner is receiving payments (the Pregnancy Premium Waiver Benefit and the Unemployment Benefit are not considered to be a payment for this purpose).

The increase will be the lesser of the *indexation factor* and 10%.

When you are no longer *disabled*, the indexed *Total Monthly Benefit* will not be reduced unless the policy owner requests the reduction in writing.

Booster Option

If the Booster Option applies and either the Severely Disabled Benefit or the Partially Disabled Benefit is payable, we will pay an additional 1/3rd of the *monthly benefit* otherwise payable for the first 3 months. For example, if we pay a benefit of \$1,500 for a month, this option will increase it by \$500 to \$2,000 for that month.

If you suffer from a new *disablement* while you are covered under this option, this option will apply again. If you suffer from a recurring disability (explained on page 76) we will recommence payments under this option until 3 months payment in total has been made.

The Booster Option does not apply to any payment under the Accidental Injury Option, Accidental Injury Plus Option or Bed Confinement Benefit.

Needlestick Option

This option is available to selected health care professionals. Your financial adviser will tell you if your occupation entitles you to select this option.

We will pay the Needlestick Option *sum insured* if you become infected with *HIV-occupationally acquired* or *Hepatitis B or C - occupationally acquired* whilst working in your normal occupation.

You can apply for cover between \$50,000 and \$500,000, in multiples of \$50,000. The maximum *sum insured* for the Needlestick Option across all policies with Asteron is \$500,000.

The Automatic Increase Benefit does not apply to the Needlestick Option.

The Needlestick Option will end on the earliest of the following:

- » payment of the *sum insured* for the Needlestick Option;
- » the date we receive the policy owner's written request to cancel the Needlestick Option;
- » the policy anniversary when you are age 65;
- » the date on which all benefit entitlements under the policy end; and
- » the date cover ends under the policy (explained on pages 68 – 69).

SuperSaver Option

The SuperSaver Option allows you to insure your superannuation contributions so that superannuation contributions can continue to be made on your behalf while you are *disabled*.

You can insure up to 20% of your *monthly income* (subject to a maximum *Total Monthly Benefit* of \$30,000) for superannuation contributions. This amount is the *SuperSaver monthly benefit* and represents your *monthly income* multiplied by the *SuperSaver percentage*.

If you choose the SuperSaver Option it effects the *monthly benefit* you can apply for.

The *monthly benefit* you can apply for is based on your *monthly income* reduced by the *SuperSaver percentage*, and is:

- » 75% of the first \$20,833 of *monthly income*, reduced by the *SuperSaver percentage**;
- » 50% of the next \$12,500 of *monthly income*, reduced by the *SuperSaver percentage**;
- » 25% of the next \$8,333 of *monthly income*, reduced by the *SuperSaver percentage*; and
- » 15% of the next \$41,667 of *monthly income* reduced by the *SuperSaver percentage*.

For example, if you are earning an annual salary package of \$300,000 and you wish to nominate a SuperSaver percentage of 10% this will mean that your maximum *monthly benefit* will be calculated on \$270,000 (\$300,000 – (\$300,000 X 10%)). So your policy will be based on:

$$\text{monthly benefit} = \$15,938 \text{ ((90\% * } \$250,000 * 75\% + 90\% * \$50,000 * 50\%) / 12) \text{ plus}$$

$$\text{SuperSaver monthly benefit} = \$2,500 \text{ (10\% * } \$300,000 / 12)$$

The amount we pay for the SuperSaver Option is as follows:

Agreed Value

If we are making payments under the Severely Disabled Benefit we will pay the *SuperSaver monthly benefit* shown in the schedule.

If we are making payments under the Partially Disabled Benefit we will pay the same proportion of the *SuperSaver monthly benefit* as we are paying of the *monthly benefit*.

Indemnity

If we are making payments under the Severely Disabled Benefit as part of your *Total Monthly Benefit* we will pay the lesser of:

- » the *SuperSaver monthly benefit* shown in the schedule; and
- » your pre-disability income multiplied by your *SuperSaver percentage*.

If you are partially disabled and we are making payments under the Partially Disabled Benefit we will pay the same proportion of the *SuperSaver monthly benefit* as we are paying for the *monthly benefit*.

We will pay the *SuperSaver monthly benefit* to a superannuation fund nominated by you (less an amount paid to you to cover income tax). The amount paid to you for income tax will be based on the top marginal tax rate plus medicare levy.

For example, if the *SuperSaver monthly benefit* is \$2,500, we will pay \$1,337 to your superannuation fund and forward you a cheque for \$1,163 to cover the income tax liability.

The Automatic Increase Benefit (explained on page 78) and the Increasing Claim Option (explained on page 84) apply to the SuperSaver Option.

About Business Expenses

Business Expenses is designed to cover the fixed expenses of your business if you are unable to work.

The amount we pay under the Business Expenses Benefit is reimbursement of the Allowable Business Expenses (explained on page 92) up to the *monthly benefit*.

How long will I be paid for?

The benefit period is 12 months, but may be extended by up to 6 months (explained on page 91).

The Business Expenses Benefit is payable after the *waiting period*. The available *waiting periods* are 14, 30, 60 and 90 days.

Who can apply

You can apply for Business Expenses if your occupation class is AA, A1, A2, B or C. Your financial adviser will tell you what your occupation class is.

When we won't pay

There are some circumstances in which we will not pay a benefit (explained on pages 10 – 11).

Generally, payment of the Business Expenses Benefit is subject to the acceptance of your claim and satisfaction of our claim requirements.

When does the policy end?

All cover ends on the earliest of:

- » the date you permanently leave the workforce, other than because of *disablement* where benefits are still payable under the policy;
- » the date we receive the policy owner's written request to cancel the policy;
- » cancellation of the policy for non-payment of the premium;
- » the date on which all benefit entitlements under the policy end;
- » the policy anniversary when you are age 64;
- » you turn age 65*; and
- » your death.

* If you are receiving a benefit under this policy before the policy anniversary when you are age 64 we will continue to make payments until you are age 65 unless the benefit period or your *disablement* ends prior to you turning age 65.

Summary of Key Benefits available under Business Expenses

Please familiarise yourself with the benefits you will receive and ask your financial adviser to explain anything you are not sure about. This policy is not available if owned through a superannuation fund.

Included benefits	Business Expenses	Refer to pages:
Business Expenses Benefit » Severely Disabled » Partially Disabled	✓	88 – 91
Locum Cover	✓	92
Recurring Disability	✓	93
Automatic Increase Benefit	✓	93
Death Benefit	✓	93
Elective Surgery Benefit	✓	93
Payments whilst Overseas	Limited to 3 months whilst you are overseas	93
Premium and Cover Suspension Benefit	✓	94
Premium Waiver Benefit	✓	94
Specific Injury Benefit	✓	94 – 95
Crisis Benefit	✓	95 – 96
Guarantee of Upgrade	✓	96

Included benefits

The following benefits are automatically included under Business Expenses.

Business Expenses Benefit

We will pay the Business Expenses Benefit if you are severely or partially disabled. There are important differences in when we pay depending on your occupation class. The following table applies regardless of whether a 10 Hours or 1 Duty definition (as explained below) applies.

Severely Disabled

Occupation Class AA, A1 and A2	Occupation Class B and C
<p>The Business Expenses Benefit will be paid at the end of the <i>waiting period</i> if:</p> <ul style="list-style-type: none"> » you have been either partially or severely disabled for the entire <i>waiting period</i>; » unless your disablement is a recurring disability (explained on page 93), you have been continuously severely or partially disabled since the end of the <i>waiting period</i>; and » you are severely disabled. <p>There is no requirement for a period of severe disability during the <i>waiting period</i>.</p>	<p>The Business Expenses Benefit will be paid at the end of the <i>waiting period</i> if:</p> <ul style="list-style-type: none"> » you have been continuously severely disabled for at least 7 consecutive days during the <i>waiting period</i>; » you have been either severely or partially disabled for the remainder of the <i>waiting period</i>; » unless your disablement is a recurring disability (explained on page 93), you have been continuously severely or partially disabled since the end of the <i>waiting period</i>; and » you are severely disabled.

What does severely disabled mean?

The meaning of severely disabled depends on whether a 10 Hours or a 1 Duty definition applies.

At the time of application if your occupation is classified as AA, A1 or A2 you can choose between the 10 Hours definition and the 1 Duty definition. If your occupation is classified as B or C the 10 Hours definition will apply.

There may be a different outcome in the assessment of your claim depending on which definition applies to the policy.

– 10 Hours definition

We will consider you to be severely disabled if, solely due to *sickness* or *injury*:

- » you are unable to perform the *important business income producing duties* of your *usual occupation* for more than 10 hours per week; and
- » you are not working for more than 10 hours per week in any *gainful occupation*,

as long as you are following the advice of a *registered doctor* in relation to that *sickness* or *injury*.

– 1 Duty definition

We will consider you to be severely disabled if, solely due to *sickness* or *injury*:

- » you are unable to perform one or more of the *important business income producing duties* of your *usual occupation*; and
- » you are not working in any *gainful occupation*,

as long as you are following the advice of a *registered doctor* in relation to that *sickness* or *injury*.

If you return to *full-time* work during the *waiting period* for 5 days or less (or 10 days or less if your *waiting period* is greater than 30 days), the days you returned to work will be added to the *waiting period* but we will otherwise treat you as being continuously *disabled*. A longer return to *full-time* work means the *waiting period* starts again.

Partially Disabled

There are important differences in when we pay under this benefit depending on your occupation class.

Occupation Class AA, A1 and A2	Occupation Class B and C
<p>The Business Expenses Benefit will be paid at the end of the <i>waiting period</i> if:</p> <ul style="list-style-type: none"> » you have been either partially or severely disabled for the entire <i>waiting period</i>; » unless your <i>disablement</i> is a recurring disability (explained on page 93), you have been continuously severely or partially disabled since the end of the <i>waiting period</i>; and » you are partially disabled. <p>There is no requirement for a period of severe disability during the <i>waiting period</i>.</p>	<p>The Business Expenses Benefit will be paid at the end of the <i>waiting period</i> if:</p> <ul style="list-style-type: none"> » you have been continuously severely disabled for at least 7 consecutive days during the <i>waiting period</i>; » you have been either severely or partially disabled for the remainder of the <i>waiting period</i>; » unless your <i>disablement</i> is a recurring disability (explained on page 93), you have been continuously severely or partially disabled since the end of the <i>waiting period</i>; and » you are partially disabled. <p>If in our opinion you will be permanently partially disabled or partially disabled for at least 12 consecutive months we will waive the requirement to be continuously severely disabled for 7 consecutive days during the <i>waiting period</i>.</p>

What does partially disabled mean?

The meaning of partially disabled depends on whether a 10 Hours or a 1 Duty definition applies.

– 10 Hours definition

We will consider you to be partially disabled if:

- » you are working in your *usual occupation* or a *gainful occupation* for more than 10 hours per week; and
- » solely due to *sickness* or *injury* your share of the *business income* in the applicable month is less than your *pre-disability business income*,

as long as you are following the advice of a *registered doctor* in relation to that *sickness* or *injury*.

– 1 Duty definition

We will consider you to be partially disabled if, solely due to *sickness* or *injury*:

- » you are unable to perform at least one of the *important business income producing duties* of your *usual occupation* at full capacity, but you are working in your *usual occupation*, or a *gainful occupation*; and
- » your share of the *business income* in the applicable month is less than your *pre-disability business income*,

as long as you are following the advice of a *registered doctor* in relation to that *sickness* or *injury*.

The amount we pay under the Business Expenses Benefit

Severely Disabled

The amount payable if you are severely disabled is the lesser of:

- » the *monthly benefit*; and
- » allowable business expenses incurred for the applicable month (explained on page 92).

If the benefit is payable for less than one month it will be calculated as 1/30th of the amount for a full month for each day you are severely disabled.

Partially Disabled

Irrespective of whether the 10 Hours or 1 Duty definition applies, if you are partially disabled, benefits will be calculated using the following formula:

$$\frac{A - B}{A} \times C$$

Where:

- A = *pre-disability business income*
- B = your share of *business income* during the applicable month before any benefit is payable under the policy
- C = the lower of the *monthly benefit* and the allowable business expenses incurred for the applicable month (explained on page 92)

If 'B' is negative in a month, we will treat 'B' as zero.

If the benefit is payable for less than a month, it will be calculated as 1/30th of the amount for a full month for each day you are partially disabled.

When the payments start and stop

Payments will start to accrue following the *waiting period* and will be paid monthly in arrears.

Payment of the Business Expenses Benefit will stop on the earliest of:

- » the date you are no longer severely or partially disabled;
- » the end of the benefit period, unless the benefit period is extended (as explained below); or
- » the date cover ends under the policy (explained on page 87).

If you are severely disabled at the end of the benefit period, the benefit period can be extended by us while you continue to be severely disabled until the first of the following occur:

- » we have paid 12 times the *monthly benefit*;
- » the expiration of a further 6 months; and
- » the date cover ends under the policy (explained on page 87).

What are Allowable Business Expenses?

Allowable Business Expenses are your share of those business expenses listed in the following table and any others which we specifically approve. Whether they are allowable may depend on whether your office is the same as or separate to your residential address.

Allowable Business Expenses do not include:

- » salaries, fees or drawings and related costs paid to or for:
 - you; or
 - any member of your family unless they were employed at least 30 days before you became *disabled*;
- » repayment of loan principal;
- » costs of equipment, books, fittings, fixtures, furniture, goods, implements, merchandise, stock or any other items of a capital nature; or
- » expenses met or reimbursed under other insurances.

Allowable Business Expense item		Office not at residential address	Office at residential address
Premises	Rent or interest/fees on a loan to finance premises	Yes	No
	Insurance of premises (fire, etc)	Yes	No
	Property rates/taxes	Yes	No
	Security costs	Yes	No
	Repairs and maintenance	Yes	No
Services	Fixed line telephone	Yes	No
	Gas	Yes	No
	Electricity	Yes	No
	Water	Yes	No
	Mobile telephone	Yes	Yes
	Cleaning and laundry	Yes	No
Equipment	Lease or financing costs (excluding payments attributable to the initial cost) on equipment excluding any taxi or truck which can and will be let out to generate its own income	Yes	Yes
	Car Lease (excluding taxi)	Yes	Yes
	Registration and insurance of vehicles and equipment	Yes	Yes
	Repairs and maintenance of equipment	Yes	No
Salaries & related costs	Salaries of employees who do not generate any business income	Yes	Yes
	Payroll tax on the above salaries	Yes	Yes
	Superannuation in respect of the above salaries (Superannuation Guarantee Charge amounts only)	Yes	Yes
Other	Regular advertising costs	Yes	Yes
	Accounting and auditing fees	Yes	Yes
	Bank fees/charges and account transaction taxes	Yes	Yes
	Interest/fees on loan to finance the business	Yes	Yes
	Professional association dues and subscriptions	Yes	Yes
	Business insurance (liability, etc)	Yes	Yes
	Postage	Yes	Yes
Locum Cover*	Net cost of a locum (a suitably qualified replacement for you whose sales, income or billings are less than the cost to employ them)	Yes	Yes

* If the gross sales, income or billings generated by the locum during that month exceed the fees incurred by the locum, we will not reduce any benefit payable because of these excess amounts.

If, for example, the locum fees in a month were \$2,500 and gross billings generated by the locum were \$1,500, then the \$1,000 net cost of the locum is an eligible business expense.

However, if the locum fees were \$2,500 and gross billings generated were \$3,000 (ie \$500 profit), there would be no net cost for the locum and in addition we would not reduce eligible business expenses by the profit.

Recurring Disability

If you suffer from the same or related *sickness* or *injury* within 6 months of a Business Expenses Benefit claim ending, your *disablement* will be considered recurring.

If we consider you to have a recurring disability, the Business Expenses Benefit will recommence without a new *waiting period*.

The benefit period is reduced by any previous periods for which we paid benefits for the *disablement* and each recurrence of the *disablement*.

If we have made payments for the full benefit period, you must return to *full-time* work for at least 6 consecutive months and perform all of the *important business income producing duties* of your *usual occupation* without restriction before becoming eligible to submit a new claim for the same or related *sickness* or *injury*. A new *waiting period* and benefit period will then apply.

Automatic Increase Benefit

To help keep cover protected against inflation, the *monthly benefit* will increase on each policy anniversary by the greater of the *indexation factor* and 3% unless the policy owner elects not to accept the offer of the Automatic Increase Benefit by providing written notice within 30 days of the policy anniversary (explained on pages 17 – 18). The Automatic Increase Benefit will not apply if the policy owner is receiving payments under the policy.

Death Benefit

If you die while covered under the policy, we will pay 3, 4 or 6 times the *monthly benefit* (whichever is relevant, explained on page 7).

Grief Support Service

To assist your immediate family members start to come to terms with a reaction to grief. The Service is available to your immediate family if you die (explained on pages 21 – 22).

Elective Surgery Benefit

The Business Expenses Benefit will be paid if, on the advice of a *registered doctor*, you have elective surgery to:

- » transplant part of your body to someone else; or
- » improve your appearance,

where the benefit would otherwise have been payable except that your *disability* was due to surgery, rather than a *sickness* or *injury*.

The Elective Surgery Benefit will not be paid if your elective surgery to improve your appearance took place within 6 months of:

- » the commencement date of the policy;
- » an increase in the *monthly benefit*, but only in respect of the increased portion; or
- » the most recent reinstatement of the policy.

Payments whilst Overseas

If you are disabled outside Australia and New Zealand and in our opinion can still meet our claim requirements (explained on page 23), the policy owner will continue to be paid for up to 3 months whilst you are outside Australia and New Zealand.

Benefits will recommence without a new *waiting period* when you return to Australia or New Zealand if your *disablement* has been continuous since we ceased payments and you are still entitled to receive the Business Expenses Benefit for that *disablement* under the policy.

Premium and Cover Suspension Benefit

If the policy has been continuously in force and premiums have been paid for at least 12 consecutive months and you are:

- » not gainfully occupied in the business; or
- » on sabbatical, maternity, paternity or long-term leave from work,

the policy owner can tell us in writing to suspend premiums and cover under the policy.

Cover and premiums will be suspended for a maximum of 12 months from the time the policy owner notifies us in writing. Cover can only be reinstated at the written request of the policy owner and after we have received the next premium. If the policy owner does not notify us in writing to reinstate the cover within 12 months or notifies us but does not pay the next premium, the policy will be cancelled.

If you are suffering a *pre-existing condition* at the time the cover is reinstated, no benefit is payable for any subsequent claim affected by that *pre-existing condition*.

Premium Waiver Benefit

If we are paying the Business Expenses Benefit because you are *disabled*, the premiums payable under the policy will be waived until the earlier of:

- » the date you are no longer *disabled*; or
- » the policy owner is not entitled to a benefit for that *disablement* under the policy.

If the premium waiver applies after the end of the *waiting period*, the premium waiver will be backdated to the start of the *waiting period*, and refunded with the first payment from us.

The Premium Waiver Benefit will also apply during the payment period for the Specific Injury Benefit or the Crisis Benefit.

Specific Injury Benefit

If you suffer an injury listed under this benefit you will be treated as if you are severely disabled and we will pay the Business Expenses Benefit. Payments will be made for the payment period shown in the following table, unless the policy ends earlier (explained on page 87). We will do this without applying the waiting period, even if you are working.

If you die we also pay the Death Benefit.

Specific injury	Payment period
<i>Paralysis</i>	12 months
Total and permanent loss of use of:	
Both hands or both feet	6 months
Sight in both eyes	6 months
One hand and one foot	6 months
One hand and sight in one eye	6 months
One foot and sight in one eye	6 months
One arm or one leg	2 months
One hand or one foot or sight in one eye	2 months
Thumb and one index finger of the same hand	1 month
A fracture, requiring immobilisation of your:	
Thigh shaft	1 month
Pelvis, except coccyx	1 month
Skull, except bones of the nose or face	1 month
Jaw	1 month
Upper arm	1 month
Elbow	1 month
Shoulder	1 month
Shoulder blade	1 month
Leg (excluding knee cap, ankle, heel, foot and toes)	1 month
Ankle (excluding heel, foot and toes)	1 month
Knee cap	1 month
Heel (excluding ankle, foot and toes)	1 month

Foot (excluding ankle, heel and toes)	1 month
Lower arm (excluding elbow, wrist, hand and fingers)	1 month
Hand (excluding fingers)	1 month
Wrist (excluding hand and fingers)	1 month
Collar bone	1 month

If you suffer from more than one specific injury at the same time, we will pay for the *injury* with the longest payment period.

The Specific Injury Benefit will not be paid in conjunction with any other payment under the policy. If the Specific Injury Benefit and the Crisis Benefit are payable at the same time, the higher benefit, but not both, will be payable.

If you are *disabled* at the end of your payment period, other benefits will be determined under the appropriate terms of this policy.

Crisis Benefit

If you suffer from a condition or undergo a procedure listed under this benefit you will be treated as if you are severely disabled and we will pay the Business Expenses Benefit. We will make payments for the payment period shown in the table below, unless the policy expires earlier. We will do this without applying the *waiting period*, even if you are working. If you die we will also pay the Death Benefit.

Waiting period	Payment period
14 or 30 days	2 months
60 or 90 days	1 month

The conditions and major surgery procedures covered are:

- | | |
|---|---|
| <i>aplastic anaemia</i> | <i>intracranial benign tumour</i> |
| <i>blindness</i> | <i>loss of independent existence</i> |
| <i>cancer*</i> | <i>loss of limbs or sight</i> |
| <i>cardiomyopathy</i> | <i>loss of speech</i> |
| <i>chronic kidney (renal) failure</i> | <i>major head trauma</i> |
| <i>chronic liver failure</i> | <i>major organ transplant</i> |
| <i>chronic lung failure</i> | <i>meningitis</i> |
| <i>coma</i> | <i>Motor Neurone Disease</i> |
| <i>coronary artery angioplasty – triple vessel*</i> | <i>Multiple Sclerosis</i> |
| <i>coronary artery surgery*</i> | <i>Muscular Dystrophy</i> |
| <i>Creutzfeldt-Jakob Disease</i> | <i>out of hospital cardiac arrest*</i> |
| <i>deafness</i> | <i>paralysis</i> |
| <i>dementia</i> | <i>Parkinson's Disease</i> |
| <i>encephalitis</i> | <i>primary pulmonary hypertension</i> |
| <i>heart attack*</i> | <i>repair or replacement of aorta*</i> |
| <i>heart surgery (open)*</i> | <i>repair or replacement of valves*</i> |
| <i>HIV – medically acquired</i> | <i>severe burns</i> |
| <i>HIV – occupationally acquired</i> | <i>severe rheumatoid arthritis</i> |
| <i>insertion of a pacemaker*</i> | <i>significant cognitive impairment</i> |
| <i>intensive care</i> | <i>stroke*</i> |

These conditions and procedures are defined in the Glossary on pages 121 – 132.

Unless you are applying for the policy as a *replacement policy*, cover does not start under this benefit for conditions or major surgery procedures marked with * until the date 3 months after:

- » the policy commencement date; or
- » an increase to the *monthly benefit* is confirmed by us in writing (in respect to the increased portion only); or
- » the most recent reinstatement of the policy.

This means that:

- » the *cancer* must be first diagnosed;
- » the *heart attack, out of hospital cardiac arrest* or *stroke* must first occur; or
- » the disease or condition which the *coronary artery angioplasty – triple vessel, coronary artery surgery, heart surgery (open), insertion of a pacemaker, repair or replacement of aorta, or repair or replacement of valves*, as the case may be, is intended to address, must be first diagnosed,

after cover for that condition or procedure (or increase in the *monthly benefit* in respect of the increased portion) starts.

If you suffer from another condition under this benefit during the payment period, payment for the earlier condition will cease and a new payment period (adjusted by deducting any advance payments made for the earlier condition) will commence for the subsequent condition.

This benefit will not be paid in conjunction with any other benefit payment under the policy. If the Crisis Benefit and Specific Injury Benefit are payable at the same time, the higher benefit, but not both, will be payable.

If you are still *disabled* at the end of the payment period, other benefits will be determined under the appropriate terms of the policy.

Guarantee of Upgrade

If we make any improvements to our Business Expenses product without any increase in our standard premium rates we will automatically provide them to you (explained on page 14).

Life Cover through superannuation

This section contains information about the Asteron Life Superannuation Fund (Fund).

You should read this section if you want the Trustee of the Fund, Asteron Portfolio Services Limited (Trustee) to buy insurance (called Life Cover) on your behalf through a superannuation account. To do this you will need to complete the membership application form included in the application form in this PDS. Please see pages 27 – 37 of this PDS for information regarding the benefits included and options available under Life Cover.

Your Life Cover will commence once you have become a member of the Fund and Asteron has confirmed acceptance of your insurance application. The Trustee is the policy owner and can vary or replace the policy at any time in the interest of members. If the Trustee does this, it will give you 30 days written notice.

In addition to the circumstances listed on page 29 'When does the policy end' your cover through the Fund will stop when you are no longer eligible to make superannuation contributions (or have them made on your behalf) to your super account. Please contact your financial adviser or Customer Service (our contact details are on the back cover) at that time to discuss options to transfer your cover outside the Fund.

Your account balance should be sufficient to meet the cost of your insurance premiums. There is no savings component available in this account. Your policy will lapse if there is not enough money in your super account to cover the insurance premiums. If this happens, we will provide you with notice (to the latest address you notified to us) before your policy lapses (explained on page 109).

Who can join and contribute to the Fund?

Taking up insurance through superannuation means that you have to satisfy contribution rules relating to super. Government regulations define when contributions can be made and when you can access your benefits, including starting a pension. Below sets out when you can contribute (or when other people can contribute for you). Generally, you can make contributions if you are:

- » under age 65; or
- » aged 65 - 74 and have worked at least 40 hours in a 30 consecutive day period within the financial year in which contributions are made.

Until July 1 2007, only personal after tax contributions can be received for a person aged 70 – 74. From 1 July, employer and personal deductible contributions can also be received.

For insurance purposes, you must also be eligible to apply for Life Cover (explained on pages 27 – 37).

Types of Contributions that can be accepted

We are able to accept the following types of contributions:

- » Compulsory employer (Superannuation Guarantee (SG) Award)
- » Voluntary employer
- » Salary sacrifice
- » Spouse*
- » Personal*

Note: Contributions must match the amount of premium for the Life Cover Policy.

* Under proposals announced in the 2006 Federal Budget, we will only be able to accept undeducted contributions (personal and spouse contributions) if you quote your Tax File Number.

When the Trustee pays a benefit

Asteron will pay any benefits under Life Cover (other than the Financial Planning Benefit or Grief Support Service) to the Trustee, as the policy owner. The benefits will then form part of your superannuation account and can only be released in accordance with 'release conditions' provided by relevant legislation.

The Trustee will only pay the benefit from the account if:

- » Asteron pays the insurance claim to the Trustee (so you are entitled to the claim under the terms of the Life Cover insurance policy); and
- » you are able to withdraw those benefits under superannuation law. Benefits in a super account are subject to preservation requirements. Access to benefits are available where certain 'release conditions' are satisfied.

Benefits in Super can be

Preserved Benefits*	Preserved benefits can be generally only accessed once you have satisfied a release condition. Once you have satisfied a release condition these benefits will become unrestricted non-preserved and available for cashing. For release conditions please see pages 101 – 102.
Restricted non-preserved benefits	These benefits are paid to you under the same release conditions as your preserved benefits, but can also be paid to you when you leave the employer who has made the contributions for you to that fund. Generally restricted non-preserved benefits arise from personal contributions made to an employer fund from 1 July 1983 up to June 30 1999 for which you could not claim a tax deduction.
Unrestricted non-preserved benefits	Unrestricted non-preserved benefits are fully accessible (often because a release condition had been met). You can access these funds for cashing at any time.

* From 1 July 1999, all contributions to superannuation and net investment earnings have been classified as 'preserved benefits'.

Death Benefits

Death is one such 'release condition' which permits a Trustee to pay a benefit from a super account. So, if you die while covered under Life Cover, and Asteron pays a benefit to the Trustee, the Trustee will pay the Death Benefit in accordance with a valid binding nomination or at the Trustee's discretion to one or more of your dependants or to the estate (as defined by superannuation law).

Who can receive your Death Benefit?

You may nominate your dependants and/or your legal personal representative to receive part or all of your benefit in the event of your death, using either a binding or non-binding beneficiary nomination.

Dependants under Super Law

Spouse:

- » Married
- » Defacto

Child* – any age:

Interdependency relationship

Financial dependant

* Defined as birth, adopted or ex-nuptial child.

Binding Death Benefit nomination

If you make a binding Death Benefit nomination, the Trustee is required to pay the benefits according to your nomination, provided it is valid at the time of your death.

You can nominate what percentage of your total Death Benefit is to be paid to each person you nominate. This nomination is binding on the Trustee.

You or your dependants can nominate the form of benefit (lump sum or income stream) at the time of payment (based on financial planning advice considering their own circumstances at the time). However the Trustee is not bound by this nomination. Under proposed changes which could become law on 1 July 2007, children:

- » Between 18 and 25 who are not financially dependent on you; or
- » aged 25 and over and
- » are not disabled

will only have the option to receive a lump sum.

Binding nominations are valid for three years from the date they are made, amended or confirmed. You must contact us to update or confirm your nomination at least every three years for it to remain valid. You can also cancel your nomination at any time by writing to us.

Where there are multiple beneficiaries on a valid binding nomination and a beneficiary is not entitled to receive the benefit (where the nomination was not effective or not in accordance with the relevant law) that portion is to be paid to the legal personal representative of the member.

Where the binding nomination is not valid the Trustee will pay the benefit to one or more of the members' dependants and legal personal representative in proportions determined by the Trustee.

If a beneficiary is entitled to receive a benefit under a binding nomination and that beneficiary dies after the member but before being paid, the Trustee will pay that benefit to the legal personal representative of the beneficiary.

Over time your circumstances may change (for example you marry or have a child). The Trustee is bound to pay the Death Benefit according to your valid nomination, regardless of changed circumstances. It is important that you review your direction regularly to keep it up to date to ensure that any Death Benefits are paid according to your wishes. To assist you, the Trustee will forward details of your current nomination to you each year.

Non-Binding Death Benefit nomination

If you make a non-binding Death Benefit nomination, the Trustee will take into account the nomination you have made. However, the Trustee is not bound by it and will use its discretion in accordance with the terms of the trust deed as to:

- » who it pays your benefit;
- » in what proportions; and
- » how it is paid (as a lump sum, income stream or a combination of both).*

If you do not wish to make a binding Death Benefit nomination, we recommend that you complete the 'Non-binding direction' section in your Application for Membership to assist the Trustee in determining the Death Benefit distribution.

Again, as your circumstances may change over time, we recommend that you regularly review your nomination to ensure that it remains up to date in relation to your personal circumstances. You can change your non-binding Death Benefit nomination at any time by contacting us to obtain a nomination form and then making a new nomination. You can also cancel your nomination at any time by writing to us (our contact details are on the back cover).

* (Please see the proposed changes to death benefits paid as an income stream to children over age 18 in the 'Binding Death Benefit Nomination' section).

What if my beneficiaries are not eligible or cannot be located?

If this happens and the Death Benefit cannot be paid to your estate, the Trustee can use its discretion, in accordance with superannuation law, to pay another person.

This may happen in a number of circumstances including but not limited to:

- » a nominated beneficiary is no longer a dependant at the time of your death;

- » you have no surviving children at the date of your death;
- » you have no spouse at the time of your death.

How are Death Benefits paid?

As discussed above, benefits may be paid as a lump sum benefit or an income stream.

Lump Sum Benefit

A lump sum benefit is where your Death Benefit is paid as a single payment. If you nominate your estate as your dependant or your dependants do not request that benefits be paid as an income stream, the Trustee will pay any Death Benefit as a lump sum.

Income stream

Income stream benefits are paid via an 'allocated pension'. An allocated pension provides dependants (other than children) with a regular payment, rather than a lump sum benefit. Depending on their circumstances, an allocated pension may be a more tax effective way for your dependants to receive their benefits.

An allocated pension is available to all Life Cover policies written through the Fund. All or part of your Death Benefit can be paid via this option. The Trustee can also set up separate allocated pensions to make individual payments to more than one dependant.

Your Death Benefit can be invested in a choice of investment portfolios within this allocated pension to provide your dependants with a regular income stream. The minimum amount to start an allocated pension is \$20,000.

The Trustee also has discretion to retain benefits in trust for children (under age 18), however we do not offer a child allocated pension. (Please see the proposed changes to death benefits paid as an income stream to children over age 18 in the 'Binding

Death Nomination' section above). Allocated pensions paid from a superannuation fund are governed by laws which set limits to the maximum and minimum amount of pension payments in a financial year. These limits are proposed to change from 1 July 2007, with lesser minimums and no maximums.

The terms of the allocated pension, including features, benefits, fees and charges, are set out in the allocated pension PDS. You can obtain a copy from your financial adviser or by calling us (our contact details are on the back cover).

Terminal Illness Benefit and Total and Permanent Disablement (TPD) Option

Asteron can pay an amount under Life Cover to the Trustee if you:

- » become *terminally ill*; or
- » become *totally and permanently disabled* (if you select this optional cover).

The Trustee will then pay the Terminal Illness Benefit (less any tax) or the TPD Option (less any tax) to you if you satisfy a 'release condition' (as discussed below) due to the benefit being paid through a superannuation fund.

If the Insurer (Asteron) pays a benefit, but you cannot access it under superannuation law the Trustee will retain the benefit in your super account until you meet a 'release condition'.

Release Conditions

Under super law, you can access your benefit on the grounds of 'permanent incapacity' which is similar to (but not the same as) the *any occupation definition of 'total and permanent disablement'* under Life Cover. 'Permanent incapacity' is currently defined in superannuation law as:

'in relation to a member who has ceased to be gainfully employed ... ill-health (whether physical or mental), where the trustee is reasonably satisfied that the member is unlikely, because of the ill-health, ever again to engage in gainful employment for which the member is reasonably qualified by education, training or experience.'

If you cannot satisfy the definition of permanent incapacity, you need to be able to meet one of the conditions listed below to access your money.

- » permanent retirement from the workforce after reaching your 'preservation age' as shown in the following table:

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

- » ceasing work with your employer after age 60;
- » reaching age 65;
- » severe financial hardship as defined by superannuation regulations and having received certain social security benefits for a specified period. In some cases a limit may apply to how much you can access;
- » specified compassionate grounds (defined by superannuation regulations);
- » if you are a temporary resident on a certain class of visa and have permanently departed from Australia;

- » reaching preservation age and using the funds to start non-commutable (Transition to Retirement) Allocated Pension;
- » your death.

Please note that Asteron also offers TPD as non-superannuation cover, outside of the Fund where the release conditions do not apply. There may also be tax advantages that apply to TPD benefits paid from non-superannuation cover. We recommend that you discuss with your financial adviser the type of cover which is most appropriate to your circumstances.

Tax

Your Contributions

Contributions tax of 15% is applied to all employer or deductible personal superannuation contributions. However, no contributions tax is payable as the super fund can claim tax deductions for your death and TPD insurance premiums to offset any tax that may be payable.

Tax on Death Benefits

The benefits are taxed based on the person receiving the benefit. No lump sum tax is payable on a Death Benefit if it is paid to your spouse or dependants (defined by tax law) if it does not exceed the deceased pension Reasonable Benefit Limit (RBL) (\$1,356,291 for the 2006/2007 financial year). RBL's limit the amount of benefits which can be paid to member's/beneficiaries on a concessional basis. Under current law amounts paid as lump sums that exceed the pension RBL will be taxed at a rate of up to 45% plus Medicare.

'Dependants' under tax law are defined as:

- » a spouse (legal or de facto) or former spouse;
- » a child aged less than 18;
- » Someone who had an *interdependency relationship* just before they died; or

- » Any other person who was financially dependent on the deceased just before they died.

NOTE: From 1 July 2007 RBLs will be removed. This will mean that there will be no limit on the amount of death benefit paid tax-free to your spouse or dependants (as defined by Tax law).

Adult children (over age 18) are not dependants for tax purposes unless they are financially dependent on you at the time of your death, but they are still eligible to receive a superannuation Death Benefit. Where a Death Benefit is paid to a person other than a 'tax dependant', such as an adult child, it is taxed as an Eligible Termination Payment (with no Post June 1983 tax free component). Changes to tax laws from 1 July 2007 will make changes to the way benefits are currently paid and taxed, as shown in the table below. Benefits may be split into taxable and tax free components. Non-dependants will not be able to receive death benefits in the form of an income stream.

Death Benefit Component	Non Dependent Tax Rate
Tax-Free	NIL
Taxable (taxed element)	15%
Taxable (untaxed element)	30%

Tax on TPD and Terminal Illness Benefits

If you withdraw a TPD or terminal illness payment, the amount of tax payable depends on your age and the components. From 1 July 2007, benefits will be allowed to be paid tax free from age 60.

A portion of your benefit may also include a tax free invalidity component.

Your financial adviser can provide you with further information relating to your circumstances.

Lost members

It is important that we always have current contact details for you. If you move, you can tell us by contacting Asteron Life Customer Service or by completing a Change of details form. If you become 'uncontactable', you will be classed as a lost member. This may happen where:

- » you cannot be contacted (we have received two pieces of returned mail for you)
- » you are inactive (we have not received a contribution into your account for two years).

You should be aware that even if you become classified as a lost member, insurance premiums will continue to be deducted from your account until your balance is zero.

The Eligible Rollover Fund

We have the authority under superannuation law, to transfer your account to an Eligible Rollover Fund (ERF) in a number of circumstances including:

- » you become a lost member (see 'Lost members' on this page)
- » your account balance falls below \$1,000.

We have selected the SMF Eligible Rollover Fund (SMF ERF) as our ERF. You can contact them at:

Fund Administrator
SMF Eligible Rollover Fund
GPO Box 529
Hobart TAS 7001
Phone 1800 677 306

If your account is transferred to the SMF ERF, you will:

- » cease to be a client of Asteron Lifeguard

- » cease to have any insurance benefits (if you have selected insurance cover)
- » cease to have any rights against us in relation to your account; and
- » become a member of the SMF ERF and be subject to its governing rules.

If your account is transferred, the SMF ERF will send you a copy of their current PDS if we can provide them with your current contact details.

You can obtain more information about the SMF ERF by contacting them directly.

Small account protection

We cannot charge fees greater than your investment earnings on your account balance if it is below \$1,000. However, any buy/sell spreads or other costs associated with your investment options and reflected in the unit price will still apply. Throughout the year we will continue to deduct fees from your account and will credit any protected small accounts with a rebate at the end of the year or when you withdraw your full benefit. Any taxes and insurance premiums will continue to be deducted in full.

We currently retain accounts with less than \$1,000, however, at some time in the future, we may elect to transfer these accounts to the SMF ERF.

Treatment of account upon marriage breakdown

Your superannuation may be split as a result of marriage breakdown. This can be done either by court order or by agreement between the parties. The splitting of superannuation benefits as a result of marriage breakdown or divorce may have consequences for the taxation of your superannuation benefit.

The Trustee may charge fees in relation to the splitting of the superannuation benefit.

Management fees and charges

The Trustee applies no management fees or costs to members or their benefits. The only amounts payable are contributions to meet premiums and other charges for Life Cover (please see pages 106 – 110 for more information).

Regular reports

Updated information about the management and financial condition of the Fund is included in the Fund's Annual Report. A copy of the most recent Annual Report is available free of charge on request from your financial adviser or from us (our contact details are on the back cover).

We will also send you an Annual Report each year and an Annual Statement confirming your current benefits within the Fund, including your current level of insurance cover.

Cooling off period

A cooling off period applies if the Trustee has purchased Life Cover on your behalf. Please see page 112 for details.

Enquiries

If you have any questions about the policy or your membership of the Fund, please call either your financial adviser or the Trustee (our contact details are on the back cover).

Complaints resolution

Please see pages 112 – 113 for details about the Trustee's complaints resolution process.

Other things you should know

About the Trustee

The Trustee of the Fund, Asteron Portfolio Services Limited, is an approved trustee under the Superannuation Industry (Supervision) Act 1993 (SIS).

About the Fund

The Fund:

- » is a resident regulated superannuation fund within the meaning of SIS; and
- » is not subject to a direction from the Australian Prudential Regulation Authority under section 63 of that Act, not to accept any contributions made to the Fund by an employer-sponsor. The Fund is a complying superannuation fund, able to accept employer Superannuation Guarantee contributions.

The Trust Deed

The rights and obligations of the members under the Fund are set out in the Trust Deed.

The Trust Deed sets out the rules for the establishment and operation of the Fund and member rights and obligations. You can obtain a copy of the Trust Deed free of charge by contacting Asteron (our contact details are on the back cover).

Under the terms of the Deed that established the Fund, the Trustee has the power to amend any of the provisions of the Deed if permitted by relevant law.

Other Information

How much will the policy cost?

Are there any other charges?

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Client satisfaction

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How to apply

Interim Cover

How much will the policy cost?

You will receive a premium illustration

The amount payable when the policy starts will be set out in a premium illustration that your financial adviser will provide and you will sign and attach to the application form. The illustration will set out the premium, policy fee and Government fees and charges (if any) which are payable in addition to the premium. You can also ask us to provide you with an illustration, or request our premium rates by contacting us (our contact details are on the back cover).

If the first premium is paid with the application, we will deposit the money in an application money trust account while we are assessing the application. We retain the interest we earn on this account.

How do we calculate the premium?

No matter which policy is selected, the premium (including for an increase in *sum insured* or *Total Monthly Benefit*) will be based on a number of factors, including:

- » the current premium rates for the policy;
- » your age or the insured child's age (if applicable), sex, smoking status, occupation;
- » any premium loadings at the commencement date for things such as health and lifestyle;
- » in the case of Income Protection or Business Expenses:
 - the *Total Monthly Benefit*;
 - the *waiting period* (the longer the *waiting period*, the lower the premium);
 - the benefit period (the longer the benefit period, the higher the premium); and
- » in the case of Life Cover, TPD Stand Alone, Recovery products the *sum insured* for each benefit.

Your financial adviser can help you determine what level of cover you need and also how much it will cost.

If you misstate your age we have the right to adjust the benefits provided under the policy to reflect your correct age and actual premium paid. If your age has been overstated we may repay any overpayments of premium.

Premium Discounts

You may be entitled to a premium discount on your policy, depending on:

- » the number and types of policies you apply for and are accepted for at the same time; and
- » if you in *association with other individuals* apply and are accepted for policies at the same time.

The discounts will be included in the premium illustration your financial adviser provides.

If any of the policies which entitled you to the discount are subsequently cancelled, withdrawn or end then the discount will cease to apply from that date and the premium on any remaining policies will be changed accordingly.

Choice about how your premium is calculated each year

Premiums can be on a stepped or level basis.

If stepped premiums apply, the premium will be recalculated (and will usually increase) on each policy anniversary based on your age at that time.

If level premiums apply, the premium is calculated and based on your age at the start of the policy. The premium for any increase in the *sum insured* or *Total Monthly Benefit* is calculated at the start date of the increase, based on your age at that time.

The total amount that the policy owner must pay under the policy will change each year in line with changes in the policy fee (increased by the *indexation factor*) and government taxes or charges not included in the premium rate.

Level premiums will convert to stepped premiums on the policy anniversary when you are age 65.

The following table provides an example of stepped versus level premiums for a male, non-smoker, accountant with no premium loadings, aged 45 with a \$500,000 Life Cover Death Benefit *sum insured*. While premium rates can increase, this illustration uses premium rates as at May 2007 (and includes the policy fee, which has been assumed to index at 3% per annum) and assumes the *sum insured* remains at \$500,000.

Age	Stepped Premiums	Level Premiums
45	\$62.52	\$132.44
46	\$70.71	\$132.62
47	\$79.54	\$132.82
48	\$89.58	\$133.01
49	\$100.56	\$133.21
50	\$111.55	\$133.42
60	\$397.37	\$135.88

When premiums may change

In addition to variations due to a stepped premium basis, premiums may vary if:

- » we are requested to change the *Total Monthly Benefit* or *sum insured* for any of the benefits or options under the policy (including medical free increases explained on pages 19 – 20);
- » we are requested to change the premium payment frequency on the policy;
- » the Automatic Increase Benefit results in increases in the *Total Monthly Benefit* or

sum insured each year to protect against inflation;

- » if level premiums apply the policy anniversary of the commencement date when you are age 65;
- » if premium discounts no longer apply (eg you no longer hold multiple policies with us);
- » we review and change the premium rates.

We may review the premium rates

We may review any of our standard premium rates, for any of our policies, at any time and as a result our standard premium rates may increase or decrease. For example, we may review them on the advice of our Appointed Actuary following a review of our claims experience.

Premium rates will only change if we review all our rates for a type of policy within the same series (for example, all our Income Protector rates). Therefore you cannot be singled out for an increase. If we do change our standard premium rates any change in those rates will apply on your next policy anniversary after the change in rates, for example if we decreased our rates for Life Cover on 1st of January, then your premium would be reviewed on your next policy anniversary following the 1st of January.

Where there is an increase in the standard premium rates and fees (except as otherwise stated in this PDS) we will provide you with at least 30 days written notice of our intention to increase our current standard premium rates.

The underlying policy premium will change and additional loading factors agreed upon with you will continue to apply.

Are there any other charges?

Policy fee information

A policy fee will be charged to contribute towards the costs of fixed expenses incurred by us to assess and administer the policy. The policy fee is payable in addition to the premium.

Depending on the payment frequency you choose, a policy fee will be payable as follows:

	All policies
Yearly	\$70.05
Half-yearly	\$36.08
Quarterly	\$18.49
Monthly	\$6.16

The policy fee stated in this PDS has been set at 1 March 2007 and will be increased each year at a rate no greater than the *indexation factor*.

The policy fee applying when the policy commences will be stated in the schedule to the relevant policy.

We recognise that expenses may overlap when more than one policy is being applied for at the same time, on the same insured person. In these circumstances we may waive the policy fee on one or more policies

Government taxes and charges

We will pass on any government taxes and charges (such as Stamp Duty) which we incur in relation to the policy and which are not included in the premium rates.

For example, Stamp Duty is a Government fee that may be charged in addition to the premium. The stamp duty payable is based on the State where you reside. The rate of stamp duty varies from State to State.

You may also be required to pay any new or increased Government taxes and charges. These taxes and charges are outside of our control.

Currently GST is not charged on life insurance premiums.

Are there any minimum premiums?

The minimum premiums for each of the policies are as follows:

Minimum premiums (including the policy fee* and stamp duty if applicable)		
Frequency	All policies	Child Cover Option [^]
Yearly	\$250	\$12
Half-yearly	\$125	\$6
Quarterly	\$65	\$3
Monthly	\$25	\$1

* if the policy fee is waived, the minimum premiums will still apply.

[^] does not apply to the \$10,000 premium-free Child Cover

How and when can you pay your premium?

Payment frequency	Frequency loading	Payment method		
		Cash/ Cheque	Credit card	Direct debit
Yearly	Nil	✓	✓	✓
Half-yearly	3.0%	✓	✓	✓
Quarterly	5.6%	✓	✓	✓
Monthly	5.6%	Not available	✓	✓

The table above highlights the different payment methods and frequencies currently available, as well as the loading to the premium if you choose a frequency other than yearly.

For example, if the yearly premium was \$300 (including stamp duty and policy fee), and the premium is payable:

- » half-yearly, the premium will be \$154.50 (equivalent to \$309 per year) based on 3.0% frequency loading;
- » quarterly, the premium will be \$79.20 (equivalent to \$316.80 per year) based on 5.6% frequency loading; or
- » monthly, the premium will be \$26.40 (equivalent to \$316.80 per year) based on 5.6% frequency loading.

What happens if the premium is not paid?

Premiums, the policy fee and Government fees and charges not included in the premium rates are payable in advance on or before the due date, as a total payment on the selected basis. The payment frequency and method can be changed in accordance with our available payment frequencies and methods at any time if the premiums are up to date by providing written notice (our contact details are on the back cover) and we will advise the revised amount payable.

If a payment is missed, we will send a notice to the policy owner at the address last advised to us specifying the date on which all cover will cease if the amount due is not paid. If payment is not made by that date we will cancel the policy and provide written notice of cancellation to the policy owner (or you if you are a member of the Fund) at the address last advised to us.

We will give at least 20 business days written notice before we cancel the policy because of non-payment of premiums.

After the policy has been cancelled, the policy owner may, by providing written notice, request reinstatement at any time during the 12 months following the date of cancellation. We will consider such a request but are not

obliged to reinstate the policy on the same terms or at all. If we determine to reinstate the policy we will confirm the reinstatement and any further terms imposed in writing to the policy owner (or you if you are a member of the Fund).

Premium Freeze Option (only applies to Life Cover, TPD Stand Alone and Recovery products)

This means the premiums are at a set amount each year but your level of insurance cover will decrease as you get older.

You can tell us to fix premiums at the same amount within 30 days of a policy anniversary if you are paying premiums on a stepped basis.

This means that;

- » future premiums for this cover will then be fixed at the same amount as the premium immediately before that anniversary; and
- » on that anniversary, and on each following anniversary of the commencement date, the *sum insured* for this cover adjusts to the amount which can then be purchased for the fixed premium based on:
 - our then current rates for Life Cover, TPD Stand Alone, Recovery products; and
 - your sex, occupation, smoking status and any agreed premium loading factors; and
 - your age on your next birthday after the recalculation.

The Premium Freeze Option does not apply to the Child Cover Option or the Needlestick Option (if applicable).

You can also end the premium freeze by notifying us in writing and the premium freeze will end on the next policy anniversary.

The following table provides an example of what would happen to an initial Life Cover *sum insured* of \$500,000 over a 15-year period if a male, non-smoker, accountant with no premium loadings, aged 45, who is paying premiums on a monthly basis exercised the Premium Freeze Option. While premium rates can increase, this illustration has been prepared using premium rates as at April 2007 (and includes the policy fee, which has been assumed to index at 3% per annum).

Age	Monthly Premium	Sum Insured
45	\$62.52	\$500,000
46	\$62.52	\$381,857
47	\$62.52	\$335,544
48	\$62.52	\$294,625
49	\$62.52	\$259,770
50	\$62.52	\$185,656
60	\$62.52	\$47,769

What we pay your financial adviser

Your financial adviser may be paid a commission by Asteron for your policy. This commission is already included in the premium rates. In addition to this commission, we may make payments to Australian Financial Services Licencees based on commercial arrangements. These payments are made by Asteron.

Your financial adviser will provide details of the benefits he or she will receive if we issue you a policy in the Financial Services Guide and, if applicable, the Statement of Advice that he or she will give to you.

Taxation – Points to note

The following information on taxation is based on the tax laws and rulings at the issue date of this PDS, the continuance of these laws and our interpretation of them.

These are general statements only, which highlight the possible tax implications associated with:

- » the payment of premiums, and
- » the receipt of benefits.

Individual circumstances may be quite different, therefore we strongly recommend that you consult a taxation adviser in regards to your own personal position.

Information about the tax treatment of premium contributions and benefits paid from the Asteron Life Superannuation Fund is explained on pages 97 – 104.

Product	Premium Impact	Benefit Impact
Life Cover	<p>Premiums are NOT normally tax deductible.</p> <p>If the policy is taken out by a business for a revenue purpose, these premiums may be deductible.</p>	<p>Payment of the Death Benefit <i>sum insured</i> is normally free of personal income tax, unless the insurance was taken out by a business for a revenue purpose.</p> <p>Capital gains tax is not normally payable if the Death Benefit <i>sum insured</i> is paid to:</p> <ul style="list-style-type: none"> » the original beneficial owner; or » a person who acquires the policy for no consideration.
Recovery products, TPD Stand Alone and TPD Option	<p>Premiums are NOT normally tax deductible.</p> <p>If the policy is taken out by a business for a revenue purpose, the premiums may be tax deductible.</p>	<p>Payment of the <i>sum insured</i> is normally free of personal income tax. Tax may be payable if the policy was taken out by a business for a revenue purpose.</p> <p>Capital gains tax is not normally payable if the <i>sum insured</i> is paid to:</p> <ul style="list-style-type: none"> » the person who suffers the condition or undergoes the procedure; or » that person's spouse, child or other relevant relative.
Income Protection and Business Expenses	<p>Premiums are normally fully tax deductible whether you are employed or self-employed.</p> <p>The premiums for the Needlestick Option under Income Protection are not normally tax deductible.</p>	<p>Any monthly benefits received are normally taxed as income and should be declared in your annual tax return and where applicable, included in a Business or Instalment Activity Statement.</p> <p>We do not deduct any tax from monthly benefits prior to payment.</p> <p>Payment of the Needlestick Option under Income Protection is normally free of personal income tax.</p>

Client satisfaction

Cooling off period

Contacting Asteron

After we have accepted your application and issued the policy document and schedule, there is a period of time in which you may cancel the policy and obtain a refund of the premium and other charges you have paid (other than any Government taxes and charges for which we are unable to obtain a refund). This is known as the 'cooling off' period.

Your 'cooling off' rights work in the following way:

- » the 'cooling off' period is 28 days and commences from the date we issue the policy document and schedule;
- » your cooling off rights will not apply if there has been any claim during the 'cooling off' period;
- » if you decide to cancel the policy in the 'cooling off' period, you must return the policy document and schedule together with a written request to cancel the policy to us (our contact details are on the back cover).

Contacting the Trustee

If the Trustee, Asteron Portfolio Services Limited, has purchased Life Cover on your behalf, you have 20 days from the date we confirm your membership of the Fund to cancel your membership and request that the Trustee cancel the Life Cover policy. This is known as the cooling off period.

Any amount in the Fund that is subject to preservation will be repaid by way of transfer to another complying superannuation fund.

You must make a nomination in writing of a complying superannuation fund no later than one month after notifying the Trustee of your decision to cancel the membership. The right is exercised on receipt by the Trustee of your nomination.

Your 'cooling off' rights work in the following way:

- » the 'cooling off' period is 20 days and commences from the date we issue the policy document and schedule;
- » your cooling off rights will not apply if there has been any claim during the 'cooling off' period;
- » if you decide to cancel the policy in the 'cooling off' period, you must return the policy document and schedule together with a written request to cancel the policy to us (our contact details are on the back cover).

What to do if you have a complaint

Contacting Asteron

We make every effort to ensure your complaints are resolved in a satisfactory and timely manner. If you have an issue you would like to raise please contact the Manager, Life Customer Service.

Life Customer Service
Locked Bag 5000
Chatswood NSW 2057

Ph 1800 221 727 (outside Sydney)
02 9978 9999

Fax 02 9978 9798

Email life_customerservice@asteron.com.au

You will receive a response within 10 working days of us receiving your complaint. Your complaint will be dealt with within 45 days.

In the event that your complaint is not resolved to your satisfaction, you may refer it to the Financial Industry Complaints Service Limited (ABN 64 068 901 904). Please quote Asteron's FICS membership number which is A-1234.

Their contact details are:

The Manager
Financial Industry Complaints Service
PO Box 579
Collins Street West
Melbourne VIC 8007

Telephone 1300 780 808
Fax 03 9621 2291
E-mail fics@fics.asn.au

If you are not satisfied with a response from us or you have not received a response to your complaint within 90 days, you may take your complaint to the Superannuation Complaints Tribunal (SCT). The SCT is an independent government body set up to help with the resolution of superannuation complaints. You should take your complaint to the SCT within 12 months of receiving our response, otherwise the SCT may not be able to deal with your complaint.

Their contact details are:

Superannuation Complaints Tribunal
Locked Bag 3060
GPO Melbourne VIC 3001

Telephone 1300 780 808
Fax 03 8635 5588
Internet site www.sct.gov.au

Asteron Life Superannuation Fund Members - Contacting the Trustee

If the Trustee has purchased Life Cover on your behalf, and you or your beneficiaries have an issue you would like to raise please contact the Manager, Life Customer Service.

Customer Service
Locked Bag 5000
Chatswood NSW 2057

Ph 1800 221 727 (outside Sydney)
02 9978 9999

Fax 02 9978 9798

Email life_customerservice@asteron.com.au

Our Privacy Statement

Keeping your information private is important to us. We mainly collect information about you to provide superannuation and insurance services. We may not be able to process your application, provide insurance cover, pay benefits or provide you with the full range of services if we do not have complete and accurate information. We may also be required by superannuation and taxation law to collect your information.

To help us to service you we may obtain information from, or give information to, your financial adviser.

We, or other members of Promina Group or Suncorp, may use your information to tell you of other products and services we have available. You can advise us at any time if you do not wish to receive this information.

We may disclose your information to external suppliers to help us administer, monitor or evaluate our products and services (confidentiality arrangements will apply).

Your information may also be provided to the Australian Tax Office (ATO), your spouse or partner (if required by law under a superannuation splitting arrangement), anyone you have authorised or another person as required by law.

Should you be required to provide us information relating to your health, we will impose additional restrictions on the disclosure of this information.

We collect this information to assess any insurance or early release of superannuation benefits claim you may make. We may disclose your health or personal information to, or collect it from, your financial adviser, medical practitioners, health care professionals, reinsurers, any person we consider necessary to assist us with your assessment, anyone you authorise, or to anyone who we may be required to do so by law.

You are entitled to access any information we have about you. You should tell us if any of the information is inaccurate, incomplete or has changed. You can obtain a copy of our Privacy Policy from our website via www.asteron.com.au or by contacting Asteron (our contact details are on the back cover).

Tax File Numbers (TFN)

We are authorised to collect your TFN under the Superannuation Industry (Supervision) Act. Where we collect your TFN, it will be kept confidential and only used for lawful purposes which may include:

- » finding or identifying superannuation funds
- » calculating tax on ETPs
- » providing your TFN and other information to the Commissioner of Taxation
- » providing your TFN to your future superannuation fund trustee or Retirement Savings Account (RSA) provider if you are transferring your account.

We will not pass on your TFN if you write to us and tell us not to. We will not disclose your TFN to anyone else.

Providing your TFN is voluntary and declining to quote your TFN is not an offence. However, if you do not provide us with your TFN, then:

- » you may pay more tax on your benefits than would otherwise be payable (you may get this back at the end of the financial year in your income tax assessment)
- » it may be difficult to find or consolidate your superannuation funds in the future.

As a result of changes to the law, the purposes for which we can use your TFN and the consequences of not providing it to us may change in the future.

You should be aware, under the 2006 Federal Budget proposals, we will not be able to accept an undeducted contribution unless you have quoted your TFN.

How to apply

To apply for any of the policies referred to in this PDS, you (and the proposed policy owner if not you) must be a resident of Australia and will need to complete the application form that is at the back of this PDS.

We consider many factors (such as your health and your occupation) when making decisions about the application for insurance. We use the information in the application to:

- » assess whether or not we can provide insurance cover; and
- » calculate the cost of your insurance if we agree to cover you.

Sometimes we may need more detailed information than you provided in your application form.

We may ask you to complete a special health questionnaire, to attend a medical consultation or have a medical test. We will generally pay for any medical consultation or medical test that we request you to undertake for the purposes of assessing your application.

If we are unable to accept your application on standard terms, we will contact you or your financial adviser to discuss whether we are able to offer you modified terms. For example, we may offer you a policy subject to a loading being payable on your premium, or a reduced risk. Sometimes we may not be able to offer you a policy.

How often will we communicate with you about the policy?

The following table shows what the policy owner will receive from us:

When the policy commences	When the policy is altered	At each policy anniversary	If you make a claim
<ul style="list-style-type: none"> » welcome letter; » the policy schedule; and » the policy document. 	<p>If a request is made to change some of the policy terms and we accept the alteration, we will confirm the change to you with a:</p> <ul style="list-style-type: none"> » confirmation letter; and » policy endorsement. 	<p>The policy owner will receive a notice from us showing:</p> <ul style="list-style-type: none"> » the current policy details; and » premiums payable. 	<p>When we are notified of a claim, you will receive:</p> <ul style="list-style-type: none"> » a letter; and » a claims kit outlining the information we require.

We will send all correspondence to the policy owner at the address last advised to us. It is important that you advise us if you change address.

If this information is not received, or if there are other transactions under the policy that we must confirm in writing, please contact us (our contact details are on the back cover).

If there is a material change or significant event, we will notify you within 3 months of the change occurring.

Certificate of interim cover

Protection while your application is being considered

Asteron Life Limited

is pleased to provide interim cover for:

Insured Person

policy owner

About interim cover

We will provide you with interim cover while your application for one or more policies referred to in this PDS is being assessed.

The terms and conditions of interim cover are set out in this certificate and pages 117 – 119 of the PDS.

Interim cover is not available if an application for a similar type of policy with any insurer has been declined.

If during the application process we decide to offer a modified policy, your interim cover will also be adjusted to incorporate the modified terms. If we require an additional premium due to your medical history, occupation or pastimes, your level of interim cover will be recalculated (and hence reduced) based on your proposed premium.

When cover commences

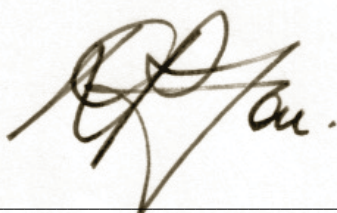
Interim cover commences when the completed application form and initial premium (or completed deduction authority) are lodged at one of our State Offices or our Head Office.

If you wish us to confirm when your interim cover begins and ends, please call your State Office and we will send you written confirmation.

When cover ends

Your interim cover will end automatically on the earliest of the following:

- 90 days from the date your interim cover begins;
- the date your application is accepted, declined, withdrawn; or
- the date we advise you that your interim cover is cancelled.



Dennis Fox
For Asteron Life Limited

We rely on what you tell us

This certificate is dependent upon the insured person and the policy owner providing complete and truthful answers in the application for insurance and complying with the duty of disclosure (as shown on the Application for Life Insurance Products).

Interim cover is issued from our No. 1 Statutory Fund.

Meanings of words and expressions

Under interim cover, words and expressions which have a particular meaning are set out below:

- » For Income Protection and Business Expenses what we mean by severely disabled and allowable business expenses is described in the relevant sections of this PDS.
- » Trauma means:
 - *blindness*
 - *coma*
 - *deafness*
 - *intensive care*
 - *loss of independent existence*
 - *loss of limbs and sight*
 - *major head trauma*
 - *paralysis*
 - *severe burns*
 - *significant cognitive impairment.*

These conditions are defined on pages 121 – 132 in the Glossary except that under interim cover these conditions must be as a result of an *injury*.

- » Totally and permanently disabled means:
 - the *modified definition* if you apply for, or are only eligible for, the modified definition; or
 - otherwise, the *any occupation definition*.

Maximum benefit payable

If the application is for a combination of any two or more of Life Cover, TPD Stand Alone, Recovery Package or Recovery Stand Alone, an interim cover benefit is payable once only on the first insured event to occur and the maximum payable is:

- » \$1,000,000 for death;
- » \$500,000 for total and permanent disablement; and
- » \$500,000 for trauma.

When we will not pay a benefit

We will not pay any benefits if the application is one which we would not normally accept under our standard underwriting guidelines and practices.

Benefits will also not be paid where death, disablement or conditions are caused by:

- » suicide;
- » an intentional self-inflicted act;
- » any *pre-existing condition* ie. an illness or other condition relating to your health:
 - of which you were, or a reasonable person in your position would have been aware at any time before the date of the application;
 - for which you have consulted a qualified medical practitioner before the date of the application;
- » participation in any occupation, sport or pastime which we would not normally cover on standard terms (full details are available on request);
- » a *war or an act of war* (unless a Death Benefit is payable);
- » any *sickness* or *injury* that occurs as a result of your voluntary participation in a *criminal activity*; or
- » any event giving rise to the claim (including death) on an insured child covered under Child Cover interim cover, caused directly or indirectly by:
 - a congenital condition; or
 - the intentional act of the policy owner or person who will otherwise be entitled to the benefit payable.

We will not pay for any period you are in incarcerated.

Life Cover

If the application is for Life Cover, the benefit will be paid if you die during the period of the interim cover.

If the application is also for the Total and Permanent Disablement Option the benefit will be paid on the earlier of:

- » your death; or
- » you becoming *totally and permanently disabled* as a result of *sickness* which first became apparent, or *injury* occurring, during the period of interim cover.

The amount payable will be the lesser of:

- » \$1,000,000 if you die, or \$500,000 if you become *totally and permanently disabled*;
- » the proposed *sum insured*; and
- » the *sum insured* we would accept you for under our normal underwriting guidelines based on the proposed premium.

TPD Stand Alone

If the application is for TPD Stand Alone the benefit will be paid if you become *totally and permanently disabled* as a result of *sickness* which first became apparent, or *injury* occurring, during the period of the interim cover.

The amount payable will be the lesser of:

- » \$500,000;
- » the proposed *sum insured*; and
- » the *sum insured* we would accept you for under our normal underwriting guidelines based on the proposed premium.

Recovery Package

If the application is for Recovery Package, a benefit will be paid on the earliest of:

- » your death;
- » you becoming totally and permanently disabled as a result of *sickness* which first

became apparent, or *injury* occurring, during the period of interim cover; or

- » you suffering a trauma (as listed on page 117) directly as a result of an *injury* occurring during the period of the interim cover.

The amount payable will be the lesser of:

- » \$1,000,000 if you die, or \$500,000 if you become totally and permanently disabled or suffer a trauma;
- » the proposed *sum insured*; and
- » the *sum insured* we would accept you for under our normal underwriting guidelines based on the proposed premium.

Recovery Stand Alone

If the application is for Recovery Stand Alone the benefit will be paid on the earlier of:

- » you becoming totally and permanently disabled as a result of *sickness* which first became apparent, or *injury* occurring during the period of interim cover; or
- » you suffering a trauma (as listed on page 117) directly as a result of an *injury* occurring during the period of interim cover, and you survive at least 14 days after the *injury*.

The amount payable will be the lesser of:

- » \$500,000;
- » the proposed *sum insured*; and
- » the *sum insured* we would accept you for under our normal underwriting guidelines based on the proposed premium.

Child Cover

If the application for Life Cover, TPD Stand Alone, Recovery Package or Recovery Stand Alone includes the Child Cover Option, a benefit will be paid on the earlier of:

- » the insured child's death; or
- » the insured child suffering one of the following conditions directly as a result of an

injury occurring during the period of interim cover:

- *blindness*
- *brain damage*
- *deafness*
- *intensive care*
- *loss of limbs or sight*
- *major head trauma*
- *paralysis*
- *severe burns*

These conditions are defined on pages 121 – 132 in the Glossary, except that under interim cover these conditions must be as a result of an *injury*.

The amount payable will be the lesser of:

- » the insured child's proposed *sum insured*, or
- » the *sum insured* we would accept the insured child for under our normal underwriting guidelines.

Income Protection

If the application is for Income Protector or Income Advantage, a *monthly benefit* will be payable if you become severely disabled as a result of *sickness* which first became apparent, or *injury* occurring, during the period of interim cover. You must be continuously severely disabled for longer than the proposed *waiting period*.

The amount payable will be the lesser of:

- » \$5,000 per month;
- » the proposed *Total Monthly Benefit*, or
- » the *Total Monthly Benefit* we would accept you for under our normal underwriting guidelines based on the proposed premium.

The payment will be made from the end of the proposed *waiting period* for the remainder of your period of severe disablement or for a period of 6 months, whichever is less.

Business Expenses

If the application is for Business Expenses, a *monthly benefit* will be paid if you become severely disabled as a result of *sickness* which first became apparent, or *injury* occurring, within the period of interim cover. You must be continuously severely disabled for longer than the proposed *waiting period*.

The amount payable will be the lesser of:

- » \$5,000 per month;
- » the proposed *monthly benefit*;
- » your share of the allowable business expenses actually incurred relating to the period of severe disability; or
- » the *monthly benefit* we would accept you for under our normal underwriting guidelines based on the proposed premium.

The payment will be made from the end of your proposed *waiting period*, for the remainder of your period of severe disablement or for a period of 6 months, whichever is less.

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Glossary



References to 'you' in this Glossary include where applicable, an insured child.

<i>accidental death</i>	means death solely and directly caused by <i>injury</i> .
<i>accidental total and permanent disablement</i>	means <i>total and permanent disablement</i> caused solely and directly by <i>injury</i> .
<i>activities of daily living</i>	are: <ol style="list-style-type: none"> 1. bathing and showering 2. dressing and undressing 3. eating and drinking 4. maintaining continence with a reasonable level of personal hygiene 5. getting in and out of bed, a chair or wheelchair, or moving from place to place by walking, wheelchair or walking aids.
<i>Any occupation total and permanent disablement (TPD)</i>	refer to TPD.
<i>aplastic anaemia</i>	means permanent bone marrow failure that results in anaemia, neutropenia and thrombocytopenia requiring treatment by at least one of the following: <ul style="list-style-type: none"> » blood product transfusion; » marrow stimulating agents; » immunosuppressive agents; or » bone marrow transplantation.
<i>association with other individuals</i>	means immediate family members or business partners in the same business entity.
<i>bed confined and bed confinement</i>	means it is medically necessary for you to remain in or near a bed for a substantial part of each day. If confinement is at your usual place of residence, it is also necessary for you to be under the continuous care of a registered nurse, other than a member of your immediate family. If confinement is not at your usual place of residence we must be satisfied that there are reasonable grounds for this.
<i>blindness</i>	means the total and permanent loss of sight in both eyes (as currently defined by the Royal Blind Society).
<i>brain damage</i>	means that as a result of an accident, <i>sickness</i> or <i>injury</i> , the Insured Child suffers brain damage causing neurological and/or cognitive deficit, that results in the Insured Child either: <ul style="list-style-type: none"> » suffering at least 25% permanent impairment of whole person function*, or » being permanently unable to perform at least 1 of the numbered <i>activities of daily living</i> without the physical assistance of someone else. <p>* as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 5th Edition.</p>
<i>business income</i>	means the income before expenses and before tax of the business in which you were gainfully occupied as your <i>usual occupation</i> .
<i>cancer</i>	means the presence of one or more malignant tumours including malignant lymphoma, Hodgkin's Disease, leukaemia, malignant bone marrow disorders and melanomas greater than or equal to Clark Level 3 or greater than or equal to 1.5mm depth of invasion as determined by histological examination. The tumour must be characterised by: <ul style="list-style-type: none"> » the uncontrolled growth and spread of malignant cells; and » the invasion and destruction of normal tissue. <p>The tumour must also:</p> <ul style="list-style-type: none"> » require treatment by surgery, radiotherapy, chemotherapy, biological response modifiers, or any other major treatment; or » be totally incurable. <p>The following tumours are excluded:</p> <ol style="list-style-type: none"> a) tumours which are histologically described as pre-malignant or show the malignant changes of 'carcinoma in situ';

<i>cancer (con't)</i>	<p>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.</p> <p>b) melanomas which are both less than Clark Level 3 and less than 1.5mm depth of invasion as determined by histological examination;</p> <p>c) all other types of skin cancers unless they have metastasised; and</p> <p>d) prostatic cancers which are both histologically described as TNM Classification T1 or lesser (or any other equivalent or lesser classification) and have a Gleason score of 5 or less.</p>
<i>carcinoma in situ of the breast</i>	<p>means a focal autonomous new growth of carcinomatous cells within the breast which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO* Stage 0.</p> <p>* FIGO refers to the staging method of the International Federation of Gynaecology and Obstetrics.</p>
<i>carcinoma in situ of the cervix-uteri</i>	<p>means a focal autonomous new growth of carcinomatous cells within the cervix-uteri which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO* Stage 0 (excluded are Cervical Intraepithelial Neoplasia (CIN) classifications including CIN 1 and CIN 2).</p> <p>* FIGO refers to the staging method of the International Federation of Gynaecology and Obstetrics.</p>
<i>carcinoma in situ of the fallopian tube</i>	<p>means a focal autonomous new growth of carcinomatous cells within the fallopian tube which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be limited to the tubal mucosa and classified as Tis according to the TNM staging method or FIGO* Stage 0.</p> <p>* FIGO refers to the staging method of the International Federation of Gynaecology and Obstetrics.</p>
<i>carcinoma in situ of the ovary</i>	<p>means a focal autonomous new growth of carcinomatous cells within the ovary which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO* Stage 0.</p> <p>* FIGO refers to the staging method of the International Federation of Gynaecology and Obstetrics.</p>
<i>carcinoma in situ of the prostate</i>	<p>means a focal autonomous new growth of carcinomatous cells within the prostate which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour is histologically described as TNM Classification of Tis.</p>
<i>carcinoma in situ of the vagina</i>	<p>means a focal autonomous new growth of carcinomatous cells within the vagina which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO* Stage 0.</p> <p>* FIGO refers to the staging method of the International Federation of Gynaecology and Obstetrics.</p>
<i>carcinoma in situ of the vulva</i>	<p>means a focal autonomous new growth of carcinomatous cells within the vulva which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO* Stage 0.</p> <p>* FIGO refers to the staging method of the International Federation of Gynaecology and Obstetrics.</p>
<i>cardiomyopathy</i>	<p>means the impaired ventricular function of variable aetiology, resulting in permanent and irreversible physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment.</p>
<i>chronic kidney (renal) failure</i>	<p>means end stage renal failure presenting as chronic irreversible failure of the function of both kidneys, as a result of which regular renal dialysis is instituted.</p>
<i>chronic liver failure</i>	<p>means end stage liver failure resulting in permanent jaundice, ascites and/or encephalopathy.</p>
<i>chronic lung failure</i>	<p>means end stage respiratory failure permanently requiring continuous oxygen therapy and with FEV 1 test results of consistently less than one litre.</p>
<i>colostomy and/or ileostomy</i>	<p>means the creation of a permanent non-reversible opening, linking the colon and/or ileum to the external surface of the body.</p>

coma	means a state of unconsciousness in which you are incapable of sensing or responding to external stimuli or internal need, resulting in a documented Glasgow Coma Scale of 6 or less, for a continuous period of at least 72 hours.
commercial pilot	means a pilot who: <ul style="list-style-type: none"> » is an Australian citizen; » resides in Australia; » holds an Australian Airline Transport License (ATPL); » has a current (less than 12 months old) Class 1 medical certificate from the Civil Aviation Safety Association (CASA); and » is currently employed by a recognised commercial airline (with a Regular Public Air Operators certificate) in the capacity of Captain, or First Officer, transporting fare paying persons in accordance with fixed schedules to and from fixed terminals with specific routes.
coronary artery angioplasty	means undergoing of angioplasty, (with or without atherectomy, laser therapy or insertion of a stent) to the coronary arteries, to treat coronary artery disease. Angiographic evidence is required to confirm the need to undergo this procedure.
coronary artery angioplasty – triple vessel	means undergoing of angioplasty (with or without atherectomy, laser therapy or insertion of a stent) to 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 to undergo this procedure.
coronary artery surgery	means coronary artery surgery to treat coronary artery disease but does not include angioplasty, intra-arterial procedures or other non-surgical techniques.
Creutzfeldt-Jakob Disease	means the unequivocal diagnosis of Creutzfeldt-Jakob Disease confirmed as permanent irreversible failure of brain function and resulting in <i>significant cognitive impairment</i> .
criminal activity	means any crime for which you are convicted where you could receive a custodial sentence, whether or not you do in fact receive a custodial sentence for that crime.
deafness	means the total and permanent loss of hearing, both natural and assisted, from both ears as a result of <i>sickness or injury</i> .
dementia	means the diagnosis of Alzheimer’s disease or other dementias confirmed as permanent irreversible failure of brain function and resulting in <i>significant cognitive impairment</i> .
disabled or disablement under Waiver of Premium Option	means if, while covered for the Waiver of Premium Option: <ul style="list-style-type: none"> » you suffer a <i>sickness or injury</i>, and » in our opinion that you are unable to work because of that <i>sickness or injury</i> in any occupation for which you are reasonably suited by education, training or experience. <p>If you suffer <i>sickness or injury</i> while you have been engaged <i>full-time</i> in <i>normal domestic duties</i> in your own residence then, to determine if you are unable to work, <i>normal domestic duties</i> is regarded as an occupation for which you are reasonably suited.</p>
disabled or disablement under Income Protection	means you are severely or partially disabled.
early stage chronic lymphocytic leukaemia	means the presence of chronic lymphocytic leukaemia diagnosed as Rai stage 0, which is defined to be in the blood and bone marrow only.
early stage melanoma	means the presence of one or more malignant melanomas. The melanoma is less than Clark Level 3 or less than 1.5mm depth of invasion as determined by histological examination. The malignancy must be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue. Tumours which are histologically described as pre-malignant or show the malignant changes of ‘melanoma in situ’ are excluded.
early stage prostatic cancer	means a prostate tumour that is histologically described as having a TNM classification T1 (or any other equivalent classification) or a Gleason Score of 5 or less.
earnings	means the income earned by your own personal exertion, after deduction of any expenses incurred in earning that income but before tax.

<i>encephalitis</i>	<p>means the unequivocal diagnosis of encephalitis where the condition is characterised by severe inflammation of the brain, that results in you either:</p> <ul style="list-style-type: none"> » suffering at least 25% permanent impairment of whole person function*, or » being permanently unable to perform at least 1 of the numbered <i>activities of daily living</i> without the physical assistance of someone else. <p>* as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 5th Edition</p>
<i>flight engineer</i>	<p>means a pilot who:</p> <ul style="list-style-type: none"> » is an Australian citizen; » resides in Australia; » holds an Australian Flight engineer Licence (not including restricted licences); » has a current (less than 12 months old) Class 1 medical certificate from the Civil Aviation Safety Association (CASA); and » is currently employed by a recognised commercial airline (with a Regular Public Air Operators certificate) in the capacity of Flight engineer, transporting fare paying persons in accordance with fixed schedules to and from fixed terminals with specific routes.
<i>full-time</i>	means you are working at least 30 hours per week.
<i>gainful occupation</i>	<p>means:</p> <ul style="list-style-type: none"> » you are an employee, working for salary, wages, or commission; or » you are self-employed, working in a business or professional practice in a way that is capable of generating income for the business or professional practice.
<i>heart attack</i>	<p>means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The basis for the diagnosis of a heart attack will include either of the following:</p> <ul style="list-style-type: none"> » confirmation of new electrocardiogram (ECG) changes or a left ventricular ejection fraction of less than 50%; and » elevation (other than as a result of cardiac or coronary intervention) of; cardiac enzymes CK-MB above standard laboratory levels of normal, or levels of Troponin I greater than 2.0 ug/l or Troponin T greater than 0.6 ug/l, or their equivalent. <p>If a diagnosis cannot be made on the basis of that criteria, we will pay a claim based on satisfactory evidence that you have unequivocally been diagnosed as having suffered a heart attack resulting in:</p> <ul style="list-style-type: none"> » a reduction in the left ventricular ejection fraction to less than 50%, measured 3 months or more after the event, or » new pathological Q waves.
<i>heart surgery (open)</i>	means the undergoing of open heart surgery for treatment of a cardiac defect, cardiac aneurysm or benign cardiac tumour.
<i>Hepatitis B or C – occupationally acquired</i>	<p>means infection with Hepatitis B or C where the infection is acquired as a result of:</p> <ul style="list-style-type: none"> » an accident arising out of your normal occupation; or » a malicious act of another person or persons arising out of your normal occupation; and » proof of new Hepatitis B or C infection within 6 months of the accident or malicious act. <p>Any incident giving rise to a potential claim must:</p> <ul style="list-style-type: none"> » be reported to the relevant authority or employer within 7 days of the incident; » be reported to us with proof of the incident within 7 days of the incident; and » be supported by a negative Hepatitis B or C test taken within 7 days of the incident. <p>Hepatitis B or C infection transmitted by any other means including sexual activity or recreational intravenous drug use is excluded.</p>

<i>HIV - medically acquired</i>	<p>means accidental infection with the Human Immunodeficiency Virus (HIV) which we believe, on the balance of probabilities, arose from one of the following medically necessary events which must have occurred to you, in Australia by a recognised and registered health professional:</p> <ul style="list-style-type: none"> » a blood transfusion; » transfusion with blood products; » organ transplant to the insured person; » assisted reproductive techniques; or » a medical procedure or operation performed by a doctor. <p>Notification and proof of the incident will be required via a statement from a Statutory Health Authority that the infection was medically acquired. HIV infection transmitted, other than occupationally acquired as defined below by any other means including sexual activity or recreational intravenous drug use is excluded.</p>
<i>HIV – occupationally acquired</i>	<p>means infection with the Human Immunodeficiency Virus (HIV) where the HIV was acquired as a result of:</p> <ul style="list-style-type: none"> » an accident arising out of your normal occupation; or » a malicious act of another person or persons arising out of your normal occupation; and » sero-conversion to HIV occurs within 6 months of the accident or malicious act. <p>Any incident giving rise to a potential claim must:</p> <ul style="list-style-type: none"> » be reported to the relevant authority or employer within 7 days of the incident; » be reported to us with proof of the incident within 7 days of the incident; and » be supported by a negative HIV Antibody test taken within 7 days of the incident. <p>HIV infection transmitted, other than medically acquired (as defined above) by any other means including sexual activity or recreational intravenous drug use is excluded.</p>
<i>home-maker</i>	refer to TPD.
<i>hydrocephalus</i>	means an excessive accumulation of cerebrospinal fluid within the cranium requiring the insertion of a shunt.
<i>important business income producing duties</i>	means the duties of your <i>usual occupation</i> which could be reasonably considered primarily essential to producing <i>business income</i> .
<i>important income producing duties</i>	means those duties which could reasonably be considered primarily essential to producing your <i>monthly income</i> .
<i>indexation factor</i>	<p>means the percentage change in the consumer price index which is:</p> <ul style="list-style-type: none"> » the weighted average of the 8 Australian capital cities combined as published by the Australian Bureau of Statistics or any body which succeeds it; and » in respect of the 12 month period finishing on 30 September. <p>It will be determined at 31 December each year and applied from 1 March in the following year. If the consumer price index is not published by 31 December, the <i>indexation factor</i> will be calculated upon a retail price index which we consider most nearly replaces it. If the percentage change in the consumer price index, or any substitute for it is negative, the <i>indexation factor</i> will be taken as zero.</p>
<i>injury</i>	means physical damage to your body caused solely and directly by an accident which occurs while cover for the applicable benefit was in force under this policy.
<i>insertion of a pacemaker</i>	means that you undergo open heart surgery to insert a permanent cardiac pacemaker for treatment of a cardiac defect.
<i>intensive care</i>	means that a <i>sickness</i> or <i>injury</i> has resulted in you requiring continuous mechanical ventilation by means of tracheal intubation for 10 consecutive days (24 hours per day) in an authorised intensive care unit of an acute care hospital.
<i>interdependency relationship</i>	exists between 2 persons who have a close personal relationship, live together and one or each of them provides the other with financial and domestic support and personal care. It also includes same sex couples and person(s) who meet the conditions except they do not live together due to a physical, intellectual or psychiatric disability.

<i>intracranial benign tumour</i>	<p>means the diagnosis of a non-cancerous tumour either in the brain tissue or between the brain tissue and the cranium giving rise to symptoms of increased intracranial pressure such as papilloedema, mental symptoms, seizures and sensory impairment; and results in you either:</p> <ul style="list-style-type: none"> » suffering at least 25% permanent impairment of whole person function*, or » being permanently unable to perform at least 1 of the numbered <i>activities of daily living</i> without the physical assistance of someone else. <p>* as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 5th Edition.</p>
<i>loss of independent existence</i>	<p>means you are constantly and permanently unable to perform at least 2 of the numbered <i>activities of daily living</i> without the physical assistance of someone else (if you can perform the activity on your own by using special equipment we will not treat you as unable to perform that activity).</p>
<i>loss of limbs or sight</i>	<p>means the total and permanent loss of use of:</p> <ul style="list-style-type: none"> » both feet; » both hands; » the sight in both eyes (to the extent of 6/60 or less); or » any combination of at least two of: a hand, a foot or sight in an eye (to the extent of 6/60 or less).
<i>loss of speech</i>	<p>means the total loss of speech both natural and assisted as a result of <i>sickness</i> or <i>injury</i> for at least 6 months and the subsequent diagnosis that loss of speech both natural and assisted will be total and permanent.</p> <p>Loss of speech related to any psychological cause is excluded.</p>
<i>major burns</i>	<p>means accidental full thickness burns to at least 10% of the body surface area but less than 20%.</p>
<i>major head trauma</i>	<p>means that an <i>injury</i> to the head results in you either:</p> <ul style="list-style-type: none"> » suffering at least 25% permanent impairment of whole person function*, or » being permanently unable to perform at least 1 of the numbered <i>activities of daily living</i> without the physical assistance of someone else. <p>* as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 5th Edition.</p>
<i>major organ transplant</i>	<p>means you either undergo the organ transplant, or upon specialist medical advice you are placed on an official Australian acute care hospital waiting list to undergo organ transplant, from a human donor of one or more of the following: kidney, heart, liver, lung, pancreas and bone marrow.</p> <p>The transplantation of all other organs or parts of any organ or of any other tissue is excluded.</p>
<i>meningitis</i>	<p>means the unequivocal diagnosis of meningitis where the condition is characterised by severe inflammation of the meninges of the brain, that results in you either:</p> <ul style="list-style-type: none"> » suffering at least 25% permanent impairment of whole person function*, or » being permanently unable to perform at least 1 of the numbered <i>activities of daily living</i> without the physical assistance of someone else. <p>* as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 5th Edition</p>
<i>modified total and permanent disability (TPD)</i>	<p>refer to TPD.</p>

monthly benefit	<p>means:</p> <p>(a) if the Indemnity Option has not been selected, the amount applied for and accepted.</p> <p>(b) if the Indemnity Option has been selected, the <i>monthly benefit</i> for the purposes of determining the amount payable under the Severely Disabled Benefit, is the lesser of:</p> <ul style="list-style-type: none"> » the amount referred to in paragraph (a); and <p>the total of:</p> <ul style="list-style-type: none"> » 75% of the first \$20,833* of monthly pre-disability income (explained on page 74); » 50% of the next \$12,500* of monthly pre-disability income; and » 25% of the next \$8,333* of monthly pre-disability income; and » 15% of the next \$41,667* of monthly pre-disability income » less the <i>SuperSaver percentage</i> (if applicable) of the above four items <p>* On each anniversary of the commencement date, we will increase this amount by the greater of the <i>indexation factor</i> and 3%.</p>
monthly income	<p>means the income earned each month by your own personal exertion, after deduction of any expenses incurred in earning that income but before tax. Monthly income includes your total remuneration package including:</p> <ul style="list-style-type: none"> » salary; » wages; » packaged fringe benefits; » regular commissions; » regular bonuses; » overtime payments; and » superannuation contributions. <p>If you are self-employed, for example as a sole trader or as a partner in a business, monthly income also includes:</p> <ul style="list-style-type: none"> » your share of the net income of the business (after deduction of all business expenses), directly due to your personal exertion, but before tax; plus » your share of any depreciation (excluding depreciation related to capital items used with the primary purpose of generating income) claimed as a business expense. <p>You are regarded as self-employed if you are an employee of your own company.</p> <p>Monthly income does not include:</p> <ul style="list-style-type: none"> » income that you will continue to receive from your business, even if you are unable to work, including any ongoing profit generated by other employees of the business; » other unearned income such as dividends, interest, rental income or proceeds from the sale of assets; or » on-going commission or royalties.
Motor Neurone Disease	<p>means the unequivocal diagnosis of Motor Neurone Disease.</p>
Multiple Sclerosis	<p>means a disease characterised by demyelination in the brain and spinal cord. Multiple Sclerosis must be unequivocally diagnosed. There must be more than one episode of well defined neurological deficit with persisting neurological abnormalities. Neurological investigations such as lumbar puncture, MRI (Magnetic Resonance Imaging) evidence of lesions in the central nervous system, evoked visual responses and evoked auditory responses are required to confirm diagnosis.</p>
Muscular Dystrophy	<p>means the unequivocal diagnosis of Muscular Dystrophy.</p>
normal domestic duties	<p>means the domestic duties normally performed by a person who remains at home and is not working in regular employment for income, including:</p> <ul style="list-style-type: none"> » cleaning the home, doing the washing, shopping for food, cooking meals; and » when applicable, looking after children.
out of hospital cardiac arrest	<p>means cardiac arrest that is not associated with any medical procedure, is documented by an electrocardiogram, occurs out of hospital, and is either:</p> <ul style="list-style-type: none"> » cardiac asystole (heart stoppage); or » ventricular fibrillation (the muscle fibres of the ventricle beating rapidly without pumping any blood) with or without ventricular tachycardia.

own occupation total and permanent disablement (TPD)	refer to TPD.
paralysis	means the total and permanent loss of use of one or more limbs resulting from spinal cord <i>injury</i> or disease, or from brain <i>injury</i> or disease. Included in this definition are Paraplegia, Quadriplegia, Tetraplegia, Diplegia and Hemiplegia.
Parkinson's Disease	means the unequivocal diagnosis of degenerative idiopathic Parkinson's Disease as characterised by the clinical manifestation of one or more of the following: <ul style="list-style-type: none"> » rigidity, » tremor, » akinesia, resulting in the degeneration of the nigrostriatal system. All other types of Parkinsonism are excluded (eg. secondary to medication).
pre-disability business income	means calculated as 1/12th of your share of <i>business income</i> during the 12 months before your <i>disablement</i> .
pre-existing condition	means a <i>sickness</i> or <i>injury</i> for which; <ul style="list-style-type: none"> » symptoms existed that would cause a reasonable and prudent person to seek diagnosis, care or treatment from a <i>registered doctor</i>; or » medical advice or treatment was recommended by, or received from, a <i>registered doctor</i>.
primary pulmonary hypertension	means primary pulmonary hypertension with right ventricular enlargement established by investigations including cardiac catheterisation resulting in permanent and irreversible physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment.
registered doctor	means a doctor who is legally qualified and properly registered. The doctor cannot be: <ul style="list-style-type: none"> » you or the policy owner; » a business partner of you or the policy owner; or » any members of the family of you or the policy owner. If practicing outside Australia, the doctor must have qualifications equivalent to Australian standards.
removal of the prostate as a result of carcinoma in situ of the prostate	means that the entire prostate, because of carcinoma in situ of the prostate, is removed specifically to arrest the spread of malignancy and this procedure is the appropriate and necessary treatment. Carcinoma in situ of the prostate means a focal autonomous new growth of carcinomatous cells within the prostate which has not yet resulted in the invasion of normal tissues. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour is histologically described as having a TNM Classification Tis.
removal of the prostate as a result of early stage prostatic cancer	means that the entire prostate, because of early stage prostatic cancer, is removed specifically to arrest the spread of malignancy and this procedure is the appropriate and necessary treatment. Early stage prostatic cancer means a prostate tumour that is histologically described as having a TNM Classification T1 (or any other equivalent classification) or a Gleason score of 5 or less.
repair or replacement of aorta	means surgery 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.
repair or replacement of valves	means surgery to replace or repair a cardiac valve or valves as a consequence of heart valve defects or abnormalities but does not include angioplasty, intra-arterial procedures or other non-surgical techniques.
replacement policy	means this policy is effected to replace a previous policy on your life or the life of the Insured Child which: <ul style="list-style-type: none"> » has been in force for at least 3 months before the commencement date; and » included a benefit which offers the same or similar terms as this policy and for a <i>sum insured</i> or <i>Total Monthly Benefit</i> which is the same or greater than the <i>sum insured</i> or <i>Total Monthly Benefit</i> under this policy. Where the previous policy was for a <i>sum insured</i> or <i>Total Monthly Benefit</i> less than this policy, then the replacement terms will only apply to the equivalent <i>sum insured</i> or <i>Total Monthly Benefit</i> of the previous policy at the time of replacement.
serious accidental injury	means <i>injury</i> that has resulted in you being confined to an acute care hospital for a period of 30 consecutive days (24 hours per day) under the full-time care of a <i>registered doctor</i> .

severe burns	means accidental full thickness burns to: <ul style="list-style-type: none"> » at least 20% of the body surface area; » both hands, requiring surgical debridement and/or grafting; or » the face, requiring surgical debridement and/or grafting.
severe Crohn's disease	means diagnosis of Crohn's disease that requires permanent immunosuppressive medication.
severe osteoporosis	means: <ul style="list-style-type: none"> » before the age of 50, you suffer at least two vertebral body fractures or a fracture of the neck of femur, due to osteoporosis; and » you have a bone mineral density reading with a T-score of less than -2.5 (ie. 2.5 standard deviations below the young adult mean for bone density). This must be measured in at least two sites by dual energy x-ray absorptiometry (DEXA).
severe rheumatoid arthritis	means the unequivocal diagnosis of severe rheumatoid arthritis by a rheumatologist. The diagnosis must be supported by, and evidence, all of the following criteria: <ul style="list-style-type: none"> » at least a 6 week history of severe rheumatoid arthritis which involves 3 or more of the following joint areas: <ol style="list-style-type: none"> 1. proximal interphalangeal joints in the hands; 2. metacarpophalangeal joints in the hands; 3. metatarsophalangeal joints in the foot, or any joint of the wrist, elbow, knee or ankle; » simultaneous bilateral and symmetrical joint soft tissue swelling or fluid (not bony overgrowth alone); » typical rheumatoid joint deformity; and at least 2 of the following criteria: <ul style="list-style-type: none"> » morning stiffness; » rheumatoid nodules; » erosions seen on x-ray imaging; » the presence of either a positive rheumatoid factor or the serological markers consistent with the diagnosis of severe rheumatoid arthritis. Degenerative osteoarthritis and all other arthritides are excluded.
severe ulcerative colitis	means diagnosis of ulcerative colitis that requires permanent immunosuppressive medication.
sickness	means an illness or disease you suffer while cover for the applicable benefit was in force under this policy.
significant cognitive impairment	means a permanent deterioration or loss of intellectual capacity that requires you to be under continuous care and supervision by someone else.
single loss of limb or eye	means the total and permanent loss of use of : <ul style="list-style-type: none"> » one foot; » one hand; or » sight in one eye (to the extent of 6/60 or less).
stroke	means any cerebrovascular accident or incident producing neurological sequelae lasting more than 24 hours. This includes infarction of brain tissue, intracranial or subarachnoid haemorrhage, embolisation from an extracranial source, but excludes transient ischaemic attacks and cerebral events and symptoms due to reversible neurological deficits and migraine.
sum insured	means the amount you apply for and we accept as varied, (for example through increases under the Automatic Increase Benefit) by agreement.

<i>SuperSaver monthly benefit</i>	<p>means:</p> <ul style="list-style-type: none"> (a) if the Indemnity Option has not been selected, the amount applied for and accepted. (b) if the Indemnity Option has been selected, the <i>Super Saver monthly benefit</i> for the purposes of determining the amount payable under the Severely Disabled Benefit, is the lesser of: <ul style="list-style-type: none"> » The amount referred to in paragraph (a); and » the <i>SuperSaver percentage</i> multiplied by your pre-disability income.
<i>SuperSaver percentage</i>	<p>means the percentage of your <i>monthly income</i> you nominate as superannuation contributions at application.</p>
<i>terminal illness and terminally ill</i>	<p>means</p> <ul style="list-style-type: none"> » in the opinion of a specialist medical practitioner who is a <i>registered doctor</i>, and » if we require, in the opinion of one of our approved specialist medical practitioners, your life expectancy is, due to <i>sickness</i> and regardless of any available treatment, not greater than 12 months.
total and permanent disablement and totally and permanently disabled (TPD)	
<i>any occupation TPD</i>	<p>(under Life Cover or TPD Stand Alone) means you satisfy one of the <i>modified TPD</i> criteria or:</p> <ul style="list-style-type: none"> » you have suffered a <i>sickness or injury</i>; » you have been absent from and unable to work because of the <i>sickness or injury</i> for a continuous period of at least 6 consecutive months; and » in our opinion, after consideration of medical and any other evidence, you are incapacitated to such an extent that you are unlikely ever to be able to work again in any occupation for which you are reasonably suited by education, training or experience which would pay remuneration at a rate greater than 25% of your earnings during your last 12 consecutive months of work. <p>We will reduce the period that you have to have been absent from and unable to work because of the <i>sickness or injury</i> for a continuous period of at least 6 consecutive months to 3 consecutive months where medical evidence clearly indicates that you will be unable to work for a period of at least 6 consecutive months.</p>
<i>home-maker TPD</i>	<p>(under Life Cover and TPD Stand Alone) means while you have been engaged <i>full-time</i> in <i>normal domestic duties</i> in your own residence for more than 6 consecutive months and</p> <ul style="list-style-type: none"> » you have suffered a <i>sickness or injury</i>; » you are unable to engage in any <i>normal domestic duties</i> because of the <i>sickness or injury</i> for a continuous period of at least 6 consecutive months; and » in our opinion, after consideration of medical and any other evidence, that you are incapacitated to such an extent that you are unlikely ever to be able to: <ul style="list-style-type: none"> – perform <i>normal domestic duties</i>; and – engage in any occupation for which you are reasonably suited by education, training or experience. <p>We will reduce the period that you have to be unable to engage in any <i>normal domestic duties</i> because of the <i>sickness or injury</i> for a continuous period of at least 6 consecutive months to 3 consecutive months where medical evidence clearly indicates that you will be unable to engage in any <i>normal domestic duties</i> for a period of at least 6 consecutive months.</p>
<i>modified TPD</i>	<p>means:</p> <ul style="list-style-type: none"> » you suffer <i>loss of limbs or sight</i>; or » you are constantly and permanently unable to perform at least 2 of the numbered <i>activities of daily living</i> without the physical assistance of someone else (if you can perform the activity on your own by using special equipment we will not treat you as unable to perform that activity); or » you suffer <i>significant cognitive impairment</i>.

<i>own Occupation TPD</i>	<p>means you satisfy one of the <i>modified TPD criteria</i> or:</p> <ul style="list-style-type: none"> » you have suffered a <i>sickness</i> or <i>injury</i> while working in regular employment for income, or while <i>unemployed</i> for less than 12 consecutive months; and » you have been absent from and unable to work because of the <i>sickness</i> or <i>injury</i> for a continuous period of at least 6 consecutive months; and » in our opinion, after consideration of medical and any other evidence, that you are incapacitated to such an extent that you are unlikely ever to be able to work again in the occupation in which you were last engaged before becoming unable to work. <p>If you have been <i>unemployed</i> for more than 12 consecutive months immediately before suffering a <i>sickness</i> or <i>injury</i>, we will consider you to be totally and permanently disabled if:</p> <ul style="list-style-type: none"> » you have been absent from and unable to work because of the <i>sickness</i> or <i>injury</i> for a continuous period of at least 6 consecutive months; and » in our opinion, after consideration of medical and any other evidence, that you are incapacitated to such an extent that you are unlikely ever to be able to work again in any occupation for which you are reasonably suited by education, training or experience which would pay remuneration at a rate greater than 25% of your earnings during your last 12 consecutive months of work. <p>We will reduce the period that you have to have been absent from and unable to work because of the <i>sickness</i> or <i>injury</i> for a continuous period of at least 6 consecutive months to 3 consecutive months where medical evidence clearly indicates that you will be unable to work for a period of at least 6 consecutive months.</p>
<i>Total Monthly Benefit</i>	means the <i>monthly benefit</i> and <i>SuperSaver monthly benefit</i> (if applicable).
<i>unemployed</i>	means you are not in regular employment for income. If you are on approved maternity, paternity or sabbatical leave, this is not considered unemployment.
<i>usual occupation</i>	means the occupation in which you were last engaged before becoming <i>disabled</i> .
<i>waiting period</i>	means the period of time which a benefit will not be paid. Note: any benefits are paid monthly in arrears. The <i>waiting period</i> will not start before you consult a <i>registered doctor</i> for a <i>sickness</i> or <i>injury</i> giving rise to the relevant claim.
<i>war or an act of war</i>	means armed aggression by a country resisted by another country or international organisation.

Direct Debit Service Agreement



Direct Debit Service Agreement

This Direct Debit Request (DDR) Service Agreement is only applicable if you choose to authorise Asteron Life Limited to debit premiums in relation to your policy from your nominated financial institution account. This agreement must be read when completing the DDR Form.

This DDR Service Agreement is issued by Asteron Life Limited (ABN 64 001 698 228). You should direct all enquires about your direct debit to Customer Service on 02 9978 9999 or if outside Sydney on 1800 221 727.

1. Our commitment to you

- a) Asteron will give you at least 14 days notice in writing before changing the terms of the debiting arrangements, unless you agree to an earlier change.
- b) Asteron will keep information relating to your nominated financial institution account confidential, except where required for the purposes of conducting direct debits with your financial institution.
- c) Where the debiting date is not a business day, Asteron will draw from your nominated financial institution account on the next business day.

2. Your commitment to us

It is your responsibility to:

- » ensure your nominated financial institution account can accept direct debits.
- » ensure there are sufficient funds available in the nominated financial institution account to meet each instalment.
- » advise us if the nominated account is transferred or closed, or the account details change.

- » ensure that all account holders on the nominated financial institution account agree to the debiting arrangement.

3. Your rights

- a) Subject to the terms and conditions of your Asteron policy, you may alter the debiting arrangements. Such advice should be received by us at least 7 working days before the debiting date for any of the following:
 - » altering the Direct Debit Request (DDR).
 - » deferring a drawing.
 - » suspending the DDR.
 - » cancelling the debiting arrangement completely.

If you do any of these things, you must make alternative arrangements to pay outstanding amounts and, if applicable, future amounts.

- b) Where you consider that a debit has been initiated incorrectly, you should contact Asteron on 02 9978 9999 or if outside Sydney on 1800 221 727. In the unlikely event of a complaint not being resolved satisfactorily, you can address a formal complaint to:

The Manager, Life Customer Service
Asteron Life Limited
Locked Bag 5000
Chatswood NSW 2057

4. Other information

- a) The details of your debiting arrangements are contained in the DDR.
- b) Asteron reserves the right to ask that instructions from a customer, to stop or in any way alter the debiting arrangement are in a written, verbal or electronic form.

- c) The terms and conditions of your Asteron policy govern your instalments. The policy allows us to cancel it after writing to you if debits are dishonoured by your financial institution and your premium is overdue by 30 days or more.
- d) Asteron may vary the amount subject to the terms and conditions of your policy to be deducted from the account or the frequency of future debits by giving at least 14 days notice to you, in writing. All future amounts payable by you under the policy will be debited to the bank account shown in the DDR unless you tell us you wish to cancel the arrangement.
- e) Financial institution fees (including dishonour charges) may also apply to this debiting arrangement.

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AT YOUR FINANCIAL SERVICE®

Contact Asteron or the Trustee

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Fax	02 9978 9798
Email	life_customerservice@asteron.com.au
Phone	1800 221 727 (outside Sydney) 02 9978 9999
Web	www.asteron.com.au

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