

Zurich Wealth Protection

Product Disclosure Statement

Part 1 – Benefit Information

Issued by Zurich Australia Limited:

- Zurich Term Life Insurance Plus
- Zurich Stand Alone Trauma Insurance Plus
- Zurich Income Replacement Insurance Plus
- Zurich Special Risk Income Replacement Insurance Plus
- Zurich Business Expenses Insurance Plus

Issued by Zurich Australian Superannuation Pty Limited:

- Zurich Superannuation Term Life Insurance Plus



The issuer of the products offered in this Product Disclosure Statement (PDS), other than Zurich Superannuation Term Life Insurance Plus, is Zurich Australia Limited ABN 92 000 010 195, Australian Financial Services Licence Number 232510.

The issuer of Zurich Superannuation Term Life Insurance Plus is Zurich Australian Superannuation Pty Limited ABN 78 000 880 553, Australian Financial Services Licence Number 232500, who is the Trustee of the Zurich Master Superannuation Fund (SFN 2540/969/42). The issuer of life insurance under this product is Zurich Australia Limited.

Zurich Australia Limited is also the administrator for all the products described in this PDS.

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Preparation date: 1 April 2005

About this PDS

This Product Disclosure Statement (PDS) is provided in two parts:

Part 1 (This document) – Benefit information

Part 2 – Common Information and Glossary of Terms

If you have not received both parts (Parts 1 and 2), please contact your adviser or the Zurich Client Service Centre on 131 551.

This PDS is an important document. You should read both parts (1 and 2) in full before making a decision to purchase these products.

Important notes

This PDS covers the following products issued by Zurich Australia Limited described in this PDS: Zurich Term Life Insurance Plus, Zurich Stand Alone Trauma Insurance Plus, Zurich Income Replacement Insurance Plus, Zurich Special Risk Income Replacement Insurance Plus, Zurich Business Expenses Insurance Plus; and Zurich Superannuation Term Life Insurance Plus issued by Zurich Australian Superannuation Pty Limited. The PDS is jointly issued by Zurich Australia Limited and Zurich Australian Superannuation Pty Limited, each of whom takes full responsibility for the whole PDS.

Where there is any reference to a third party in this PDS that third party has provided their consent to the reference to their organisation in this PDS.

Applying for Zurich Wealth Protection products

The only way to apply for a product is to complete and submit the Zurich Wealth Protection Application forms accompanying this PDS together with a completed Life Insured's Statement. Your adviser can assist you to fill out both of these forms. Each of the products may be separately purchased.

Cheques must be made payable to Zurich Australia Limited. The cheque should be in Australian dollars and drawn on an Australian bank.

Definitions

In this PDS, 'Zurich', 'us', 'our', and 'we' normally means Zurich Australia Limited ABN 92 000 010 195 AFSL 232510, except in the About Zurich section of this PDS where these terms mean Zurich Financial Services Australia Limited ABN 11 008 423 372. In most circumstances, the owner of the policy and the life that is insured are the same person. In this PDS we have referred to both the Policy Owner and the Life Insured as 'you'. It is possible that the Policy Owner and the Life Insured are different people. In this case:

- the Policy Owner would normally be paying the premiums and would be receiving the insurance benefit
- the premium amount would depend on the Life Insured's circumstances
- the insurance benefit would only be payable on the death, illness or disability of the life insured, as described in the Policy Document.
- only the Policy Owner and not the Life Insured can extend, vary, cancel or otherwise exercise any right applying to a Zurich Wealth Protection product

Up-to-date information

The information, including taxation information, is based on our understanding of legislation as at the date of issue of this PDS and its continuance.

Certain information that is not materially adverse information that appears in this PDS is subject to change from time to time. Where we have indicated in the PDS that we will advise you of changes then you will be advised of such changes in writing. Where other changes that are not materially adverse occur (eg. changes to fax numbers or minor changes to tax rules), up-to-date information can be obtained from our website, www.zurich.com.au. Should such changes occur, a paper copy of the updated information will be made available free of charge upon request by calling our Client Service Centre on 131 551.

| Contents

Zurich Wealth Protection – Part 1

About Zurich	2
Wealth creation needs wealth protection	3
Zurich Term Life Insurance Plus at a glance	4
About Zurich Term Life Insurance Plus	6
Zurich Stand Alone Trauma Insurance Plus at a glance	16
About Zurich Stand Alone Trauma Insurance Plus	18
Zurich Income Replacement Insurance Plus at a glance	22
About Zurich Income Replacement Insurance Plus	24
Zurich Special Risk Income Replacement Insurance Plus at a glance	34
About Zurich Special Risk Income Replacement Insurance Plus	36
Zurich Business Expenses Insurance Plus at a glance	43
About Zurich Business Expenses Insurance Plus	44
Zurich Superannuation Term Life Insurance Plus at a glance	48
About Zurich Superannuation Term Life Insurance Plus	50

| About Zurich

Zurich Financial Services Australia Limited is a member of the Swiss based Zurich Group. We offer an extensive range of investment, life insurance, superannuation and general insurance products and services for individuals, small to medium sized businesses, larger companies and multi-national corporations.

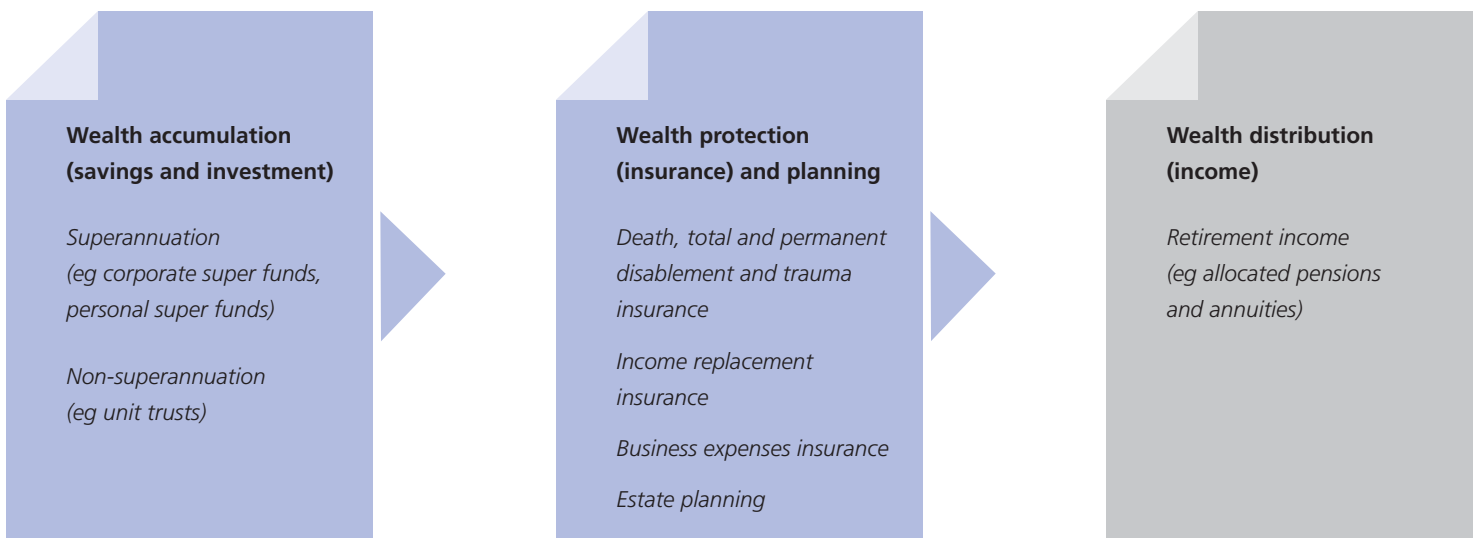
To further enhance our capabilities and resources we seek out and develop major strategic partnerships with other organisations. These partnerships enable us to be flexible and responsive in a changing environment and assist us in striving to ensure that every product and service offered is of a consistently high standard.

Why choose Zurich?

- Quality products and services.
- Client focussed.
- Global strength and local knowledge.

Zurich: insurance and investments to meet your needs

Wealth creation means more than regular saving. It means accumulating wealth (saving and investment), protecting wealth (insurance) and distributing wealth (income). These three activities are not mutually exclusive and many people want to accumulate, protect and distribute wealth simultaneously. Zurich has a range of investment, life insurance, superannuation and general insurance products to suit your needs. If you would like to know more about how we can help you achieve your financial goals, talk to your financial adviser.



| Wealth creation needs wealth protection

What is your idea of “wealth creation”?

For some people it's just having superannuation, while many others include managed funds as well as investing directly in the sharemarket.

They're all tools to help create wealth and achieve financial goals, especially for retirement. Luck simply doesn't come into it. But a financial plan is not complete unless it allows for “wealth protection”.

The trouble is, no one likes having to talk about insurance. It's easy to think “it'll never happen to me”. But the very reason we don't want to think about it is the reason we should. We have to know that whatever happens we'll be able to take care of and protect our families and business partners.

That means planning ahead and leaving nothing to chance. You need to ensure that you have a solution in place to combat any unforeseen events. Unfortunately, accidents and illnesses can happen to anyone. Insurance is a contingency plan. It takes care of the “what ifs” and acts to protect your family and/or business partners when you can't.

Together with your financial adviser, you can create a financial plan that will help you achieve your goals.

Life insurance

Life insurance, also known as term insurance, covers your life and pays a lump sum on your death or diagnosis of terminal illness. It's one of the easiest products to understand and it's usually the first one people think of. It may:

- allow your family to repay debts including mortgage, personal loans, guarantees, credit cards etc
- provide an adequate income for your dependants to pay for living expenses, school fees and child care etc
- protect your business if a key person or principal dies
- create a cash injection to the estate, which may prevent other assets being sold.

Trauma insurance

Trauma insurance is about protecting your lifestyle and providing you with choice. It provides a lump sum on the diagnosis, or occurrence, of one of a list of specific injuries and illnesses such as heart attack, cancer or stroke. It can:

- pay for unexpected medical costs
- provide for lifestyle changes
- provide for the potential need of professional care at home
- repay large debts such as a mortgage
- allow you to make lifestyle changes, such as reducing work hours, by providing additional income.

Total and Permanent Disablement (TPD) insurance

Available as an optional attachment to life insurance policies, TPD pays a lump sum if you become totally and permanently disabled and therefore are unlikely to ever work again. TPD is about ensuring that you retain as much quality of life as possible. It can:

- provide funds to allow a family member to give up work to care for you or, alternatively, to fund other home care
- allow you to repay debts including mortgage, personal loans, guarantees, credit cards etc
- pay for any major renovations required to your home (for example to permit wheelchair access).

Income Replacement insurance

Income Replacement insurance provides a monthly payment of up to 75% of your pre-tax income if you are unable to work due to sickness or injury. It can allow you to:

- provide for yourself and your family
- continue to pay your mortgage, bills, credit cards and other debts and
- keep all your investment strategies in place.

Without Income Replacement, all the wealth you have created may be jeopardised.

| Zurich Term Life Insurance Plus at a glance

Product description

Zurich Term Life Insurance Plus pays a lump sum benefit on your death and includes standard and optional benefits. Refer to pages 6 to 15 for detailed information on what is covered.

Eligible ages

- Death Cover: 10 – 69.
- Total and Permanent Disablement option (TPD): 19 – 58.
- Trauma option: 19 – 58.
- Accidental Death option: 19 – 58.
- Needlestick Cover option: 19 – 55.
Refer to page 6.

Expiry ages

- Death Cover: 99. *Refer to page 7.*
- TPD: 99 (65 if linked to Extended Trauma). Limited conditions apply from age 65. *Refer to page 9.*
- Extended Trauma: 99. Limited conditions apply from age 75. *Refer to page 10.*
- Basic Trauma: 75. *Refer to page 10.*
- Accidental Death option: 75. *Refer to page 13.*
- Business Future Cover option: cannot be exercised after age 60. *Refer to page 13*
- Premium Waiver option: 70. *Refer to page 14.*
- Needlestick Cover option: 65. *Refer to page 15.*

Minimum premium

\$90 per year excluding fees and charges (for additional lives under age 18 the minimum premium is \$50 per year excluding fees and charges). *Refer to page 6 and Part 2 page 3 for fees and charges.*

Cover levels available

\$50,000 minimum. Maximum cover levels apply depending on the combination of benefits you choose. *Refer to page 6.*

Premium options

You can choose stepped or level premiums. *Refer to Part 2 page 2.*

How premiums are calculated

Premiums are based on your level of cover, options chosen (including whether you select stepped or level premiums), frequency of payments, current age, gender and smoking status. Your circumstances including state of health, occupation and pastimes will also be taken into consideration. *Refer to Part 2 page 2.*

Standard benefits

- Death cover – a lump sum payment on your death. *Refer to page 7.*
- Inflation Protection – with a minimum of 5% pa to age 75. *Refer to page 7.*
- Future Insurability – automatic increases for personal or business events. *Refer to pages 7 and 8.*
- Terminal illness – up to \$2,000,000 advance of your Death benefit if death is likely to occur within 12 months. *Refer to page 8.*
- Accidental Injury benefit – advancement of the Death benefit if you suffer a listed injury. *Refer to page 8.*
- Financial Planning Advice benefit – Up to \$1,000 toward financial planning advice. *Refer to page 9.*
- Advancement for Funeral Expenses – up to \$15,000. *Refer to page 9.*
- Built in Buy Back Death (with Trauma) – if you select the Trauma option this allows you to repurchase your Death cover in three instalments after you suffer a Trauma and receive a benefit. *Refer to page 12.*

Optional benefits (for an additional premium)

- Total and Permanent Disablement – ‘own occupation’, ‘any occupation’, ‘domestic duties’, ‘loss of independence’ and ‘cognitive impairment’ cover available.
Refer to page 9.
- Trauma – pays a lump sum on the diagnosis or occurrence of a range of illnesses and injuries. Extended and Basic Trauma available. *Refer to page 10.*
- Accelerated Buy Back – where Trauma option is selected, allows accelerated repurchase of Death cover after Trauma claim. *Refer to page 12.*
- Buy Back TPD – where both TPD and Trauma are selected, allows repurchase of TPD after a Trauma claim. *Refer to page 12.*
- Accidental Death – additional Accidental Death cover. *Refer to page 13.*
- Business Future Cover – future insurability for certain business events.
Refer to page 13.
- Premium Waiver – pays premiums if you are disabled and cannot work.
See page 14.
- Needlestick Cover option – a lump sum payable on occupationally acquired HIV, Hepatitis B or Hepatitis C (available to exposure-prone occupations only).
Refer to page 15.

Exclusions

There are certain circumstances under which benefits will not be paid. For details see:

- Death cover – page 9.
- TPD option – page 10.
- Trauma option – page 12.
- Accidental Death option – page 13.
- Premium Waiver option – pages 14 – 15.
- Needlestick Cover option – page 15.

There are limitations and restrictions on when some benefits may be payable. Any such limitation or restriction will be detailed in the relevant benefit description on pages 6 to 15.

Other important information

- Fees and charges – a management fee will be applied to your Policy. Stamp duty and other taxes may apply. *Refer to Part 2 page 3.*
- Cooling-off period – a 21 day cooling-off period applies.
Refer to Part 2 page 2.
- Complaints resolution – we have a complaints handling procedure in place.
Refer to Part 2 page 5.
- Your privacy – Zurich has privacy provisions in place.
Refer to Part 2 page 17.
- Information about your Policy – once your application has been accepted, you will receive a Policy Document which details the terms and conditions of the Policy, and a Policy Schedule that sets out the particular details of your Policy (including: levels of cover, options selected, and details of the Policy Owner and life insured). *Refer to Part 2 page 4.*
- Claims requirements – there are notification and information requirements in order to make a claim under this Policy. *Refer to Part 2 page 4.*
- Interim cover – provides accidental death cover while your application is being assessed. *Refer to Part 2 pages 14 to 16.*

| About Zurich Term Life Insurance Plus

This PDS will help you to:

- decide whether this product will meet your needs and
- compare this product with others you may be considering.

Important notice

The primary purpose of the Zurich Term Life Insurance Plus policy is to pay a lump sum on your death. It is not a savings plan. If you terminate your Policy at any time other than during the cooling-off period (refer to Part 2 Page 2), you will not get any money back.

The information contained in this PDS is general information only. It does not take into account your individual objectives, financial situation or particular needs. You should consider the appropriateness of this product having regard to your objectives, financial situation and needs. **We recommend you seek professional financial advice before making any decisions regarding this product.**

Defined terms

All terms appearing in *italics* (other than in headings) are defined terms with special meanings. Detailed definitions appear in Part 2 pages 6 to 13. Product features are capitalised for ease of identification.

Product overview

The Zurich Term Life Insurance Plus policy pays a lump sum on your death. This Policy also covers you if you are diagnosed with a terminal illness.

The following benefits are standard with Zurich Term Life Insurance Plus:

- Death Benefit
- Inflation Protection
- Future Insurability benefit
- Terminal Illness benefit
- Accidental Injury benefit
- Financial Planning Advice benefit
- Advancement for Funeral Expenses
- Built in Buy Back Death benefit (with Trauma option).

You may add the following options to your policy by paying extra premiums:

- Total and Permanent Disablement option (TPD)
- Trauma option
- Accelerated Buy Back Death option (with Trauma option)
- Buy Back TPD option (with Trauma and linked TPD)
- Accidental Death option
- Business Future Cover option
- Premium Waiver option
- Needlestick Cover option.

Applying for Zurich Term Life Insurance Plus

Who can apply?

Generally people between the ages of 10 and 69 can apply for this policy. To apply for the Total and Permanent Disablement (TPD), Trauma or Accidental Death options you must be between the ages of 19 and 58. To apply for the Needlestick Cover option you must be between the ages of 19 and 55.

How much cover can I apply for?

The minimum amount of cover you can apply for is \$50,000 per benefit per life insured, subject to a minimum annual premium for each life insured of \$90 (excluding the management fee and any government charges) or, for additional insured lives who are children under the age of 18, a minimum premium of \$50 a year.

The maximum amount of cover you can apply for is subject to the following guidelines in respect of each Policy:

- if you add the Trauma option the Trauma cover cannot exceed the Death cover
- if you add the TPD option the TPD cover cannot exceed the Death cover
- if you do not link the TPD option to the Trauma option, the total of that non-linked TPD cover and any Trauma cover cannot exceed the Death cover (linked TPD is explained on page 10)
- if you link the TPD option to the Trauma option the amount of TPD cover which is linked to Trauma cannot exceed the amount of Trauma cover
- the maximum amount of Accidental Death cover is \$1,000,000.
- the maximum amount of Needlestick Cover is \$400,000.

Further restrictions also apply to the total amount of cover in respect of a Life Insured for all policies from all sources (including all policies issued by other life insurers). Generally:

- the total Trauma cover with Zurich and other life insurers cannot exceed \$2,000,000
- the total TPD cover with Zurich and other life insurers cannot exceed \$2,500,000
- the total 'Occupationally Acquired HIV' cover with Zurich and any other life insurer cannot exceed \$2,000,000.

Can I increase my cover?

Subject to Zurich's reassessment of your personal circumstances, you may apply to increase your cover any time before your 70th birthday. You may apply to increase the Trauma option, TPD option or Accidental Death benefit at any time prior to your 59th birthday. The minimum amount you can increase your cover by each time is \$50,000.

When will my cover expire?

Once your application has been accepted and provided you pay your premiums as due (see Part 2 page 2), we guarantee that we will renew your Policy every year up until the *Policy Anniversary* following your 99th birthday, regardless of any changes to your health or other circumstances. Optional benefits may expire at earlier ages (refer to the relevant optional benefit description in the Optional Benefits section on pages 9 to 15 for details).

Benefits of Zurich Term Life Insurance Plus

Death benefit

We will pay the amount you are covered for as a lump sum if you die during the term of the Policy.

Inflation Protection

Each year we will provide you the opportunity to increase the level of cover (including any cover under the TPD or Trauma options) by the greater of 5% and the *Consumer Price Index (CPI)* to keep up with inflation (Indexation offer). Unless you reject the Indexation offer, your premiums will increase each year by an extra amount to reflect that change. If you take up this Indexation offer you do not have to provide any further health evidence. The opportunity will only apply to the first:

- Death benefit – \$5,000,000 of cover
- Non-linked TPD – \$1,500,000 of cover
- Trauma and Linked TPD – \$1,000,000 of cover.

No further Indexation offers will be made from the *Policy Anniversary* after your 75th birthday.

Future Insurability benefit – Personal Events

This benefit entitles you to increase your Death, Trauma or TPD cover prior to age 55, without Zurich's reassessment of your health, within 30 days of the personal events described below. This benefit does not apply if you are entitled to receive a benefit, or if you are receiving or have received a benefit under your Policy, or if Zurich or any other life insurer has waived, or is waiving, your premium.

Personal events covered:

- if the Life Insured gets married or divorced, or if a child is born to or is adopted by the Life Insured, you can increase your cover by a minimum of \$10,000 and a maximum of the lesser of:
 - 25% of your Death, Trauma or TPD cover at commencement or
 - \$200,000.
- if the Life Insured takes out for the first time or increases his/her mortgage on his/her principal place of residence, you can increase your cover by the lesser of:
 - the amount of the mortgage or the increase in mortgage or
 - an amount equal to 25% of your Death, Trauma or TPD cover at commencement of the Policy or
 - \$200,000.
- if a dependent child of the life insured starts secondary school, you can increase your cover by a minimum of \$10,000 and a maximum of the lesser of:
 - 25% of your Death, Trauma or TPD cover at commencement or
 - \$200,000.

Restrictions

The accumulative sum of all increases under this benefit cannot exceed the lesser of the cover at commencement of the Policy and \$1,000,000. In any 12 month period increases are limited to 50% of your cover at commencement of the Policy.

You cannot increase your Trauma or TPD cover if the increase would cause you to exceed our maximum cover limits (refer to page 6). You cannot increase your Trauma or TPD covers beyond the Death benefit sum insured. If you have linked Trauma and TPD you must increase both by the same amount.

Zurich retains the right to confirm your occupation in relation to any increase in the TPD benefit and eligibility and premiums in relation to the increased amount will be based on your occupation at the time of increase.

For the first **six months** after an increase under this benefit:

- any increased Death cover amount is payable only in the event of your *Accidental Death*
- any increased TPD amount is payable only in the event your *Total and Permanent Disablement* is caused by an *Accidental Injury*
- any increased Trauma amount is payable only in the event of a Trauma suffered as a result of *Accidental Injury*.

Future Insurability benefit – Business Events

This benefit entitles you to increase your Death cover prior to age 55 without Zurich's reassessment of your health on occurrence of the business events described below. This benefit does not apply if you are entitled to receive a benefit, or if you are receiving or have received a benefit under your Policy, or if Zurich or any other life insurer has waived, or is waiving, your premium.

Business events covered:

- where at the commencement of the Policy we accept that the life insured is a Key Person in the Policy Owner's business – if his/her 'value to the business' increases, then within three months of the end of each financial year of the business, your cover can be increased in proportion to the Life Insured's increase in his/her value to the business. The value of a Key Person in any year will be equal to his/her total remuneration package excluding discretionary benefits, plus his/her share of the net profits distributed by the business in that year.
- where the Policy Owner is a business entity, and at the commencement of the Policy we accept that the Life Insured is a shareholder and the person primarily responsible for generating income for the business entity – if the value of the Life Insured's financial interest in the business entity increases, then within three months of the end of each financial year of the business entity, your cover can be increased in proportion to the increase in the value of the Life Insured's financial interest in the entity. The value of the financial interest of the Life Insured in any year will be based on his/her share of the net assets of the entity at the end of that year.

Restrictions

The accumulative sum of all increases under this benefit cannot exceed the lesser of the Death cover at commencement of the

policy and \$1,000,000. In any 12 month period, the increase is limited to 50% of your Death cover at commencement of the Policy. For the first six months after an increase under this benefit, the increased amount is payable only in the event of your *Accidental Death*.

This benefit does **not** apply if you select the **Business Future Cover option**.

Terminal Illness benefit

If you are diagnosed with a terminal illness where death is likely to occur within 12 months, we will pay you up to 100% of your Death cover (excluding any cover under the Accidental Death option). Refer to Part 2 page 4 for Claims requirements. The maximum we will pay under this benefit in total for all your Zurich policies is \$2,000,000. The amount of Death cover, any Trauma cover and any TPD cover, will be reduced by any payments made under this benefit. Your premium will be based on the reduced cover after payment of the Terminal Illness benefit.

Accidental Injury benefit

If an *Accidental Injury* causes the entire and irrevocable loss of:

- the use of one hand or the use of one foot or the sight in one eye, we will pay the lesser of 25% of your Death cover or \$500,000 or
- the use of both hands, or the use of both feet, or the sight in both eyes, or any combination of two of the following: the use of one hand, the use of one foot or the sight in one eye, we will pay you the lesser of 100% of your Death cover or \$2,000,000.

Your Death cover, any Trauma cover and any TPD cover will be reduced by any payments made under this benefit. Your premiums will be based on the reduced cover after payment of the *Accidental Injury* benefit.

The Accidental Injury benefit will not be payable where the claim is the result of:

- an *Accidental Injury* which occurred prior to the commencement date of cover or reinstatement of the Policy or
- war (whether declared or not) or
- intentional self-inflicted injuries or attempted suicide.

As *Accidental Injury* may also be covered under the Total and Permanent Disablement or Trauma options, this Accidental Injury benefit will not be payable if you are eligible to receive a TPD or Trauma benefit for the same *Accidental Injury*.

Financial Planning Advice benefit

We will reimburse you up to \$1,000 towards the cost of approved financial planning advice required as a result of a payment being made under this Policy. We will only pay this benefit if you have obtained our written approval before seeking advice.

Advancement for Funeral Expenses

While a claim is being settled, we may advance part of the Death benefit, up to \$15,000, towards payment of funeral expenses to you or your estate. An application for payment of funeral expenses must be made by you or your estate and must include satisfactory evidence of death and the funeral invoice.

Exclusions

We will not pay a benefit if you commit suicide within 13 months of the commencement date of cover (or increase in cover but only in respect of that increase) or reinstatement of the Policy.

We will waive the suicide exclusion if, immediately prior to the commencement of cover, you had Death cover which was in-force for thirteen consecutive months (without lapsing and/or reinstatement) with another insurer, and we agreed to replace this Death cover. The waiver will only apply up to the amount that you had with the other insurer.

Interim cover

We will provide you with interim cover against *Accidental Death* for up to 90 days while we are assessing your application. See pages 14 to 16 of Part 2 for more details.

Optional benefits

Total and Permanent Disablement (TPD) option

This option pays you the TPD amount you are covered for as a lump sum if you become *Totally and Permanently Disabled*. While you continue to pay your premiums, you will be covered for this event until the *Policy Anniversary* following your 99th birthday. However, if your TPD option is linked to the Extended Trauma option your TPD option will cease at age 65 and only the Extended Trauma option will continue. When applying for the TPD option, you can choose to link some or all of your TPD cover to the Trauma option (see page 10 for an explanation of linked TPD).

The following conditions apply when adding TPD to your Term Life Insurance Plus policy:

- the amount of TPD cover cannot exceed the Death cover. However, the amounts of cover do not have to be equal
- the amount of TPD cover which is linked to Trauma cannot exceed the amount of Trauma cover

- the amount of TPD cover which is not linked to Trauma, plus the total amount of any Trauma cover cannot exceed the Death cover
- generally the maximum amount of cover for domestic duties you can apply for is \$500,000.

You are deemed to be *Totally and Permanently Disabled* if you:

- suffer a specific loss or
- are “unable to work” (two versions are available – ‘any occupation’ and ‘own occupation’) or
- are unable to perform normal domestic duties or
- are unable to perform at least two of the *Activities of Daily Living* or
- suffer cognitive impairment,

within the definition of *Total and Permanent Disablement* on Part 2, page 13.

Other than for specific loss, before a claim can be made you must have been absent from active employment solely as a result of *Sickness* or *Injury* for an uninterrupted period of six consecutive months.

On the *Policy Anniversary* before your 65th birthday, the definition of *Total and Permanent Disablement* will change. From that date, only the inability to perform two of the *Activities of Daily Living*, cognitive impairment and specific loss will apply and the maximum benefit payable is \$1,000,000.

Standard and double TPD

You can choose standard or double TPD cover. Under standard TPD cover, your Death cover is reduced by the amount of any TPD benefit paid to you. Under double TPD cover, your level of Death cover is reduced by the amount of any TPD benefit paid to you, but will then be restored to the same level 12 months after the TPD benefit is paid.

Double TPD also contains a waiver of premium feature. This means that once a double TPD has been paid, premiums for Death cover equivalent to the amount of the TPD benefit paid will be waived until the *Policy Anniversary* before your 65th birthday. Premiums will continue to be payable in respect of the difference between the total Death cover and the TPD benefit paid. From the *Policy Anniversary* after your 65th birthday premiums for the full Death cover will resume.

On the *Policy Anniversary* before your 65th birthday, the double TPD cover will automatically convert to standard TPD cover.

Exclusions

The TPD benefit will not be payable if you become *Totally and Permanently Disabled* because of intentional self-inflicted injury or attempted suicide.

Linked and non-linked TPD

If you select both the TPD and Trauma options you can choose to have your TPD option linked to the Trauma option.

If you link your TPD to the Trauma option you will pay a lower premium for your TPD benefit. This is because the TPD cover will be reduced by the amount of any Trauma cover paid.

If you do not link your TPD to the Trauma option you will pay a higher premium for your TPD, however your TPD will be unaffected by any claim under the Trauma option.

You may select any combination of linked and non-linked TPD. However, the sum of the non-linked TPD and Trauma options may not exceed the Death cover.

What happens to my other benefits if I receive a TPD benefit?

- If you receive a benefit under your TPD option, your level of Death cover is reduced by the amount paid. If you have selected double TPD then the Death cover will be restored to the same level 12 months after the TPD benefit is paid.

- If you receive a benefit under your linked TPD option, your Trauma cover will be reduced by the amount paid, likewise your TPD cover will be reduced by any Trauma benefit paid.


Trauma option

This option pays you a lump sum equal to the Trauma amount you are covered for if you suffer a specified Trauma, other than *Minimally Invasive Cardiac Surgery – including Coronary Angioplasty* where restrictions apply (detailed on page 11).

The specified Traumas we pay for depends on whether you choose Basic Trauma or Extended Trauma.

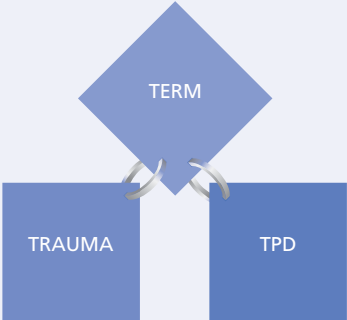
You can continue your Trauma cover until the *Policy Anniversary* following your 99th birthday where you have Extended cover and the *Policy Anniversary* following your 75th birthday where you have Basic cover. For Extended cover, from the *Policy Anniversary* after your 75th birthday, we will only pay a benefit in respect of *Loss of Independence* or *Loss of Limbs* or *Sight*.

For example:



Linked Benefits

If you had \$500,000 Death cover, and \$250,000 Trauma cover and \$250,000 linked TPD cover and you suffered a *Heart Attack* and received your \$250,000 Trauma benefit your TPD benefit would be reduced to \$0 and you would be unable to claim a TPD benefit in the future (please see page 12 for details on what will happen to your Death cover as a result of a Trauma claim).



Non-Linked Benefits

If you had \$500,000 Death cover, and \$250,000 Trauma cover and \$250,000 non-linked TPD cover and you suffered a *Heart Attack* and received your \$250,000 Trauma benefit your TPD benefit would remain \$250,000 and you may be able to claim under this option in future (please see page 12 for details on what will happen to your Death cover as a result of a Trauma claim).

Basic Trauma			
<ul style="list-style-type: none"> ■ Benign Brain Tumour ■ Chronic Kidney Failure ■ Coronary Artery Bypass Surgery* 	<ul style="list-style-type: none"> ■ Diplegia ■ Heart Attack* ■ Hemiplegia 	<ul style="list-style-type: none"> ■ Loss of Speech ■ Major Organ Transplant ■ Malignant Cancer* 	<ul style="list-style-type: none"> ■ Paraplegia ■ Quadriplegia ■ Stroke*
Extended Trauma			
<ul style="list-style-type: none"> ■ Aorta Repair ■ Aplastic Anaemia ■ Benign Brain Tumour ■ Blindness ■ Cardiomyopathy ■ Chronic Kidney Failure ■ Chronic Liver Disease ■ Chronic Lung Disease ■ Coma ■ Coronary Artery Bypass Surgery* 	<ul style="list-style-type: none"> ■ Deafness ■ Dementia (including Alzheimer's disease) ■ Diplegia ■ Encephalitis ■ Heart Attack* ■ Heart Valve Surgery* ■ Hemiplegia ■ Loss of Independence ■ Loss of Limbs or Sight ■ Loss of Speech 	<ul style="list-style-type: none"> ■ Major Head Trauma ■ Major Organ Transplant ■ Malignant Cancer* ■ Medically Acquired HIV ■ Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty*◆ ■ Motor neurone disease ■ Multiple Sclerosis ■ Muscular Dystrophy ■ Occupationally Acquired HIV ■ Out of Hospital Cardiac Arrest 	<ul style="list-style-type: none"> ■ Paraplegia ■ Parkinson's Disease ■ Primary Pulmonary Hypertension ■ Quadriplegia ■ Severe Accident or Illness Requiring Intensive Care ■ Severe Burns ■ Stroke* ■ Triple Vessel Coronary Artery Angioplasty*

For definitions of the specified events see Part 2 pages 6 to 9.

Notes applicable to specified Traumas with a * or ◆

* We will not pay a benefit if this Trauma occurs, is first diagnosed, becomes apparent, or the recommendation for surgery, occurs within 90 days of commencement of cover or reinstatement of the Policy or increase in cover (but only in respect of that increase). Furthermore the benefit, or increase in benefit (if applicable), will not be payable in respect of this Trauma for any occurrence of the same specified Trauma for the duration of the Policy.

We will waive this 90 day elimination period if, immediately prior to the commencement of cover, another insurer covered you for the same specified Traumas and we agreed to replace this cover (and you are not within the other insurer's 90 days elimination period). The waiver will only apply up to the amount of Trauma cover that you had with the other insurer.

◆ *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* is only available where the Extended Trauma Benefit amount for that Life Insured (prior to any claim payments made) is \$100,000 or more. *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* is the only specified condition that may be claimed on more than one occasion. The benefit payable on the first instance will be 10% of the Trauma benefit under this Policy subject to a maximum of \$25,000. The benefit payable for any subsequent *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* claim will be 10% of the Trauma benefit under this Policy subject to a maximum of \$25,000 and a minimum of the amount paid for the first claim. Your sum insured will be reduced by each amount paid under this benefit and premiums will be calculated on the reduced sum insured.

For example, if your sum insured is \$100,000 and we pay you a benefit for *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* the amount payable will be \$10,000 and your sum insured will reduce to \$90,000. If we pay a subsequent benefit for *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* then we will pay you \$10,000.

We will not pay a benefit for *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* where the procedure occurs within six months after a prior *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* procedure for which a benefit was paid.

Exclusions

We will not pay a Trauma benefit where the claim is a result of intentional self-inflicted injury or attempted suicide.

If you have both Trauma cover and linked TPD cover and claim for the same insured event under both covers, we will only pay the Trauma benefit.

Paralysis Booster benefit

If we pay a Trauma benefit for Paralysis (*Diplegia, Hemiplegia, Quadriplegia* or *Paraplegia*) then we will double the amount of Trauma benefit payable.

Restrictions and Limitations

- The maximum 'boosted' Trauma benefit we will pay is \$2,000,000.
- The 'boosted' Trauma payment will be limited so that the total Trauma amount payable does not exceed your Death cover.
- If you are eligible for payment under both this benefit and a non-linked TPD benefit attached to the same policy then the 'boosted' Trauma payment will be limited so that the total combined amount payable does not exceed your Death cover.

Chronic conditions – Advancement on Diagnosis benefit (Extended Trauma)

We will advance 25% of the Extended Trauma benefit once only upon unequivocal diagnosis of *Motor Neurone Disease* or *Multiple Sclerosis* or *Muscular Dystrophy* or *Parkinson's Disease* up to a maximum of \$25,000 without you being required to suffer at least a 25% impairment of whole person function that is permanent. Refer to Part 2 page 4 for Claims requirements. The Trauma, Death cover and Linked TPD amounts are then reduced for that Life Insured by the amount paid. Once you qualify for a Trauma benefit in accordance with the Policy conditions the remainder of the benefit will be paid.

What happens to my other benefits if I receive a Trauma benefit?

Once you receive a benefit under your Trauma option, or you receive an advance of your Trauma cover, your linked TPD cover and Death cover will be reduced by the amount paid. When 100% of your Trauma benefit has been paid your Trauma benefit and linked TPD benefit will cease.

Built in Buy Back Death benefit

After a Trauma benefit payment you can repurchase your Death cover without providing any health evidence:

- up to 1/3 of the Trauma benefit (excluding any Paralysis Booster benefit) 12 months after the payment of a Trauma benefit then
- up to a further 1/3 in 24 months and then
- up to a further 1/3 in 36 months.

If each opportunity were fully exercised after three years the Death cover 'bought back' would be equal to the full Trauma benefit amount. You have 30 days in which to exercise the opportunity at each relevant opportunity date. Your right to 'buy back' your Death cover after the payment of a Trauma benefit will cease on the earlier of:

- 37 months after the payment of the Trauma benefit and
- the *Policy Anniversary* following your 74th birthday.

You cannot buy back your Death cover following a Trauma benefit payment for *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty*. The Future Insurability provisions described on pages 7 and 8 will not apply to any Death cover bought back.

Accelerated Buy Back Death option

If you have added the Trauma option, you can choose this option which will give you the right to repurchase your Death cover up to the full Trauma benefit amount (excluding any Paralysis Booster benefit) 12 months after payment of a Trauma benefit. Under the Accelerated Buy Back Death option, your right to 'buy back' your Death cover after the payment of a Trauma benefit will cease on the earlier of:

- 13 months after the payment of the Trauma benefit and
- the *Policy Anniversary* following your 74th birthday.

You cannot buy back your Death cover following a Trauma benefit payment for *Minimally Invasive Cardiac Surgery – including Coronary Artery Angioplasty*. The Future Insurability provisions described on pages 7 and 8 will not apply to any Death cover bought back.

Buy Back TPD option

If you have the Trauma option with linked TPD cover you can also choose this option, which will give you the right to repurchase your linked TPD cover without providing any health evidence:

- up to 1/3 of the Trauma benefit amount 12 months after the payment of a Trauma benefit provided you have returned to full-time work in your usual occupation for at least six continuous months then

- up to a further 1/3 in 24 months provided you have returned to full-time work in your usual occupation for at least 18 continuous months and then
- up to a further 1/3 in 36 months provided you have returned to full-time work in your usual occupation for at least 30 continuous months.

If each opportunity were fully exercised, after three years the TPD cover will be 'bought back'. You have 30 days in which to exercise the opportunity at each relevant date. You cannot claim a TPD benefit for the same or related cause under which you received the Trauma benefit. Your right to 'buy back' your TPD cover will cease on the earlier of:

- 37 months after the payment of the Trauma benefit and
- the *Policy Anniversary* following your 64th birthday.

The TPD cover bought back plus any existing TPD cover cannot exceed your Death cover. You cannot buy back your TPD cover following a Trauma benefit payment for *Minimally Invasive Cardiac Surgery – including Coronary Artery Angioplasty*. The Future Insurability provisions described on pages 7 and 8 will not apply to any TPD Cover bought back.

Accidental Death option

This option pays you an additional lump sum in the event of your *Accidental Death* while this Policy is in force. While you continue to pay your premiums, you will be covered for this event until the *Policy Anniversary* following your 75th birthday.

Exclusions

The Accidental Death benefit will not be payable where a claim is the result of suicide.

Business Future Cover option

This benefit entitles you to increase your Death or TPD cover (if applicable) prior to age 60 without Zurich's reassessment of the Life Insured's health each year within 30 days of the *Policy Anniversary*. This option cannot be exercised if you are entitled to receive a benefit, or if you are receiving or have received a benefit under your Policy, or if Zurich or any other life insurer has waived, or is waiving, your premium. When you make an increase to your cover under this Option the premium you pay for your Policy will increase to cover the increased benefit.

If our basis of acceptance of this policy was for the purpose of

- Key Person Insurance or
- Loan/Guarantor protection or
- Buy-sell/shareholder or Partnership Protection or
- A combination of the above purposes and/or personal purposes.

and the value of the Life Insured's interest in the business, loan guarantee, or value of the Key Person to the business increases, this option allows you to apply for future increases in your Death cover and, if applicable, any TPD cover (you can apply for this option on either your Death cover only or on both your Death and TPD covers), without the need to provide further medical evidence.

Restrictions and limitations

The maximum Death cover sum insured to which you can increase your cover under this option is the lesser of three times your cover at commencement of the policy, or \$10,000,000.

The maximum TPD cover sum insured to which you can increase your cover under this option is the lesser of:

- three times your TPD cover at commencement of the Policy or
- \$2,000,000 or
- your Death cover sum insured.

We will not increase your Death cover or TPD cover (if applicable) under this option if the total amount of cover on your life for all policies from all sources (including any policies issued by other insurance companies) exceeds:

- \$10,000,000 for Death cover or
- \$2,000,000 for TPD cover.

If your TPD cover is linked to a Trauma benefit and the increase would cause the TPD cover amount to exceed the Trauma cover amount then the amount in excess of the Trauma benefit amount will be applied as non-linked TPD. See page 10 for details of linked and non-linked TPD.

We will not increase your Death cover or TPD cover (if applicable) under this option if the total amount of cover on your life for all business purpose policies from all sources (including any policies issued by other insurance companies) exceeds:

- the *Value of the Business* or
- the *Loan Guarantee* or
- the *Value of the Key Person to the Business*.

If the Death or TPD cover (if applicable) was less than 100% of:

- the *Value of the Business* or
- the *Loan Guarantee* or
- the *Value of the Key Person to the Business*

then the relevant benefit can only be increased under this option to an equivalent percentage of the *Value of the Business*, *Loan Guarantee* or *Value of the Key Person to the Business* at the time of any application to increase your cover.

If the Death or TPD cover (if applicable) under this option was for multiple purposes then any increases under this option must be proportionate to the allocation that formed the basis of this Policy.

Applying for an increase

You must apply for the increase, and give us proof of the event which is satisfactory to us, within 30 days of your *Policy Anniversary*.

To apply for the increase, you need to apply to us in writing and provide a *Valuation of the Business* or *Valuation of the Key Person to the Business* (as provided by an independent qualified accountant or business valuer) or evidence of the *Loan Guarantee*, and any other contractual or financial evidence we may request, to satisfy us that the value of your financial interest or *Valuation of the Key Person to the Business* is at least equal to the requested increased amount of cover.

The valuation method used must be the same method of valuation used when you apply and are accepted for this option.

The independent qualified accountant or business valuer cannot be your, or the life insured's, family member, business partner, employee or employer.

You can choose this option on your Death cover only or on both your Death and TPD covers (if applicable). If you apply to increase your Death cover you do not have to increase your TPD benefit at the same time. However, if you apply to increase your TPD benefit then you must also increase your Death cover by at least the same amount at the same time.

If this option is not used on three consecutive *Policy Anniversary* then you will not be able to make any further increases under this option unless you can demonstrate to our satisfaction that financial evidence relating to the *Business* and the purpose identified by you, in respect of that period, did not support an increase in your cover.

For the first **six months** after an increase under this benefit for the purposes of a *Loan Guarantee*:

- any increased Death cover amount is payable only in the event of your *Accidental Death*
- any increased TPD amount is payable only in the event your *Total and Permanent Disablement* is caused by an *Accidental Injury*.

Any increase must be approved by us.

Premium Waiver option

This option will waive premiums in respect of a Life Insured, for all benefits under the Policy, if the Life Insured is Totally Disabled prior to age 70. We will continue to waive the premiums in respect of that Life Insured while he/she remains Totally Disabled.

The Life Insured is deemed to be Totally Disabled if :

- 1) prior to the *Policy anniversary* before his/her 65th birthday he/she:
 - has been unable to perform his/her *Usual Occupation* for a period of six consecutive months; and
 - has been throughout the six month period, and continues to be, under the regular care and treatment of, or following the advice of, a *Registered Medical Practitioner*; and
 - is not engaged in any occupation for wage or profit during the six month period.
- 2) he/she is unable to perform at least two of the *Activities of Daily Living* and has been so unable for a period of six consecutive months.

In addition, if a Life Insured is involuntarily unemployed other than as a direct result of *Sickness* or *Injury*, the Policy has been in force for the previous 12 months at the time we receive his/her claim and he/she is registered with an employment agency approved by Zurich, we will waive your premium in respect of that Life Insured for up to three months. A total of three months premium may be waived because of involuntary unemployment during the life of the Policy.

Exclusions

Premiums will not be waived for *Sickness* or *Injury* occurring as a direct or indirect result of:

- an intentional self-inflicted act or

- attempted suicide or
- uncomplicated pregnancy or childbirth (including participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarrying or having an abortion) or
- an act of war (whether declared or not).

Needlestick Cover option

This option is only available to exposure-prone occupations such as doctor, nurse, pathologist or dentist. Your adviser can help you to determine your eligibility.

We will pay a lump sum equal to the amount you are covered for under this option if you become infected with HIV (Human Immunodeficiency Virus), Hepatitis B or Hepatitis C as a result of an accident occurring during the course of your normal occupation prior to age 65. We will only pay an amount under this option once.

Any accident giving rise to a potential claim must be reported to Zurich within seven days of the accident and supported by a negative blood test taken within 48 hours of the accident.

In the event of a claim you must additionally provide us with:

- proof of the occupational accident that gave rise to the infection including the incident report and the names of witnesses to the accident (if any) and
- proof that the accident involved a definite source of the relevant infection and
- proof that a new infection with either HIV, Hepatitis B or Hepatitis C has occurred within six months of the documented accident and
- access to test independently all the blood samples used.

Exclusions

A benefit will not be payable if:

- HIV, Hepatitis B and Hepatitis C is contracted by any other means
- a medical cure is found for Acquired Immune Deficiency Syndrome (AIDS), or the effects of the HIV virus, Hepatitis C or Hepatitis B, or in the event of a treatment being developed and approved which makes these viruses inactive and non-infectious.

Important Note: The maximum combined amount we will pay for this option together with other Needlestick Cover options and/or *Occupationally Acquired HIV* under all Policies issued by Zurich is \$2,000,000. Cover for *Occupationally Acquired HIV* is provided by Zurich Stand Alone Trauma Insurance Plus – Extended Cover and the Extended Trauma option available with Zurich Term Life Insurance Plus.

Taxation

In most cases, you cannot claim a tax deduction for the premiums you pay for the Policy. One exception to this is if you take out the Policy as ‘Key Person’ insurance in a business. In this case, part or all of the premiums should generally be tax deductible, however, there may be other tax implications (such as fringe benefits tax). We recommend you consult your tax adviser on this issue.

If a tax deduction is not claimable for the premiums, the benefit paid is normally not assessable for taxation purposes*. If a tax deduction is claimable, the benefit paid may be assessable for taxation purposes.

This information is a guide only, and is based on the continuance of present laws and their interpretation. For information about your individual circumstances, contact your tax adviser.

* This assumes (1) related Death cover proceeds are either received by the original beneficial owner or by an owner who acquired the Policy for no consideration, or (2) other cover proceeds are received by the Life Insured or a relative of the Life Insured (eg. spouse, brother, sister, etc but not for example, a cousin). If your situation varies from either of these assumptions, different taxation results may ensue.

| Zurich Stand Alone Trauma Insurance Plus at a glance

Product description	Zurich Stand Alone Trauma Insurance Plus pays you a lump sum if you suffer a specified Trauma and survive 14 days without being on a life support system and includes other standard and optional benefits. Refer to pages 18 to 21 for detailed information on what is covered.
Eligible ages	<ul style="list-style-type: none">■ Trauma: 19 – 58.■ TPD: 19 – 58.■ Accidental Death: 19 – 58. <i>Refer to page 18.</i>
Expiry ages	<ul style="list-style-type: none">■ Trauma: 75 <i>Refer to page 18.</i>■ TPD: 75 (with Basic cover) <i>Refer to page 21.</i> or 65 (with Extended cover) <i>Refer to page 21.</i>■ Accidental Death: 75 <i>Refer to page 21.</i>
Minimum premium	\$90 per year excluding fees and charges. <i>Refer to page 18 and Part 2 page 3 for fees and charges.</i>
Cover levels available	Trauma and TPD: \$50,000 minimum. \$1,500,000 maximum Accidental Death: \$250,000. <i>Refer to page 18.</i>
Premium options	You can choose stepped or level premiums. <i>Refer to Part 2 page 2.</i>
How premiums are calculated	Premiums are based on your level of cover, options chosen (including whether you select stepped or level premiums), frequency of payments, current age, gender and smoking status. Your circumstances including state of health, occupation and pastimes will also be taken into consideration. <i>Refer to Part 2 page 2.</i>
Standard benefits	<ul style="list-style-type: none">■ Trauma – pays a lump sum on the diagnosis or occurrence of a range of illnesses and injuries. Extended and Basic Trauma available. <i>Refer to page 19.</i>■ Death benefit – a lump sum payment of \$5,000 on your death. <i>Refer to page 20.</i>■ Inflation Protection – with a minimum of 5%p.a. <i>Refer to page 19.</i>■ Financial Planning Advice benefit – up to \$1,000 toward financial planning advice. <i>Refer to page 20.</i>■ Paralysis Booster benefit – double your benefit up to \$1,500,000 in the event of a benefit payment for paralysis. <i>Refer to page 20.</i>■ Chronic Conditions – Advancement on Diagnosis benefit – Advancement 25% of the Extended Trauma benefit on diagnosis of certain chronic conditions. <i>Refer to page 20.</i>■ Future Insurability benefit – automatic increases for personal events. <i>Refer to page 20.</i>
Conditions covered – Basic Trauma	<ul style="list-style-type: none">■ Benign Brain Tumour■ Chronic Kidney Failure■ Coronary Artery Bypass Surgery■ Diplegia■ Heart Attack■ Hemiplegia■ Loss of Speech■ Major Organ Transplant■ Malignant Cancer■ Paraplegia■ Quadriplegia■ Stroke
Refer to Part 2 – pages 6 to 9 for medical definitions. Special conditions apply to some specified traumas. For details refer to page 19.	

Conditions covered – Extended Trauma

Refer to Part 2 – pages 6 to 9 for medical definitions. Special conditions apply to some specified traumas. For details refer to page 19.

- Aorta Repair
- Aplastic Anaemia
- Benign Brain Tumour
- Blindness
- Cardiomyopathy
- Chronic Kidney Failure
- Chronic Liver Disease
- Chronic Lung Disease
- Coma
- Coronary Artery Bypass Surgery
- Deafness
- Dementia (including Alzheimer's Disease)
- Diplegia
- Encephalitis
- Heart Attack
- Heart Valve Surgery
- Hemiplegia
- Loss of Independence
- Loss of Limbs or Sight
- Loss of Speech
- Major Head Trauma
- Major Organ Transplant
- Malignant Cancer
- Medically Acquired HIV
- Minimally Invasive Cardiac Surgery – including Coronary Artery Angioplasty
- Motor Neurone Disease
- Multiple Sclerosis
- Muscular Dystrophy
- Occupationally Acquired HIV
- Out of Hospital Cardiac Arrest
- Paraplegia
- Parkinson's Disease
- Primary Pulmonary Hypertension
- Quadriplegia
- Severe Accident or Illness (Requiring Intensive Care)
- Severe Burns
- Stroke
- Triple Vessel Coronary Artery Angioplasty

Optional benefits (for an additional premium)

- Total and Permanent Disablement – 'own occupation', 'any occupation', 'domestic duties', 'loss of independence' and 'cognitive impairment' cover available. *Refer to page 21.*
- Accidental Death – additional accidental death cover. *Refer to page 21.*

Exclusions

There are certain circumstances under which benefits will not be paid. For details see:

- Trauma cover – pages 19 – 20.
- Death benefit – page 19.
- TPD option – page 21.
- Accidental Death option – page 21.

There are limitations and restrictions on when some benefits may be payable. Any such limitation or restriction will be detailed in the relevant benefit description on pages 18 to 21.

Other important information

- Fees and charges – a management fee will be applied to your Policy. Stamp duty and other taxes may apply. *Refer to Part 2 page 3.*
- Cooling-off period – a 21 day cooling-off period applies. *Refer to Part 2 page 2.*
- Complaints resolution – we have a complaints handling procedure in place. *Refer to Part 2 page 5.*
- Your privacy – Zurich has privacy provisions in place. *Refer to Part 2 Page 17.*
- Information about your Policy – once your application has been accepted, you will receive a Policy Document which details the terms and conditions of the Policy, and a Policy Schedule that sets out the particular details of your Policy (including: levels of cover, options selected, details of the Policy Owner and Life Insured). *Refer to Part 2 page 4.*
- Claims requirements – there are notification and information requirements in order to make a claim under this Policy. *Refer to Part 2 page 4.*
- Interim cover – provides cover while your application is being assessed. *Refer to Part 2 pages 14 to 16.*

About Zurich Stand Alone Trauma Insurance Plus

This PDS will help you to:

- decide whether this product will meet your needs and
- compare this product with others you may be considering.

Important Notice

The primary purpose of the Zurich Stand Alone Trauma Insurance Plus policy is to provide a benefit if you suffer a specified Trauma. It is not a savings plan. If you terminate your Policy at any time other than during the cooling-off period (refer to Part 2 Page 2), you will not get any money back.

The information contained in this PDS is general information only. It does not take into account your individual objectives, financial situation or particular needs. You should consider the appropriateness of this product having regard to your objectives, financial situation and needs. **We recommend you seek professional financial advice before making any decisions regarding this product.**

Defined terms

All terms appearing in *italics* (other than in headings) are defined terms with special meanings. Detailed definitions appear in Part 2 pages 6 to 13. Product features are capitalised for ease of identification.

Product overview

The Zurich Stand Alone Trauma Insurance Plus policy pays you a lump sum if you suffer a specified Trauma and survive 14 days without being on a life support system.

The following benefits are standard with Zurich Stand Alone Trauma Insurance Plus:

- Trauma benefit (you can select “Basic” or “Extended” benefits)
- Death benefit
- Inflation Protection
- Financial Planning Advice benefit
- Paralysis Booster benefit
- Chronic Conditions – Advancement on Diagnosis benefit (Extended Trauma only)
- Future Insurability benefit.

You may add the following options to your policy by paying extra premiums:

- Total and Permanent Disablement (TPD) cover
- Accidental Death option.

Applying for Zurich Stand Alone Trauma Insurance Plus

Who can apply?

People between the ages of 19 and 58 can apply for this Policy. You may apply to add TPD and Accidental Death cover under your Trauma insurance policy if you are between the ages of 19 and 58.

How much cover can I apply for?

The minimum amount you can apply for is \$50,000 (subject to a minimum annual premium of \$90 for each Life Insured excluding the management fee and any Government charges). Generally the total Trauma cover with Zurich and other life insurers cannot exceed \$2,000,000. If you apply for the TPD option the sum insured must be the same as the Trauma benefit. The maximum Accidental Death benefit is \$1,000,000.

Can I increase my cover?

Subject to Zurich’s reassessment of your personal circumstances, you may apply to increase your cover any time prior to your 59th birthday. The minimum amount you can increase your cover by each time is \$50,000.

When will my cover expire?

Once your application has been accepted, and provided you pay your premiums as due (see Part 2 page 2), we guarantee that we will renew your Policy every year up until the *Policy Anniversary* following your 75th birthday regardless of any changes to your health or other circumstances. Optional benefits may expire at earlier ages, refer to the relevant optional benefit description on pages 18 to 21 for details.

Benefits of Zurich Stand Alone Trauma Insurance Plus

We will pay a lump sum equal to the amount you are covered for if you suffer a specified Trauma during the term of the Policy, other than for *Minimally Invasive Cardiac Surgery – including Coronary Angioplasty*, where restrictions apply (detailed on page 19). However, to be paid this benefit you must survive the occurrence of the specified Trauma for 14 days without being on a life support system. Once you have been paid 100% of the Trauma benefit from this Policy, cover (including any optional benefits) will cease.

The specified Traumas we cover depends on whether you choose Basic Trauma or Extended Trauma.

Basic Trauma			
<ul style="list-style-type: none"> ■ Benign Brain Tumour ■ Chronic Kidney Failure ■ Coronary Artery Bypass Surgery* 	<ul style="list-style-type: none"> ■ Diplegia ■ Heart Attack* ■ Hemiplegia 	<ul style="list-style-type: none"> ■ Loss of Speech ■ Major Organ Transplant ■ Malignant Cancer* 	<ul style="list-style-type: none"> ■ Paraplegia ■ Quadriplegia ■ Stroke*
Extended Trauma			
<ul style="list-style-type: none"> ■ Aorta Repair ■ Aplastic Anaemia ■ Benign Brain Tumour ■ Blindness ■ Cardiomyopathy ■ Chronic Kidney Failure ■ Chronic Liver Disease ■ Chronic Lung Disease ■ Coma ■ Coronary Artery Bypass Surgery* 	<ul style="list-style-type: none"> ■ Deafness ■ Dementia (including Alzheimer's disease) ■ Diplegia ■ Encephalitis ■ Heart Attack* ■ Heart Valve Surgery* ■ Hemiplegia ■ Loss of Independence ■ Loss of Limbs or Sight ■ Loss of Speech 	<ul style="list-style-type: none"> ■ Major Head Trauma ■ Major Organ Transplant ■ Malignant Cancer* ■ Medically Acquired HIV ■ Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty*◆ ■ Motor Neurone Disease ■ Multiple Sclerosis ■ Muscular Dystrophy ■ Occupationally Acquired HIV ■ Out of Hospital Cardiac Arrest 	<ul style="list-style-type: none"> ■ Paraplegia ■ Parkinson's Disease ■ Primary Pulmonary Hypertension ■ Quadriplegia ■ Severe Accident or Illness Requiring Intensive Care ■ Severe Burns ■ Stroke* ■ Triple Vessel Coronary Artery Angioplasty*

For the definitions of the specified Traumas see Part 2 pages 6 to 9.

Notes applicable to specified Traumas with a * or ◆

* We will not pay a benefit if this Trauma occurs, is first diagnosed, becomes apparent, or the recommendation for surgery, occurs within 90 days of commencement of cover or reinstatement of the Policy or increase in cover (but only in respect of that increase). Furthermore the benefit, or increase in benefit as the case may be, will not be payable in respect of this Trauma for any occurrence of the same specified Trauma for the duration of the Policy.

We will waive this 90 day elimination period if, immediately prior to the commencement of cover, another insurer covered you for the same specified Traumas and we agreed to replace this cover (and you are not within the other insurer's 90 days elimination period). The waiver will only apply up to the amount of Trauma cover that you had with the other insurer.

◆ *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* is only available where the Extended Trauma Benefit amount for that Life Insured (prior to any claim payments made) is \$100,000 or more. *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* is the only specified condition that may be claimed on more than one occasion. The benefit payable on the first instance will be 10% of the Trauma benefit under this Policy subject to a maximum of \$25,000. The benefit payable for any subsequent *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* claim will be 10% of the Trauma benefit under this Policy subject to a maximum of \$25,000 and a minimum of the amount paid for the first claim. Your sum insured will be reduced by each amount paid under this benefit and premiums will be calculated on the reduced sum insured.

For example, if your sum insured is \$100,000 and we pay you a benefit for *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* the amount payable will be \$10,000 and your sum insured will reduce to \$90,000. If we pay a subsequent benefit for *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* then we will pay you \$10,000.

We will not pay a benefit for *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* where the procedure occurs within six months after a prior *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* procedure for which a benefit was paid.

Exclusions

We will not pay a Trauma benefit where the claim is a result of intentional self-inflicted injury or attempted suicide.

Death benefit

We will pay a Death benefit of \$5,000 if you die during the term of the Policy and you are not entitled to be paid a Trauma benefit for one of the specified Traumas.

Exclusions

We will not pay the Death benefit if:

- you have received a Trauma benefit other than for *Minimally Invasive Cardiac Surgery – Including Coronary Artery Angioplasty* or
- death is the result of suicide within 13 months of the commencement of cover or reinstatement of the Policy.

Inflation Protection

Each year we will provide you the opportunity to increase the level of cover (including any cover under the TPD Option) by the greater of 5% and the *Consumer Price Index (CPI)*, to keep up with inflation (Indexation offer). Unless you reject the Indexation offer, your premiums will increase each year by an extra amount to reflect that change. If you take up this Indexation offer you do not have to provide any further health evidence. The opportunity will only apply to the first \$1,000,000 of cover.

Financial Planning Advice benefit

We will reimburse you up to \$1,000 towards the cost of approved financial planning advice required as a result of a payment being made under this Policy. We will only pay this benefit if you have obtained our written approval before seeking advice.

Paralysis Booster benefit

If we pay a Trauma benefit for Paralysis (*Diplegia, Hemiplegia, Quadriplegia* or *Paraplegia*) then we will double the amount of benefit payable up to a maximum total payment of \$2,000,000.

Chronic conditions – Advancement on Diagnosis benefit (Extended Trauma)

We will advance 25% of the Extended Trauma benefit once only upon unequivocal diagnosis of *Motor Neurone Disease*, or *Multiple Sclerosis*, or *Muscular Dystrophy*, or *Parkinson's Disease* up to a maximum of \$25,000 without you being required to suffer at least a 25% impairment of whole person function that is permanent. The Trauma benefit amount is then reduced for that Life Insured by the amount paid. Once you qualify for a Trauma benefit in accordance with the Policy conditions the remainder of the benefit will be paid.

Future Insurability benefit

This benefit entitles you to increase your Trauma cover (and any attaching optional TPD cover) prior to age 55 without Zurich's reassessment of your health within 30 days of the personal events described below. This benefit does not apply if you are entitled to a benefit, or if you are receiving, or have received, a benefit under your policy, or if Zurich or any other life insurer has waived, or is waiving, your premium.

Personal events covered:

- If the Life Insured gets married or divorced, or if a child is born to or is adopted by the Life Insured, you can increase your cover by a minimum of \$10,000 and a maximum of the lesser of:
 - 25% of your Trauma cover at commencement or
 - \$200,000.
- If the Life Insured takes out for the first time or increases his/her mortgage on his/her principal place of residence, you can increase your cover by the lesser of:
 - the amount of the mortgage or the increase in mortgage or
 - an amount equal to 25% of your Trauma cover at commencement of the Policy or
 - \$200,000.
- If a dependent child of the life insured starts secondary school, you can increase your cover by a minimum of \$10,000 and a maximum of the lesser of:
 - 25% of your Trauma cover at commencement or
 - \$200,000.

Restrictions

The accumulative sum of all increases under this benefit cannot exceed the lower of the cover at commencement of the Policy and \$1,000,000. In any 12 month period increases are limited to 50% of your cover at commencement of the Policy. You cannot increase your cover beyond \$1,500,000. If you have the TPD option you must increase both your Trauma and TPD by the same amount.

Zurich retains the right to confirm your occupation in relation to any increase in the TPD benefit and eligibility and premiums in relation to the increased amount will be based on your occupation at the time of increase.

For the first **six months** after an increase under this benefit:

- any increased Trauma amount is only payable in the event of a Trauma suffered as a result of *Accidental Injury*
- any increased TPD amount is only payable in the event your *Total and Permanent Disablement* is caused by an *Accidental Injury*.

Interim cover

We will provide you with interim cover against *Accidental Death* for up to 90 days while we are assessing your application. See Part 2 pages 14 to 16 for more details.

Optional Benefits

Total and Permanent Disablement (TPD) option

This option pays you a lump sum equal to the TPD amount you are covered for if you become *Totally and Permanently Disabled*. Your TPD sum insured must be the same as your Trauma sum insured.

You are deemed to be *Totally and Permanently Disabled* if you:

- suffer a specific loss or
- are “unable to work” (two versions are available – ‘any occupation’ and ‘own occupation’) or
- are unable to perform normal domestic duties (generally the maximum amount of cover for domestic duties you can apply for is \$500,000) or
- are unable to perform at least two of the *Activities of Daily Living* or
- suffer cognitive impairment,

within the definition of *Total and Permanent Disablement* on Part 2, page 13.

Other than for specific loss, before a claim can be made you must have been absent from active employment solely as a result of *Sickness* or *Injury* for an uninterrupted period of six consecutive months.

If you have Basic cover, on the *Policy Anniversary* before your 65th birthday, the definition of *Totally and Permanently Disabled* will change. From that date, only the inability to perform two of the *Activities of Daily Living*, cognitive impairment, and specific loss, will apply and the maximum benefit payable is \$1,000,000.

If you have Extended cover, on the *Policy Anniversary* before your 65th birthday your TPD cover will cease. However you will continue to be covered for *Loss of Limbs or Sight* and *Loss of Independence* under your Extended Trauma Cover.

What happens to my other benefits if I receive a TPD benefit?

If you receive a TPD benefit, your Trauma cover will be reduced by the amount paid.

Exclusions

The TPD benefit will not be payable if you become *Totally and Permanently Disabled* because of intentional self-inflicted injury or attempted suicide.

Accidental Death option

This option pays you an additional lump sum in the event of your *Accidental Death* while this Policy is in force. While you continue to pay your premiums, you will be covered for this event until the *Policy Anniversary* following your 75th birthday or the earlier expiry of the Policy.

Exclusions

The *Accidental Death* benefit will not be payable where a claim is the result of suicide.

Taxation

In most cases, you cannot claim a tax deduction for the premiums you pay for the Policy. One exception to this is if you take out the policy as ‘Key Person’ insurance in a business. In this case, part or all of the premiums should generally be tax deductible, however there may be other tax implications (such as fringe benefits tax). We recommend you consult your tax adviser on this issue.

If a tax deduction is not claimable for the premiums, the benefit paid is normally not assessable for taxation purposes*. If a tax deduction is claimable, the benefit paid may be assessable for taxation purposes.

This information is a guide only, and is based on the continuance of present laws and their interpretation. For information about your individual circumstances, contact your tax adviser.

* This assumes (1) related death cover proceeds are either received by the original beneficial owner or by an owner who acquired the Policy for no consideration, or (2) other cover proceeds are received by the Life Insured or a relative of the life insured (eg. spouse, brother, sister, etc but not for example, a cousin). If your situation varies from either of these assumptions, different taxation results may ensue.

| Zurich Income Replacement Insurance Plus at a glance

Product description

Zurich Income Replacement Insurance Plus provides an Income Benefit if you suffer a loss of income due to sickness or injury and includes standard and optional benefits. *Refer to page 25.*

Eligible ages

- 19 – 48 for benefits payable to age 55.
 - 19 – 53 for benefits payable to age 60.
 - 19 – 58 for all other Benefit Periods.
- (You must be working full time).
Refer to page 25.

Expiry ages

- 55 for benefits payable to age 55.
 - 60 for benefits payable to age 60.
 - 65 for all other Benefit Periods.
- Refer to page 25.*

Waiting periods available

- 14, 30, 60, 90 or 180 days.
 - 1 or 2 years.
 - any number of days you nominate between 14 and 90 days.
- Refer to page 25.*

Benefit Periods available

- 1, 2 or 5 years.
 - to age 55, 60 or 65.
- Refer to page 25.*

Minimum premium

\$200 per year excluding fees and charges.
Refer to page 25 and Part 2 page 3 for fees and charges.

Cover levels available

\$1,500 – \$20,000 per month (subject to your income). *Refer to page 25.*

Premium options

You can choose stepped or level premiums. *Refer to Part 2 page 2.*

How premiums are calculated

Premiums are based on your level of cover, options chosen (including whether you select stepped or level premiums), frequency of payments, current age, gender and smoking status. Your circumstances including state of health, occupation and pastimes will also be included as will any state or federal taxes including stamp duty.
Refer to Part 2 page 2 for details.

Standard benefits

- Income Benefit – an income if you are disabled due to sickness or injury and suffer a loss of income as a direct result. Agreed Value or Indemnity Cover is available. *Refer to page 25.*
- Waiver of Premium – premiums will be waived if you are receiving an Income Benefit. *Refer to page 27.*
- No Claim Discount – a no-claim discount of 15% will apply when no claims are made. *Refer to page 27.*
- Inflation Protection – annual increase of the Insured Monthly Benefit by CPI. *Refer to page 27.*
- Rehabilitation benefits – additional rehabilitation benefits payable to help you get back to work sooner. *Refer to page 27.*
- Funeral benefit – three times the monthly benefit if you die while the Policy is in force. *Refer to page 27.*
- Confined to Bed benefit – benefits payable during the Waiting Period if you are confined to a bed due to sickness or injury. *Refer to page 28.*

Optional benefits (for an additional premium)

- Elective Surgery benefit – benefits payable if you are disabled due to elective surgery. *Refer to page 28.*
- Specified Injury benefit – fixed benefits if you suffer from a range of specified injuries. *Refer to page 28.*
- Unemployment Waiver benefit – premiums waived for up to three months if you suffer involuntary unemployment. *Refer to page 29.*
- Increasing Claims Payment option – Income Benefit increases by CPI while on claim. *Refer to page 29.*
- Superannuation Contributions option – allows you to insure your regular superannuation contributions. *Refer to page 29.*
- Lump Sum Accident option – lump sum payable if you suffer specified injury. *Refer to page 30.*
- Family Care option – benefits continue to be paid after your death. *Refer to page 30.*
- Spouse Cover option – cover for your non-working spouse. *Refer to page 30.*
- Special Care option – family assistance, personal attendant, accommodation and relocation benefits. *Refer to page 31.*
- Severe Disability option – additional income if you are severely disabled. *Refer to page 31.*
- Day 4 Accident option – benefits during the Waiting Period if you are disabled due to an accident. *Refer to page 31.*
- Booster option – additional benefits during first 30 days of claim. *Refer to page 32.*
- Future Insurability option – increase your cover without underwriting. *Refer page 32.*
- Trauma option – additional benefits if you suffer a specified Trauma. *Refer to page 32.*
- Premium Saver option – save premium by excluding cover for mental conditions. *Refer to page 32.*
- Needlestick Cover option – a lump sum payable on occupationally acquired HIV, Hepatitis B or Hepatitis C (available to exposure-prone occupations only). *Refer to page 32.*

Exclusions

There are certain circumstances under which benefits will not be paid. *Refer to pages 27, 30 and 32.*

There are limitations and restrictions on when some benefits may be payable. Any such limitation or restriction will be detailed in the relevant benefit description on pages 24 to 33.

Other important information

- Fees and charges – a management fee will be applied to your Policy. Stamp duty and other taxes may apply. *Refer to Part 2 page 3.*
- Cooling-off period – a 21 day cooling-off period applies. *Refer to Part 2 page 2.*
- Complaints resolution – we have a complaints handling procedure in place. *Refer to Part 2 page 5.*
- Your privacy – Zurich has privacy provisions in place. *Refer to Part 2 page 17.*
- Information about your Policy – once your Application has been accepted, you will receive a Policy Document which details the terms and conditions of the Policy, and a Policy Schedule that sets out the particular details of your Policy (including: levels of cover, options selected, details of the Policy Owner and Life Insured). *Refer to Part 2 page 4.*
- Claims requirements – there are notification and information requirements in order to make a claim under this Policy. *Refer to Part 2 page 4.*
- Interim cover – *Refer to page 33.*

About Zurich Income Replacement Insurance Plus

This Product Disclosure Statement will help you to:

- decide whether this product will meet your needs and
- compare this product with others you may be considering.

Important notice

The primary purpose of the Zurich Income Replacement Insurance Plus policy is to provide an Income Benefit if you suffer a loss of income because you experience a disability. It is not a savings plan. If you terminate your Policy at any time other than during the cooling-off period (refer Part 2 Page 2), you will not get any money back.

The information contained in this PDS is general information only. It does not take into account your individual objectives, financial situation or particular needs. You should consider the appropriateness of this product having regard to your objectives, financial situation and needs. **We recommend you seek professional financial advice before making any decisions regarding this product.**

Defined terms

All terms appearing in *italics* (other than in headings) are defined terms with special meanings. Detailed definitions appear in Part 2 pages 6 to 13. Product features are capitalised for ease of identification.

Product overview

Zurich Income Replacement Insurance Plus policy pays you, after the expiry of the nominated *Waiting Period*, an income while you are disabled and suffer a loss of income because of that disability. The maximum period we will pay benefits for is the *Benefit Period*. We pay a proportion of the *Income Benefit* twice monthly with the first payment due 15 days after the expiry of the *Waiting Period*.

The following benefits are standard with Income Replacement Insurance Plus:

- Income Benefits
- Waiver of Premium

- No Claim Discount
- Inflation Protection
- Rehabilitation benefits
- Funeral benefit
- Confined to Bed benefit
- Elective Surgery benefit
- Specified Injury benefit
- Unemployment Waiver benefit.

You may also select from a full range of optional benefits:

- Increasing Claims Payment option
- Superannuation Contributions option
- Lump Sum Accident option
- Family Care option
- Spouse Cover option
- Special Care option
- Severe Disability option
- Day 4 Accident option
- Booster option
- Future Insurability option
- Trauma option
- Premium Saver option
- Needlestick Cover option[#].

Applying for Zurich Income Replacement Insurance Plus

Who can apply?

Income Replacement Insurance Plus is generally available to people between the ages of 19 and 58 who are working full time. However, certain age restrictions apply to certain *Benefit Periods*: for benefits payable to age 55 the maximum entry age is 48, for benefits payable to age 60 the maximum entry age is 53.

The availability of cover also depends on the insured's occupation and state of health. Some optional benefits are restricted to certain occupations – your adviser can help you to determine your eligibility.

[#] The Needlestick Cover option is only available to exposure prone occupations (eg Doctor, Nurse, Pathologist or Dentist). Your adviser can help you to determine your eligibility based on the actual duties you perform in your occupation.

Policy ownership

In most circumstances, the Policy Owner and the Life Insured must be the same person. However, there are exceptions. These include:

- companies – which may purchase this insurance for an owner or major shareholder who is personally responsible for generating income and
- trustees of family trusts or partners in an unincorporated partnership running a family business – which may purchase the insurance for people responsible for generating income.

How much cover can I apply for?

The minimum *Insured Monthly Benefit* you can apply for is \$1,500 per month subject to a minimum annual premium payable of \$200 (excluding the management fee and any government charges).

The maximum benefit you can apply for will depend on your income. Generally, you can insure up to 75% of your *Average Monthly Pre-Tax Income* subject to a maximum benefit of \$20,000 per month (in determining your total benefit we will add together your *Insured Monthly Benefit* and the Superannuation Contributions Option Monthly benefit amount if applicable).

The minimum Lump Sum Accident option amount you may apply for is \$50,000 and the maximum is \$250,000.

The minimum Needlestick Cover option amount you may apply for is \$50,000 and the maximum is \$400,000.

Your adviser can help you to determine the appropriate level of cover.

Can I increase my cover?

Subject to Zurich's reassessment of your personal circumstances, you may apply to increase your cover until the expiry of your Policy (see below for details).

When will my cover expire?

Once your application has been accepted, while you are working, and provided you pay your premiums as due (see Part 2 page 2), we guarantee that we will renew your Policy every year up until the *Policy Anniversary* preceding your 55th birthday where you have selected benefits payable to age 55, 60 where you have selected benefits payable to age 60 and 65 for all other *Benefit Periods*, regardless of any changes in your health or other circumstances. Please see page 33 for details of what will happen if you become unemployed. Unless otherwise stated in the relevant Optional benefits description on pages 29 to 32, Optional benefits will expire at the same time as the Policy to which they are attached.

What are the Waiting Periods from which I can choose?

You can select from the following *Waiting Periods*:

- 14, 30, 60, 90 or 180 days
- 1 or 2 years
- any number of days you nominate between 14 and 90 days.

You may choose to split your *Waiting Period* which means you would have different *Waiting Periods* for different proportions of your *Income Benefit*.

What are the Benefit Periods from which I can choose?

The following *Benefit Periods* are available with Income Replacement Insurance Plus:

- 1 year or
- 2 years or
- 5 years or
- to the *Policy Anniversary* following your: 55th birthday or 60th birthday or 65th birthday.

Benefits of Zurich Income Replacement Insurance Plus

Income Benefit

You can select from two types of *Income Benefits* – “Agreed Value” and “Indemnity” (described below). If you choose “Indemnity” you will receive a premium discount. Your adviser can help you to determine which cover best suits your individual circumstances.

Qualifying for an Income Benefit

We will pay you an *Income Benefit* after the expiry of the *Waiting Period* if, solely as a result of a *Sickness* or *Injury*, you are:

- until the expiry of the *Waiting Period* unable to generate at least 80% of your *Pre-Disability Income* from personal exertion in your *Usual Occupation* and
- required to be under the regular care of, and following the advice of, a *Medical Practitioner*.

If, at the expiry of the *Waiting Period*, you have no *Post-Disability Income* then:

- if you have selected Agreed Value cover, we will pay you the *Insured Monthly Benefit*
- if you have selected Indemnity cover we will pay you the lesser of the *Insured Monthly Benefit* and 75% of your *Pre-Disability Income*.

Otherwise, the *Income Benefit* we will pay after the expiry of the *Waiting Period* will be proportionate to your loss and calculated on a monthly basis using the following formula:

$$\frac{\text{Pre-Disability Income} - \text{Post-Disability Income}}{\text{Pre-Disability Income}} \times \text{Insured Monthly Benefit}$$

If you select Indemnity cover your benefit will be capped so that the amount we pay you does not exceed 75% of your *Pre-Disability Income*.

The *Insured Monthly Benefit* at commencement is shown in your Policy Schedule.

We will continue to pay you the *Income Benefit* until any one of the following events occurs:

- the *Sickness* or *Injury* giving rise to the claim does not prevent you from earning your *Pre-Disability Income* from personal exertion from your *Usual Occupation*
- the *Benefit Period* ends
- your Policy ends
- your death
- you are no longer required to be under the regular care of a *Medical Practitioner* with regard to treatment for the *Sickness* or *Injury*
- you are not following the treatment recommended by a *Medical Practitioner* at such intervals and frequency as will lead to a cure, alleviation or minimisation of the condition causing your disability.

Example Income Benefit Calculations

Agreed Value (no Post-Disability Income): You have an *Insured Monthly Benefit* of \$3000.00, and due to a *Sickness* that prevents you from earning any income are eligible for a claim under the terms of the Policy. You have no *Post-Disability Income*. Your *Income Benefit* would be the *Insured Monthly Benefit* of \$3000.00.

Agreed Value (Post-Disability Income): You have an *Insured Monthly Benefit* of \$3000.00, and due to a *Sickness* you are only able to generate 50% of your usual income and are eligible for a claim under the terms of the Policy. Prior to your *Sickness* you were earning \$4000.00. Your *Income Benefit* would be:

$$\frac{\$4000.00 - \$2000.00}{\$4000.00} \times \$3000.00 = \$1500.00 \text{ (50\% of the Insured Monthly Benefit).}$$

Indemnity (no Post-Disability Income): You have an *Insured Monthly Benefit* of \$4000.00, and due to a *Sickness* that prevents you from earning any income are eligible for a claim under the terms of the Policy. You have no *Post-Disability Income*. Prior to your *Sickness* you were earning \$4000.00. Using the *Income Benefit* formula your *Income Benefit* would be the *Insured Monthly Benefit*. However with Indemnity policies where you have no *Post-Disability Income* we pay the lesser of the *Insured Monthly Benefit* and 75% of your *Pre-Disability Income*. Therefore your benefit would be \$3000.00.

Indemnity (Post-Disability Income): You have an *Insured Monthly Benefit* of \$3000.00, and due to a *Sickness* you are only able to generate 50% of your usual income and are eligible for a claim under the terms of the Policy. Prior to your *Sickness* you were earning \$4000. Your *Income Benefit* would be:

$$\frac{\$4000.00 - \$2000.00}{\$4000.00} \times \$3000.00 = \$1500.00 \text{ (50\% of the Insured Monthly Benefit).}$$

Exclusions

We will not pay for *Sickness* or *Injury* occurring as a direct or indirect result of:

- an intentional self-inflicted act or
- attempted suicide or
- uncomplicated pregnancy or childbirth (including participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarrying or having an abortion) or
- an act of war (whether declared or not).

If you select the “Premium Saver Option” (see page 32) no benefit will be paid for a claim resulting from a *Mental Disorder*.

Waiver of Premium

During any periods when *Income Benefits* or Specified Injury benefits are payable, all premiums, except those for the Spouse Cover option, will be waived or refunded. Further, premiums paid in respect of the *Waiting Period* will be refunded if your completed claim form is received within 30 days from the start of your disability and we pay you *Income Benefits*.

No Claim Discount

You will receive a No Claim Discount of 15% of the premium (excluding the management fee) provided no claims for benefits were made in the previous year. At the commencement of the Policy you are eligible for the No Claim Discount if you have not been away from your normal occupation for more than two consecutive weeks because of ill health in the 12 months before the Policy Commencement Date. When you recommence premium payments after making a claim, the No Claim Discount will not apply. If you make no further claims, the No Claim Discount of 15% will apply for the period commencing from the second *Policy Anniversary* immediately following the recommencement of premium payments. The No Claim Discount is fixed at 15%.

Inflation Protection

Each year, until the expiry of your Policy, we will provide you the opportunity to increase your *Insured Monthly Benefit* by the increase in the *Consumer Price Index (CPI)* to ensure your benefits keep up with inflation (Indexation offer). Unless you reject the Indexation offer, your premiums will increase each year by an extra amount to cover the increased benefit. To accept our Indexation offer you do not have to provide any further health evidence. If you are disabled and entitled to make a claim

or receiving a benefit at your *Policy Anniversary* or in the six months before your *Policy Anniversary*, we will not provide the opportunity to increase your cover. However, we will resume our Indexation offers from the *Policy Anniversary* following the expiration of six months after you cease to be disabled.

If you select Indemnity cover *Income Benefits* will be limited to 75% of your *Pre-Disability Income*. Therefore to avoid paying unnecessary premium you may reject any of the increase to your *Insured Monthly Benefit* that would take you beyond 75% of your *Average Monthly Pre-Tax Income*.

Recurrent Disability

If your disability recurs from the same or related cause within 12 months of you returning to work, the claim will be considered to be a continuation of the same claim and a further *Waiting Period* will not apply. We will start paying you again immediately for the balance, if any, of the *Benefit Period*.

If your disability recurs from the same or related cause later than 12 months after you return to work, the claim will be considered to be a continuation of the same claim, but further *Income Benefits* will only be payable after expiry of a further *Waiting Period* and for no longer than the balance, if any, of the *Benefit Period*.

Concurrent Disability

If more than one separate and distinct *Sickness* or *Injury* resulted in your disability, payments will be based on the Policy condition that provides the highest benefit.

Rehabilitation benefits

This benefit is payable when you have qualified for an *Income Benefit* or Specified Injury Benefit or within the *Waiting Period* if you would otherwise qualify for an *Income Benefit*.

- **Workplace modification** – if your workplace needs modification for you to return to gainful employment, we will reimburse up to three times your *Income Benefit* for expenses incurred in carrying out the modification.
- **Rehabilitation program** – if you take part in a *Rehabilitation Program*, we will pay you an additional 50% of your *Income Benefit* each month for a maximum of 12 months.
- **Rehabilitation costs** – we will pay up to twelve times your *Income Benefit* to cover the expenses of rehabilitating yourself.

In order to claim a benefit, you must have our written approval before you incur the expenses of these Rehabilitation benefits.

Funeral benefit

If you die while the Policy is in force we will pay a lump sum of three times your *Insured Monthly Benefit*.

Confined to Bed benefit

If you are confined to bed because of *Sickness* or *Injury* for more than two days in a row and during that period, you are totally dependent on the full-time care of a *Registered Nurse* or a *Personal Care Attendant* and unable to earn any income from personal exertion because of the *Sickness* or *Injury*, we will pay the Confined to Bed benefit from the third day onwards. The amount we will pay is:

- if you select Agreed Value cover, the *Insured Monthly Benefit* or
- if you select Indemnity cover, the lesser of the *Insured Monthly Benefit* and 75% of your *Pre-Disability Income*.

We will pay the Confined to Bed benefit for each complete month, or 1/30th of the Confined to Bed benefit for each day that you are eligible for this benefit. This benefit is payable only during the *Waiting Period* to a maximum of 180 days.

Elective Surgery benefit

If your Policy has been continuously in force for six months and you are disabled due to elective or donor transplant surgery and experience a loss of income because of your

disability, we will deem your disability to be due to *Sickness*. The benefit we will pay you after the expiry of the *Waiting Period* will be the *Income Benefit*. Any increase in the *Insured Monthly Benefit* will only be paid if the date of increase is at least six months prior to the date of surgery.

Specified Injury benefit

We will pay you the Specified Injury Benefit if you suffer any one of the Specified Injuries set out in the table below. The *Waiting Period* is waived and this benefit is paid immediately for the duration of the Specified Injury Benefit Period, even if you are still earning an income, but ceases on your death. However, we will not pay you for longer than your *Benefit Period* and we will not pay you for more than one Specified Injury per claim.

The amount we will pay you will be:

- if you select Agreed Value cover, the *Insured Monthly Benefit* or
- if you select Indemnity cover, the lesser of the *Insured Monthly Benefit* and 75% of your *Pre-Disability Income*.

Specified Injury	Benefit Period (months)	Specified Injury	Benefit Period (months)
<i>Quadriplegia</i>	60	<i>Fracture of:</i>	
<i>Paraplegia</i>	60	■ thigh or pelvis	3
Total and permanent loss of use of:		■ leg between the knee and foot	2
■ both feet, both hands, or the sight in both eyes	24	■ kneecap	2
■ one hand and one foot	24	■ skull (excluding bones of the face or nose)	2
■ one hand and sight in one eye	24	■ arm between elbow and shoulder (shaft) or shoulder blade	2
■ one foot and sight in one eye	24	■ forearm (including wrist but excluding elbow or hand)	1.5
■ one arm or one leg	18	■ collar bone	1.5
■ one foot, one hand or sight in one eye	12		
■ thumb and index finger of the same hand	6		

An *Income Benefit* is not payable if you are receiving a Specified Injury benefit. However, if you remain disabled and not earning your *Pre-Disability Income* after the end of the Specified Injury Benefit Period and the *Benefit Period* is longer, you may be eligible to continue to receive an *Income Benefit*.

Unemployment Waiver benefit

If you are involuntarily unemployed other than as a direct result of a *Sickness* or *Injury*, the Policy has been in force for the previous 12 months and you are registered with an employment agency approved by Zurich, we will waive your premium for up to three months. A total of three months premium may be waived because of unemployment during the life of the Policy.

Optional benefits

You can select from the following optional benefits to design a Policy that best meets your needs. You will be charged a premium for each optional benefit you select.

Increasing Claims payment option

While you are on claim, the *Income Benefit* will be increased after each three continuous months of *Income Benefit* payments by the percentage increase in the CPI for the previous quarter, up to a maximum annual increase of 7%.

Superannuation Contributions option

The Superannuation Contributions option allows you to also insure your regular superannuation contributions so that your superannuation will continue to accumulate while you are unable to work due to *Sickness* or *Injury*.

You can insure 100% of the average monthly superannuation contributions made by you or your employer in the 12 months preceding your application. This amount is called the Superannuation Contributions Option Monthly Benefit. If you select this option then your superannuation contributions cannot be included in your *Average Monthly Pre-Tax Income* when determining your *Insured Monthly Benefit*.

For example: if you are earning an annual salary package of \$50,000 which includes \$4,500 in superannuation payments you can apply for an *Insured Monthly Benefit* of up to \$3,125.00 [$[(\$50,000 \div 12) \times 75\%]$] with no Superannuation Contributions option, or you can apply for an *Insured Monthly Benefit* of up to \$2,844.00 [$[(\$45,500 \div 12) \times 75\%]$] and a Superannuation Contributions Option Monthly Benefit of up to \$375 per month [$4,500 \div 12$] (a combined benefit of \$3,219.00 [$[\$2,844 + \$375]$]).

Please note that as this benefit results in a tax liability to you we only pay the estimated after-tax benefit to the fund you nominate and pay an amount in respect of the estimated tax to you (or at your direction).

At any time you are receiving an *Income Benefit*, Specified Injury benefit, Confined to Bed benefit, or Day 4 Accident benefit, then the Superannuation Contributions Monthly benefit, or a proportion thereof, will be payable.

The amount which is payable (Superannuation Contributions) will be:

- If you select Agreed Value Cover – the Superannuation Contributions Monthly Benefit multiplied by the proportion of the *Insured Monthly Benefit* you are receiving as an *Income Benefit*, Specified Injury benefit, Confined to Bed benefit, or Day 4 Accident benefit.

For example, if you are receiving an *Income Benefit* equal to 50% of your *Insured Monthly Benefit* then we will pay 50% of the Superannuation Contributions Monthly Benefit while you continue to receive an *Income Benefit*.

- If you select Indemnity Cover – the Superannuation Contributions Monthly Benefit multiplied by the proportion of the *Insured Monthly Benefit* you are receiving as an *Income Benefit*, Specified Injury benefit, Confined to Bed benefit, or Day 4 Accident benefit subject to a maximum of the actual average monthly superannuation contributions you or your employer made in the 12 months preceding your claim.

For example, if you are receiving an *Income Benefit* equal to 100% of your *Insured Monthly Benefit* then we will pay you the lesser of 100% of the Superannuation Contributions Monthly Benefit and the actual average monthly superannuation contributions you or your employer made in the 12 months preceding your claim, while you continue to receive an *Income Benefit*.

Inflation Protection and the Increasing Claims option apply to the Superannuation Contributions option.

Please note in order to make a claim under the Superannuation Contributions Option you are deemed by the Policy to have directed us to pay the Superannuation Contributions (less an amount to cover income tax payable which will be paid directly to you) to a fund you nominate. Please refer to page 33 for details of the taxation treatment of such payment.

Lump Sum Accident option

We will pay you a lump sum if you suffer one of the injuries set out in the following table as the result of an accident which occurs while you are covered for this option and the *Injury* occurs within 180 days of the accident.

The lump sum will be the percentage set out in the table of the Lump Sum Accident amount you have selected (which will be shown on your Policy Schedule). We will only pay an amount under this option once.

Result of Accident	% of Lump Sum Accident amount
Death	100%
<i>Total and permanent loss of use of:</i>	
<ul style="list-style-type: none"> ■ both hands or both feet or entire sight in both eyes 	100%
<ul style="list-style-type: none"> ■ a hand and a foot 	100%
<ul style="list-style-type: none"> ■ a foot and the sight in one eye 	100%
<ul style="list-style-type: none"> ■ a hand and the sight in one eye 	100%
<ul style="list-style-type: none"> ■ one arm or one leg 	75%
<ul style="list-style-type: none"> ■ one hand, one foot or the sight in one eye 	50%
<ul style="list-style-type: none"> ■ thumb and index finger from the same hand 	25%
<ul style="list-style-type: none"> ■ thumb or index finger 	15%
<ul style="list-style-type: none"> ■ two or more fingers 	15%
<ul style="list-style-type: none"> ■ one finger 	5%

Family Care option

Under this option, if you die while you are receiving an *Income Benefit* we will continue to pay your *Spouse* the *Income Benefit* for up to five years after your death. We will not pay after the benefit expiry date, or for longer than the balance of the *Benefit Period*, and if your *Spouse* dies during the time, we will stop paying the benefit.

Your *Spouse* will receive the same *Income Benefit* that you would have otherwise received if still living for a further five years. For example, if you chose the Increasing Claims option, your *Spouse's* benefit will continue to be increased.

Spouse Cover option

Spouse cover recognises the important contributions made to family lifestyle by *Spouses* who are not in paid work. This option is available for *Spouses* who work part-time (up to 28 hours a week) or carry out domestic duties full time. You can select a Spouse Cover *Waiting Period* of 60 or 90 days. If for longer than the Spouse Cover *Waiting Period*, your *Spouse* is unable to perform their daily domestic duties and a *Registered Medical Practitioner* confirms the need for domestic help for your *Spouse*, we will pay you after the end of the Spouse Cover *Waiting Period*:

- up to \$700 a month towards reimbursement of fees paid for domestic duties such as cooking, cleaning and home nursing care and
- up to \$1,300 a month towards reimbursement of child care costs for children under 12 years.

We will not pay after the *Policy Anniversary* following his/her 60th birthday or the benefit expiry date, which ever occurs first.

Exclusions

We will not pay a benefit if your *Spouse* is disabled due to:

- intentional self-inflicted injury
- attempted suicide
- Uncomplicated pregnancy or childbirth (including participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarrying or having an abortion)
- an act of war (whether declared or not)
- a *Mental Disorder*.

Rehabilitation benefits

The Rehabilitation benefits also apply to this cover based on the maximum monthly benefit for Spouse Cover. If you are eligible to receive a Spouse Cover benefit we will pay the following rehabilitation benefits:

- **Home modification** – if your *Spouse's* home needs modification for your *Spouse* to return to carrying out the domestic duties, we will reimburse up to \$6,000 for expenses incurred in carrying out the modification.

- **Rehabilitation program** – if your *Spouse* takes part in a *Rehabilitation Program* for up to 12 months following the *Waiting Period*, we will reimburse you up to \$1,000 each month towards the expenses of the rehabilitation program.
- **Rehabilitation costs** – we will pay up to \$12,000 to cover the expenses of rehabilitating your *Spouse*.

This benefit is payable when your *Spouse* has qualified for a Spouse Cover benefit, or within the *Waiting Period* if he/she would otherwise qualify for a Spouse Cover benefit.

You must have our written approval before you incur the expenses for these rehabilitation costs.

Special Care option

This option includes four benefits which are payable while we are paying you an *Income Benefit*, a Specified Injury Benefit, a Day 4 Accident Benefit or a Confined to Bed Benefit:

Family Assistance Benefits

If a *Direct Family Member* has to stop full-time work to care for you at home because of your *Sickness* or *Injury*, we will pay an additional benefit for up to six months after the end of the *Waiting Period* while you are unable to earn any income from personal exertion. The additional benefit is the lesser of:

- your *Income Benefit* or
- \$2,500 per month.

You must be at home, confined to bed or to the house and dependent on home assistance. We will not pay if your *Direct Family Member* had been working for you or for your employer before your disability.

Personal Attendant Benefits

If you need the care of a *Registered Nurse* or a *Personal Care Attendant* because of your *Sickness* or *Injury*, we will pay an additional benefit of \$150 per day for up to six months after the end of the *Waiting Period* while you are unable to earn any income from personal exertion. You must be at home, confined to bed or to the house and dependent on home assistance or nursing care.

Accommodation Benefits

We will reimburse the accommodation and travel costs if your *Sickness* or *Injury* means that you are more than 100 kilometres away from home and need to stay there beyond your scheduled return on your doctor's advice. We will also reimburse the

accommodation and travel costs of a *Direct Family Member* who has to stay with you. We will pay up to \$250 per day reimbursement for up to 30 days in any 12-month period for accommodation and up to \$500 reimbursement for travel costs (other than by emergency transport, such as ambulance, which is covered by health insurance).

Relocation Benefits

If you suffer the *Sickness* or *Injury* overseas and choose to return to Australia when an *Income Benefit* is payable, we will pay the cost of a single standard economy airfare to enable you to return, less any reimbursement from another source. We will also pay the costs of transport for any *Direct Family Member* travelling companion you had while disabled overseas. The maximum we will pay is:

- if you select Agreed Value cover – three times the *Insured Monthly Benefit*
- if you select Indemnity cover – three times the lesser of the *Insured Monthly Benefit* and 75% of your *Pre-Disability Income*.

In respect of the first three benefits, you can only claim one at any point in time.

Severe Disability option

If while we are paying you an *Income Benefit* or Specified Injury Benefit you have been unable to perform continuously at least two of the *Activities of Daily Living* for more than three months of your disability, we will then increase your benefit, by one third while this condition continues. This benefit is payable until the end of your *Benefit Period*.

Day 4 Accident option

This option is only available for policies with *Waiting Periods* of 30 days or less.

If you are disabled for more than three consecutive days during the *Waiting Period*, as an immediate consequence of an *Accidental Injury* and you are unable to generate at least 80% of your *Pre-Disability Income* through personal exertion, and are not working in any occupation due to that *Accidental Injury* we will pay you 1/30th of the *Income Benefit* for each day of the *Waiting Period* from day four onwards while you continue to meet those criteria due to your *Accidental Injury*. This benefit is not payable if you are eligible for the Confined to Bed benefit or the Specified Injury benefit.

Booster option

Under this option, if you are disabled and we are paying you the maximum benefit available under your Policy, we will increase your *Income Benefit* by one third for the first 30 days.

Future Insurability option

You can increase your *Insured Monthly Benefit* by up to 20% on every third *Policy Anniversary* after this option began, without us reassessing your personal circumstances. You must tell us in writing that you want to make the increase within 30 days after the relevant *Policy Anniversary*. The increase cannot be made if:

- you are over age 55
- you have received a benefit in the last six months or
- after the increase, your *Income Benefit* will be more than 75% of your *Average Monthly Pre-Tax Income* at that date.

Trauma option

This option contains two benefits:

Death benefit

If you die after the expiry of the *Waiting Period* and prior to the benefit expiry date while you are receiving a benefit under this Policy, a lump sum equal to three times the *Insured Monthly Benefit* will be paid.

Additional Income Benefits

We will double the *Income Benefit* we pay you for up to six months prior to the benefit expiry date if you suffer any of the following Traumas (as defined in Part 2 pages 6 to 9):

- Coronary Artery Bypass surgery*
- Diplegia
- Heart Attack*
- Hemiplegia
- Kidney Failure
- Malignant Cancer*
- Paraplegia
- Quadriplegia
- Stroke*

We will not pay a Trauma benefit in respect of any of the conditions marked with a * if it first occurs, or becomes apparent, within 90 days of commencement of cover or any reinstatement of your Policy.

More than one benefit at a time

We will not pay the following combinations of benefits at the same time:

- the Confined to Bed benefit and the Specified Injury benefit
- the *Income Benefit* and the Specified Injury benefit
- the Day 4 Accident option and the Confined to Bed benefit
- the Day 4 Accident option and the Specified Injury benefit
- the Severe Disability option and the Booster option.

Premium Saver option

The Premium Saver option allows you to reduce your premiums by electing not to receive any benefits if you were to suffer a *Mental Disorder*. Once you have selected this option it cannot be removed for the life of the Policy.

Needlestick Cover option

This option is only available to exposure-prone occupations such as doctor, nurse, pathologist or dentist. Your adviser can help you to determine your eligibility.

We will pay a lump sum equal to the amount you are insured for under this option (which will be shown on your Policy Schedule) if you become infected with HIV (Human Immunodeficiency Virus), Hepatitis B or Hepatitis C as a result of an accident occurring during the course of your normal occupation. We will only pay an amount under this option once.

Any accident giving rise to a potential claim must be reported to Zurich within seven days of the accident and supported by a negative blood test taken within 48 hours of the accident.

In the event of a claim you must additionally provide us with:

- proof of the occupational accident that gave rise to the infection including the incident report and the names of witnesses to the accident and
- proof that the accident involved a definite source of the relevant infection and
- proof that a new infection with either HIV, Hepatitis B or Hepatitis C has occurred within six months of the documented accident and
- access to test independently all the blood samples used.

Exclusions

A benefit will not be payable if:

- HIV, Hepatitis B and Hepatitis C is contracted by any other means

- a medical cure is found for Acquired Immune Deficiency Syndrome (AIDS), or the effects of the HIV virus, Hepatitis C or Hepatitis B, or in the event of a treatment being developed and approved which makes these viruses inactive and non-infectious.

Important Note: The maximum combined amount we will pay for this option together with other Needlestick Cover options and/or *Occupationally Acquired HIV* under all Policies issued by Zurich is \$2,000,000. Cover for *Occupationally Acquired HIV* is provided by the Needlestick Cover option attaching to this and other policies and by Zurich Stand Alone Trauma Insurance Plus – Extended Cover and the Extended Trauma option available with Zurich Term Life Insurance Plus.

Interim cover

While we are assessing your application, we will provide you with interim cover for up to 90 days against *Accidental Injury* that results in you being unable to work and earn any income. This interim cover is not available where you choose a *Waiting Period* of more than 90 days. See Part 2 pages 14 to 16 for details.

Taxation

The premiums you pay for your Policy, except for the premiums for the Lump Sum Accident option, the Spouse Cover option, the Family Care option and the Needlestick Cover option, if applicable, can generally be claimed as a tax deduction by both employees and self-employed people. Every year Zurich will tell you the amount of premium you have paid during that financial year.

The *Income Benefits* and Superannuation Contributions option benefits you receive from the Policy must be included in your tax return and will be taxed at your marginal income tax rate. However, lump sum amounts under the Lump Sum Accident option and Needlestick option are not generally taxable.*

If you have opted to insure your monthly superannuation contribution by selecting the Superannuation Contributions option then these benefits, less an amount to cover your potential income tax liability (based on the top withholding tax rate, currently 48.5%) will be applied towards meeting superannuation contributions. Benefits are applied on your behalf pursuant to a ‘direction to pay’ which you give us by making an application for this benefit. The amount withheld to fund your potential tax liability will be paid directly to you.

If you are self-employed you may be entitled to a deduction on some or all of the superannuation contributions made on your behalf and we recommend you seek professional tax advice to assess your individual situation.

This information is a guide only, and is based on the continuance of present laws and their interpretation. For information about your individual circumstances, contact your tax adviser.

Unemployment and employment breaks

The Income Replacement Plus Policy is designed for people who are working. However, cover can continue during periods of unemployment. Please note that the definition of “Usual Occupation” will change if you have been unemployed, or on long service, maternity or paternity leave for more than 12 consecutive months immediately prior to the *Sickness or Injury* causing disability – rather than your ‘Usual Occupation’ being the occupation you predominantly performed in the 12 months prior to the *Sickness or Injury* it will be any occupation you are capable of performing.

* This taxation information assumes (1) related death cover proceeds are either received by the original beneficial owner or by an owner who acquired the policy for no consideration, or (2) other cover proceeds are received by the life insured or a relative of the life insured (eg. spouse, brother, sister, etc but not for example, a cousin). If your situation varies from either of these assumptions, different taxation results may ensue.

Zurich Special Risk Income Replacement Insurance Plus at a glance

Product description

Zurich Special Risk Income Replacement Insurance Plus provides an Income Benefit if you suffer a loss of income because you experience a disability and includes standard and optional benefits.
Refer to page 37.

Eligible ages

19 – 53 (you must be working full time). *Refer to page 36.*

Expiry age

Policy Anniversary preceding your 60th birthday. *Refer to page 37.*

Waiting periods available

30, 60 or 90 days. *Refer to page 37.*

Benefit Periods available

1, 2 or 5 years. *Refer to page 37.*

Minimum premium

\$200 per year excluding fees and charges.
Refer to page 36 and Part 2 page 3 for fees and charges.

Cover levels available

\$1,500 – \$10,000 per month (subject to your income). *Refer to page 36.*

Premium options

You can choose stepped or level premiums. *Refer to Part 2 page 2.*

How premiums are calculated

Premiums are based on your level of cover, options chosen (including whether you select stepped or level premiums), frequency of payments, current age, gender and smoking status. Your circumstances including state of health, occupation and pastimes will also be included as will any state or federal taxes including stamp duty.
Refer to Part 2 page 2.

Standard benefits

- Income Benefit – an income if you are disabled due to sickness or injury and suffer a loss of income as a direct result. Agreed Value or Indemnity cover available. *Refer to page 37.*
- Waiver of Premium – premiums will be waived if you are receiving an Income Benefit. *Refer to page 38.*
- No Claim Discount – a no-claim discount of 15% will apply when no claims are made. *Refer to page 38.*
- Inflation Protection – annual increase of the Insured Monthly Benefit by CPI. *Refer to page 38.*
- Rehabilitation benefits – additional rehabilitation benefits payable to help you get back to work sooner. *Refer to page 39.*
- Funeral benefit – three times the monthly benefit if you die while the policy is in force. *Refer to page 39.*
- Specified Injury benefit – fixed benefits if you suffer from a range of specified injuries. *Refer to page 39.*

Optional benefits (for an additional premium)

- Increasing Claims Payment option – Income Benefit increases by CPI while on claim. *Refer to page 40.*
- Lump Sum Accident option – lump sum payable if you suffer specified injury. *Refer to page 40.*
- Family Care option – benefits continue to be paid after your death. *Refer to page 40.*
- Spouse Cover option – cover for your non-working spouse. *Refer to page 40.*
- Premium Saver Option – save premium by excluding cover for mental conditions. *Refer to page 41.*

Exclusions

There are certain circumstances under which benefits will not be paid. *Refer to pages 38 to 41.*

There are limitations and restrictions on when some benefits may be payable. Any such limitation or restriction will be detailed in the relevant benefit description on pages 36 to 41.

Other important information

- Fees and charges – a management fee will be applied to your Policy. Stamp duty and other taxes may apply. *Refer to Part 2 page 3.*
- Cooling-off period – a 21 day cooling-off period applies. *Refer to Part 2 page 2.*
- Complaints resolution – we have a complaints handling procedure in place. *Refer to Part 2 page 5.*
- Your privacy – Zurich has privacy provisions in place. *Refer to Part 2 page 17.*
- Information about your Policy – once your application has been accepted, you will receive a Policy Document which details the terms and conditions of the Policy, and a Policy Schedule that sets out the particular details of your Policy (including: levels of cover, options selected, details of the Policy Owner and Life Insured). *Refer to Part 2 page 4.*
- Claims requirements – there are notification and information requirements in order to make a claim under this Policy. *Refer to Part 2 page 4.*
- Interim cover. *Refer to page 41.*

About Zurich Special Risk Income Replacement Insurance Plus

This PDS will help you to:

- decide whether this product will meet your needs and
- compare this product with others you may be considering.

Important notice

The primary purpose of the Zurich Special Risk Income Replacement Insurance Plus policy is to provide an Income Benefit if you suffer a loss of income because you experience a disability. It is not a savings plan. If you terminate your Policy at any time other than during the cooling-off period (refer Part 2 Page 2), you will not get any money back.

The information contained in this PDS is general information only. It does not take into account your individual objectives, financial situation or particular needs. You should consider the appropriateness of this product having regard to your objectives, financial situation and needs. **We recommend you seek professional financial advice before making any decisions regarding this product.**

Defined terms

All terms appearing in *italics* (other than in headings) are defined terms with special meanings. Detailed definitions appear in Part 2 pages 6 to 13. Product features are capitalised for ease of identification.

Product overview

Zurich Special Risk Income Replacement Insurance Plus policy pays you, after the expiry of the nominated *Waiting Period*, an income while you are disabled and suffer a loss of income because of that disability. The maximum period benefits will be paid for is the *Benefit Period*. We pay a proportion of the *Income Benefit* twice monthly with the first payment due 15 days after the expiry of the *Waiting Period*.

The following benefits are standard with Special Risk Income Replacement Insurance Plus:

- Income Benefits
- Waiver of Premium
- No Claim Discount
- Inflation Protection

- Rehabilitation benefits
- Funeral benefit
- Specified Injury benefit

You may also select from a range of optional benefits:

- Increasing Claims Payment option
- Lump Sum Accident option
- Family Care option
- Spouse Cover option
- Premium Saver option.

Applying for Zurich Special Risk Income Replacement Insurance Plus

Who can apply?

Special Risk Income Replacement Insurance Plus is generally available to people between the ages of 19 and 53 who are working full time in an occupation we class as being in our “Special Risk Division.” (This includes unskilled manual workers, unqualified tradespeople, and those in some occupations with increased hazards. In most cases at least two years experience will be required in such occupation to be eligible for cover.) The availability of cover also depends on the insured’s occupation and state of health. Your adviser can help you to determine your eligibility.

Policy ownership

In most circumstances, the Policy Owner and the Life Insured must be the same person. However, there are exceptions. These include:

- companies – which may purchase this insurance for an owner or major shareholder who is personally responsible for generating income and
- trustees of family trusts or partners in an unincorporated partnership running a family business – which may purchase the insurance for people responsible for generating income.

How much cover can I apply for?

The minimum *Insured Monthly Benefit* you can apply for is \$1,500 per month subject to a minimum annual premium of \$200 (excluding the management fee and any government charges). The maximum benefit you can apply for will depend on your income. Generally, you can insure up to 75% of your *Average Monthly Pre-Tax Income* subject to a maximum benefit of \$10,000 per month. Your adviser can help you to determine the appropriate level of cover.

The minimum lump sum accident amount you may apply for is \$50,000 and the maximum is \$250,000.

Can I increase my cover?

Subject to Zurich's reassessment of your personal circumstances, you may apply to increase your cover until the expiry of your Policy (see below for details).

When will my cover expire?

Once your application has been accepted, while you are working, and provided you pay your premiums as due (see Part 2 page 2), we guarantee that we will renew your Policy every year up until the *Policy Anniversary* preceding your 60th birthday. Unless otherwise stated in the relevant Optional benefit description on pages 40 to 41 Optional benefits will expire at the same time as the Policy to which they are attached. See page 41 for details of what will happen if you become unemployed.

What are the Waiting Periods from which I can choose?

You can select a *Waiting Period* of 30, 60 or 90 days.

What are the Benefit Periods from which I can choose?

You can select a *Benefit Period* of 1, 2 or 5 years.

Benefits of Zurich Special Risk Income Replacement Insurance Plus

Income Benefit

You can select from two types of *Income Benefits* – “Agreed Value” and “Indemnity” (described below). If you choose “Indemnity” you will receive a premium discount. Your adviser can help you to determine which cover best suits your individual circumstances.

Qualifying for an Income Benefit

We will pay you an *Income Benefit* after the expiry of the *Waiting Period* if, solely as a result of a *Sickness* or *Injury*:

- you are unable to generate at least 80% of your *Pre-Disability Income* from personal exertion in your *Usual Occupation* and not working in any occupation for a period of at least 14 days
- until the expiry of your nominated *Waiting Period* you are not able to earn your *Pre-Disability Income* from personal exertion in your usual occupation and
- you are required to be under the regular care of, and following the advice of, a *Medical Practitioner*.

If at the expiry of the *Waiting Period* you have no *Post-Disability Income* then:

- if you have selected Agreed Value cover, we will pay you the *Insured Monthly Benefit*
- if you have selected Indemnity cover we will pay you the lesser of the *Insured Monthly Benefit* and 75% of your *Pre-Disability Income*.

Otherwise, the *Income Benefit* we will pay after the expiry of the *Waiting Period* will be proportionate to your loss and calculated on a monthly basis using the following formula:

$$\frac{\text{Pre-Disability Income} - \text{Post-Disability Income}}{\text{Pre-Disability Income}} \times \text{Insured Monthly Benefit}$$

If you select Indemnity cover your benefit will be capped so that the amount we pay you does not exceed 75% of your *Pre-Disability Income*.

The *Insured Monthly Benefit* at commencement is shown in your Policy Schedule.

We will continue to pay you the *Income Benefit* until any one of the following events occurs:

- the *Sickness* or *Injury* giving rise to the claim does not prevent you from earning your *Pre-Disability Income* from personal exertion from your *Usual Occupation*
- the Benefit Period ends
- your Policy ends
- your death
- you are no longer required to be under the regular care of a *Medical Practitioner* with regard to treatment for the *Sickness* or *Injury*
- you are not following the treatment recommended by a *Medical Practitioner* at such intervals and frequency as will lead to a cure, alleviation or minimisation of the condition causing your disability.

Example Benefit Calculations

Agreed Value (no Post-Disability Income): You have an *Insured Monthly Benefit* of \$3000.00, and due to a *Sickness* that prevents you from earning any income are eligible for a claim under the terms of the Policy. You have no *Post-Disability Income*. Your *Income Benefit* would be the *Insured Monthly Benefit* of \$3000.00.

Agreed Value (Post-Disability Income): You have an *Insured Monthly Benefit* of \$3000.00, and due to a *Sickness* you are only able to generate 50% of your usual income and are eligible for a claim under the terms of the Policy. Prior to your *Sickness* you were earning \$4000.00. Your *Income Benefit* would be:

$$\frac{(\$4000.00 - \$2000.00)}{\$4000.00} \times \$3000.00 = \$1500.00 \text{ (50\% of the Insured Monthly Benefit).}$$

Indemnity (no Post-Disability Income): You have an *Insured Monthly Benefit* of \$4000.00, and due to a *Sickness* that prevents you from earning any income are eligible for a claim under the terms of the Policy. You have no *Post-Disability Income*. Prior to your *Sickness* you were earning \$4000.00. Using the *Income Benefit* formula your *Income Benefit* would be the *Insured Monthly Benefit*. However with Indemnity policies where you have no *Post-Disability Income* we pay the lesser of the *Insured Monthly Benefit* and 75% of your *Pre-Disability Income* therefore your benefit would be \$3000.00.

Indemnity (Post-Disability Income): You have an *Insured Monthly Benefit* of \$3000.00, and due to a *Sickness* you are only able to generate 50% of your usual income and are eligible for a claim under the terms of the Policy. Prior to your *Sickness* you were earning \$4000. Your *Income Benefit* would be:

$$\frac{(\$4000.00 - \$2000.00)}{\$4000.00} \times \$3000.00 = \$1500.00 \text{ (50\% of the Insured Monthly Benefit).}$$

Exclusions

We will not pay for *Sickness* or *Injury* occurring as a direct or indirect result of:

- an intentional self-inflicted act or
- attempted suicide or
- Uncomplicated pregnancy or childbirth (including participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarrying or having an abortion) or
- an act of war (whether declared or not).

If you select the "Premium Saver Option" (see page 41) no benefit will be paid for a claim resulting from a *Mental Disorder*.

Waiver of Premium

During any periods when *Income Benefits* or Specified Injury benefits are payable, all premiums, except those for the Spouse Cover option, will be waived or refunded. Further, premiums paid in respect of the *Waiting Period* will be refunded if your completed claim form is received within 30 days from the start of your disability and we pay you *Income Benefits*.

No Claim Discount

You will receive a No Claim Discount of 15% of the premium (excluding the management fee) provided no claims for benefits were made in the previous year. At the commencement of the Policy you may be eligible for the No Claim Discount if you have not been away from your normal occupation for more than two consecutive weeks because of ill health in the 12 months before the Policy Commencement Date. When you recommence premium payments after making a claim, the No Claim Discount will not apply. If you make no further claims, the No Claim Discount of 15% will re-apply for the period commencing from the second *Policy Anniversary* immediately following the recommencement of premium payments. The No Claim Discount is fixed at 15%.

Inflation Protection

Each year, until the expiry of your Policy, we will provide you the opportunity to increase your *Insured Monthly Benefit* by the increase in the *Consumer Price Index (CPI)* to ensure your benefits keep up with inflation (Indexation offer). Unless you reject the Indexation offer, your premiums will increase each year by an extra amount to cover the increased benefit. To accept our Indexation offer you do not have to provide any further

health evidence. If you are disabled and entitled to make a claim or receiving a benefit at your *Policy Anniversary* or in the six months before your *Policy Anniversary*, we will not provide the opportunity to increase your cover. However, we will resume our Indexation offers from the *Policy Anniversary* following the expiration of six months after you cease to be disabled.

If you select Indemnity cover Income Benefits will be limited to 75% of your *Pre-Disability Income*. Therefore to avoid paying unnecessary premium you should not accept any of the increase to your Insured Income Benefit that would take you beyond 75% of your *Average Monthly Pre-Tax Income*.

Recurrent disability

If your disability recurs from the same or related cause within six months of you returning to work, the claim will be considered to be a continuation of the same claim and a further *Waiting Period* will not apply. We will start paying you again immediately for the balance, if any, of the *Benefit Period*.

If your disability recurs from the same or related cause later than six months after you return to work, the claim will be considered to be a continuation of the same claim, but further *Income Benefits* will only be payable after expiry of a further *Waiting Period* and for no longer than the balance, if any, of the *Benefit Period*.

Concurrent disability

If more than one separate and distinct *Sickness* or *Injury* resulted in your disability, payments will be based on the Policy condition that provides the highest benefit.

Rehabilitation benefits

If you are receiving an *Income Benefit*, or Specified Injury benefit after expiry of the *Waiting Period*, we will pay the following rehabilitation benefits:

- **Workplace modification** – if your workplace needs modification for you to return to gainful employment, we will reimburse up to three times your *Income Benefit* for expenses incurred in carrying out the modification.
- **Rehabilitation program** – if you take part in a *Rehabilitation Program*, we will pay you an additional 50% of your *Income Benefit* each month for a maximum of 12 months.
- **Rehabilitation costs** – we will pay up to twelve times your *Income Benefit* to cover the expenses of rehabilitating yourself.

This benefit is payable when you have qualified for an *Income Benefit*, or Specified Injury Benefit or during the *Waiting Period* if you would otherwise qualify for an *Income Benefit*.

In order to claim a benefit, you must have our written approval before you incur the expenses of these Rehabilitation benefits.

Funeral benefit

If you die while the Policy is in force we will pay a lump sum of three times your *Insured Monthly Benefit*.

Specified Injury benefit

We will pay you the Specified Injury Benefit if you suffer any one of the Specified Injuries set out in the table below (and continued on the following page) happens to you. The *Waiting Period* is waived and this benefit is paid immediately for the duration of the Specified Injury Benefit Period even if you are still earning an income, but ceases on your death. However, we will not pay you for longer than your Benefit Period and we will not pay you for more than one Specified Injury per claim.

The amount we will pay you will be:

- if you select Agreed Value cover the *Insured Monthly Benefit* or
- if you select Indemnity cover the lesser of the *Insured Monthly Benefit* and 75% of your *Pre-Disability Income*.

Specified Injury	Benefit Period (months)
<i>Quadriplegia</i>	60
<i>Paraplegia</i>	60
Total and permanent loss of use of:	
■ both feet, both hands, or the sight in both eyes	24
■ one hand and one foot	24
■ one hand and sight in one eye	24
■ one foot and sight in one eye	24
■ one arm or one leg	18
■ one foot, one hand or sight in one eye	12
■ thumb and index finger of the same hand	6

Specified Injury	Benefit Period (months)
<i>Fracture of:</i>	
■ thigh or pelvis	3
■ leg between the knee and foot	2
■ kneecap	2
■ skull (excluding bones of the face or nose)	2
■ arm between elbow and shoulder (shaft) or shoulder blade	2
■ forearm (including wrist but excluding elbow or hand)	1.5
■ collar bone	1.5

An *Income Benefit* is not payable if you are receiving a Specified Injury Benefit. However, if you remain disabled and not earning your *Pre-Disability Income* after the end of the Specified Injury Benefit Period, you may be eligible to continue to receive an *Income Benefit*.

Result of Accident	% of Lump Sum Accident Amount
Death	100%
Total and permanent loss of use of:	
■ both hands or both feet or entire sight in both eyes	100%
■ a hand and a foot	100%
■ a foot and the sight in one eye	100%
■ a hand and the sight in one eye	100%
■ one arm or one leg	75%
■ one hand, one foot or the sight in one eye	50%
■ thumb and index finger from the same hand	25%
■ thumb or index finger	15%
■ two or more fingers	15%
■ one finger	5%

Optional benefits

You can select from the following optional benefits to design a policy that best meets your needs. You will be charged a premium for each optional benefit you select.

Increasing Claims Payment option

While you are on claim, the *Income Benefit* will be increased after each three continuous months of Income Benefit payments by the percentage increase in the CPI for the previous quarter, up to a maximum annual increase of 7%.

Lump Sum Accident option

We will pay you a lump sum if you suffer one of the injuries set out across as the result of an accident which occurs while you are covered for this option and the *Injury* occurs within 180 days of the accident.

The lump sum will be the percentage set out below of the Lump Sum Accident amount you have selected (which will be shown on your Policy Schedule). We will only pay an amount under this option once.

Family Care option

Under this option, if you die while you are receiving an *Income Benefit* we will continue to pay your *Spouse* the *Income Benefit* for up to five years after your death. We will not pay after the benefit expiry date, or for longer than the balance of the *Benefit Period*, and if your *Spouse* dies during the time we will stop paying the benefit.

Your *Spouse* will receive the same *Income Benefit* that you would have otherwise received if still living for a further five years. For example, if you chose the Increasing Claims option, your *Spouse's* benefit will continue to be increased.

Spouse Cover option

Spouse Cover recognises the important contributions made to family lifestyle by *Spouses* who are not in paid work. This option is available for *Spouses* who work part-time (up to 28 hours a week) or carry out domestic duties full time. You can select a Spouse Cover *Waiting Period* of 60 or 90 days. If for longer than the Spouse Cover *Waiting Period*, your *Spouse* is unable to perform their daily domestic duties and a *Registered Medical Practitioner* confirms the need for domestic help for your *Spouse*, we will pay you after the end of the Spouse Cover *Waiting Period*:

- up to \$700 a month towards reimbursement of fees paid for domestic duties such as cooking, cleaning and home nursing care and

- up to \$1,300 a month towards reimbursement of child care costs for children under 12 years.

We will not pay after the *Policy Anniversary* following his/her 60th birthday or the benefit expiry date, whichever occurs first.

Exclusions

We will not pay a benefit if your *Spouse* is disabled due to:

- intentional self-inflicted injury or
- attempted suicide or
- uncomplicated pregnancy or childbirth (including participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarrying or having an abortion) or
- an act of war (whether declared or not) or
- a *Mental Disorder*.

Rehabilitation benefits

The Rehabilitation benefits also apply to this cover based on the maximum monthly benefit for Spouse Cover. If you are eligible to receive a Spouse Cover benefit we will pay the following rehabilitation benefits:

- **Home modification** – if your *Spouse's* home needs modification for your *Spouse* to return to carrying out the domestic duties, we will reimburse up to \$6,000 for expenses incurred in carrying out the modification.
- **Rehabilitation program** – if your *Spouse* takes part in a *Rehabilitation Program* for up to 12 months following the *Waiting Period*, we will reimburse you up to \$1,000 each month towards the expenses of the rehabilitation program.
- **Rehabilitation costs** – we will pay up to \$12,000 to cover the expenses of rehabilitating your *Spouse*.

This benefit is payable when your *Spouse* has qualified for a Spouse Cover benefit, or within the waiting period if he/she would otherwise qualify for a Spouse Cover benefit.

You must have our written approval before you incur the expenses for these rehabilitation costs.

Premium Saver option

The Premium Saver option allows you to reduce your premiums by electing not to receive any benefits if you were to suffer a *Mental Disorder*. Once you have selected this option it cannot be removed for the life of the Policy.

Interim cover

While we are assessing your application, we will provide you with interim cover for up to 90 days against *Accidental Injury* that results in you being unable to work and earn any income. This interim cover is not available where you choose a *Waiting Period* of more than 90 days. See Part 2 pages 14 to 16 for details.

Taxation

The premiums you pay for your Policy, except for the premiums for the Lump Sum Accident option, the Spouse Cover option and Family Care option, if applicable, can be claimed as a tax deduction by both employees and self-employed people. Every year Zurich will tell you the amount of premium you have paid during that financial year.

The *Income Benefits* you receive from the Policy must be included in your tax return and will be taxed at your marginal income tax rate. However, the lump sum amount under the Lump Sum Accident option is not generally taxable.*

This information is a guide only, and is based on the continuance of present laws and their interpretation. For information about your individual circumstances, contact your tax adviser.

Unemployment and Employment breaks

Usually, the Special Risk Income Replacement Insurance Plus policy is only available to you while you are working. The Policy terminates at the end of any 12 month period during which you have not been engaged in full-time paid employment other than as a direct result of disability or where Zurich has given prior written approval. While you are on unpaid leave (eg. maternity leave or sabbatical leave) you can, with Zurich's prior written approval, continue your Special Risk Income Replacement Insurance Plus policy beyond these provisions.

* This taxation information assumes (1) related Death cover proceeds are either received by the original beneficial owner or by an owner who acquired the Policy for no consideration, or (2) other cover proceeds are received by the Life Insured or a relative of the Life Insured (eg. spouse, brother, sister, etc but not for example, a cousin). If your situation varies from either of these assumptions, different taxation results may ensue.



Zurich Business Expenses Insurance Plus

at a glance

Product description

Zurich Business Expenses Insurance Plus covers your fixed business expenses if you are disabled and suffer a loss of income as a result. *Refer to page 44.*

Eligible ages

20 – 59 (you must be running a business). *Refer to page 44.*

Expiry age

Policy Anniversary preceding your 65th birthday. *Refer to page 44.*

Waiting periods available

14, 30, 60 or 90 days. *Refer to page 45.*

Minimum premium

\$200 per year excluding fees and charges.
Refer to page 44 and Part 2 page 3 for fees and charges.

Cover levels available

Up to 100% of the fixed cost of your monthly Eligible Business Expenses. Minimum cover available is \$1,500 per month. *Refer to page 44.*

Premium options

You can choose stepped or level premiums. *Refer to Part 2 page 2.*

How premiums are calculated

Premiums are based on your level of cover, options chosen (including whether you select stepped or level premiums), frequency of payments, current age, gender and smoking status. Your circumstances including state of health, occupation and pastimes will also be included as will any state or federal taxes including stamp duty. *Refer to Part 2 page 2.*

Standard benefits

- Business Expenses Benefit – pays up to 100% of the fixed cost of running your business if you are disabled and suffer a loss of income. *Refer to page 45.*
- Waiver of Premium – premiums will be waived if you are receiving income benefits. *Refer to page 45.*
- No Claim Discount – a no-claim discount of 15% will apply when no claims are made. *Refer to page 45.*
- Inflation Protection – annual increase of the Insured Monthly Benefit by CPI. *Refer to page 45.*
- Provision for fluctuating expenses – pays Business Expenses Benefit beyond the benefit period under certain circumstances. *Refer to page 46.*

Exclusions

There are certain circumstances under which benefits will not be paid. *Refer to page 45.*

Other important information

- Fees and charges – a management fee will be applied to your Policy. Stamp duty and other taxes may apply. *Refer to Part 2 page 3.*
- Cooling-off period – a 21 day cooling-off period applies. *Refer to Part 2 page 2.*
- Complaints resolution – we have a complaints handling procedure in place. *Refer to Part 2 page 5.*
- Your privacy – Zurich has privacy provisions in place. *Refer to Part 2 page 17.*
- Information about your Policy – once your Application has been accepted, you will receive a Policy Document which details the terms and conditions of the Policy, and a Policy Schedule that sets out the particular details of your Policy (including: levels of cover, options selected, details of the Policy owner and Life Insured). *Refer to Part 2 page 4.*
- Claims requirements – there are notification and information requirements in order to make a claim under this Policy. *Refer to Part 2 page 4.*
- Interim Cover. *Refer to page 46.*

About Zurich Business Expenses Insurance Plus

This PDS will help you to:

- decide whether this product will meet your needs and
- compare this product with others you may be considering.

Important notice

The primary purpose of the Zurich Business Expenses Insurance Plus policy is to cover your fixed business expenses if you suffer a loss of income because you experience a disability. It is not a savings plan. If you terminate your Policy at any time other than during the cooling-off period (refer Part 2 Page 2), you will not get any money back.

The information contained in this PDS is general information only. It does not take into account your individual objectives, financial situation or particular needs. You should consider the appropriateness of this product having regard to your objectives, financial situation and needs. **We recommend you seek professional financial advice before making any decisions regarding this product.**

Defined terms

All terms appearing in *italics* (other than in headings) are defined terms with special meanings. Detailed definitions appear in Part 2 pages 6 to 13. Product features are capitalised for ease of identification.

Product overview

Zurich Business Expenses Insurance Plus policy pays you, after expiry of the nominated *Waiting Period*, up to 100% of your *Eligible Business Expenses*, while you are disabled and suffer a loss of *Business Earnings* due to disability. We pay a proportion of the Business Expenses benefit twice monthly with the first payment due 15 days after the expiry of the *Waiting Period*.

The following benefits are standard with Business Expenses Insurance Plus:

- Business Expenses benefits
- Waiver of Premium
- No Claim Discount

- Inflation Protection
- Provision for Fluctuating Expenses.

Applying for Zurich Business Expenses Insurance Plus

Who can apply?

This Policy is open to application for working people between the ages of 20 and 59 next birthday who run a business which will be directly and seriously affected by their disability.

The availability of cover also depends on the insured's occupation and state of health.

Your adviser can help you to determine your eligibility based on your individual circumstances.

Policy ownership

In most circumstances, the Policy Owner and the Life Insured must be the same person. However, there are exceptions. These include:

- companies – which may purchase this insurance for an owner or major shareholder who is personally responsible for generating income and
- trustees of family trusts or partners in an unincorporated partnership running a family business – which may purchase the insurance for people responsible for generating income.

How much cover can I apply for?

The minimum Business Expenses benefit you can apply for is \$1,500 per month subject to a minimum annual premium of \$200 (excluding the management fee and any government charges). You are generally able to insure up to 100% of your monthly *Eligible Business Expenses* averaged over the previous 12 months.

Your adviser can help you to determine the appropriate level of cover.

Can I increase my cover?

Subject to Zurich's reassessment of your personal circumstances, you may apply to increase your cover until the expiry of your Policy (see below for details).

When will my cover expire?

Once your application has been accepted, while you are working, and provided you pay your premiums as due (see Part 2 page 2), we guarantee that we will renew your Policy every year up until the *Policy Anniversary* preceding your 65th birthday, regardless of any changes in your health or other circumstances. See page 46 for details of what will happen if you become unemployed.

What are the Waiting Periods from which I can choose?

You can select a *Waiting Period* of 14, 30, 60 or 90 days.

What are the Benefit Periods from which I can choose?

The *Benefit Period* for Business Expenses is always one year, subject to the Provisions for Fluctuating Expenses outlined on page 46.

Benefits of Zurich Business Expenses Insurance Plus

Business Expenses benefit

We will pay you a Business Expenses benefit after the expiry of the *Waiting Period* if, solely as a result of a *Sickness* or *Injury* you are:

- until the expiry of the *Waiting Period* unable to generate at least 80% of your *Pre-Disability Business Earnings* from personal exertion in your usual occupation and
- required to be under the regular care and following the advice of a *Medical Practitioner*.

The Business Expenses benefit we will pay monthly after expiry of the *Waiting Period* will be the lesser of:

- the monthly Business Expenses benefit and
- your actual *Eligible Business Expenses* incurred in that month less *Business Earnings* received during that month and any other income, net of expenses, produced from any source as a result of the provision of your personal services.

'Income' for this purpose includes salaries, fees, bonuses and commissions and the like, but excludes income from any deferred compensation plans, disability income policies or retirement policies.

The monthly Business Expenses benefit at commencement is shown in your Policy Schedule.

We will continue to pay the Business Expenses benefit until any one of the following events occurs:

- the *Sickness* or *Injury* giving rise to the claim does not prevent you from generating your *Pre-Disability Business Earnings*
- the *Benefit Period* ends
- your Policy ends
- your death
- you are no longer required to be under the regular care of a *Medical Practitioner* with regard to treatment for the *Sickness* or *Injury*

- you are not following the treatment recommended by a *Medical Practitioner* at such intervals and frequency as will lead to a cure, alleviation or minimisation of the condition causing your disability.

Exclusions

We will not pay for *Sickness* or *Injury* occurring as a direct or indirect result of:

- intentional self-inflicted injury or
- attempted suicide or
- Uncomplicated pregnancy or childbirth (including participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarriage or having an abortion) or
- an act of war (whether declared or not).

Waiver of Premium

During any periods when Business Expenses benefits are payable, all premiums will be waived or refunded. Further, premiums paid in respect of the *Waiting Period* will be refunded if your completed claim form is received within 30 days from the start of your disability and we pay you Business Expenses benefits.

No Claim Discount

You will receive a No Claim Discount of 15% of the premium (excluding the management fee) provided no claims for benefits were made in the previous year. At the commencement of the Policy you may be eligible for the No Claim Discount if you have not been away from your normal occupation for more than two consecutive weeks because of ill health in the 12 months before the Policy Commencement Date. When you recommence premium payments after making a claim, the No Claim Discount will not apply. If you make no further claims, the No Claim Discount of 15% will re-apply for the period commencing from the second *Policy Anniversary* immediately following the recommencement of premium payments. The No Claim Discount is fixed at 15%.

Inflation Protection

Each year, until the expiry of your Policy, we will provide you the opportunity to increase your level of cover by the increase in the *Consumer Price Index (CPI)* to ensure your benefits keep up with inflation (Indexation offer). Unless you reject the Indexation offer, your premiums will increase each year by an extra amount to reflect that change. If you take up our Indexation offer you do not have to provide any further health

evidence. You can accept the opportunity to increase your monthly Business Expenses Benefit up to 100% of your *Eligible Business Expenses* averaged over the previous 12 months). The following condition applies to our offer:

If you are disabled and entitled to make a claim or receiving a benefit at your *Policy Anniversary* or in the six months before your *Policy Anniversary*, we will not offer to increase your cover. However, we will resume our Indexation offers from the *Policy Anniversary* following the expiration of six months after you cease to be disabled.

Recurrent Disability

If your disability recurs from the same or related cause within 12 months you returning to work, the claim will be considered to be a continuation of the same claim and a further *Waiting Period* will not apply. We will start paying you again immediately for the balance, if any of the *Benefit Period*.

If your disability recurs from the same or related cause later than 12 months after you return to work, the claim will be considered to be a continuation of the same claim, but further Business Expenses Benefits will only be payable after expiry of a further *Waiting Period* and for no longer than the balance, if any, of the *Benefit Period*.

Provision for Fluctuating Expenses

If you have insured your business for more than the actual level of expenses incurred during a claim, the *Benefit Period* will be extended for up to 12 months according to the following guidelines. If you are still unable to generate your *Pre-Disability Business Earnings* because of your *Sickness* or *Injury* after 12 continuous months and the total benefits we have paid you do not equal 12 times the monthly Business Expenses benefit, we will extend your benefit payment period.

We will continue to pay you a Business Expenses benefit for:

- the next 12 months if you continue to be unable to generate your *Pre-Disability Business Earnings* because of your *Sickness* or *Injury* or
- until the total amount we have paid you equals 12 times the monthly Business Expenses benefit

whichever occurs first.

Interim cover

While we are assessing your application, we will provide you with interim cover for up to 90 days against *Accidental Injury* which results in you being unable to work and generate any business earnings. This interim cover is not available where you choose a *Waiting Period* of more than 60 days. See Part 2 pages 14 to 16 for details.

Taxation

The premiums you pay for your Policy can generally be claimed as a tax deduction. Every year Zurich will tell you the amount of premium you have paid during that financial year.

The Business Expenses benefits you receive from the Policy must be included in your business earnings.

This information is a guide only, and is based on the continuance of present laws and their interpretation. For information about your individual circumstances, contact your tax adviser.

Unemployment and Employment breaks

Usually, Business Expenses Insurance Plus policy is only available to you while you are working. The Policy terminates at the end of any six month period during which you were not actively engaged, through the provision of personal services, in producing revenue for your business or professional practice other than where this is a direct result of a claimable event under your Policy or where Zurich has given prior written approval. While you are on unpaid leave (eg maternity leave or sabbatical leave) you can, with Zurich's prior written approval, continue your Business Expenses Insurance Plus policy beyond these provisions.



Zurich Superannuation Term Life Insurance Plus

at a glance

Product description

Zurich Superannuation Term Life Insurance Plus pays a lump sum benefit on your death and includes standard and optional benefits. *Refer to pages 50 to 56 for detailed information on what is covered.*

Eligible ages

- Death cover: 15 – 64. *Refer to page 51.*
- Total and Permanent Disablement option (TPD): 19 – 58. *Refer to page 52.*
- Accidental Death option: 19 – 58. *Refer to page 53.*

Expiry age

- Death cover: 75 or earlier cessation of membership of the Fund. *Refer to page 51.*
- Total and Permanent Disablement option: 75 or earlier cessation of membership of the Fund (Limited conditions apply from age 65). *Refer to page 53.*
- Premium Waiver option: Age 70.

Minimum premium

\$90 per year excluding fees and charges.
Refer to page 50 and Part 2 page 3 for fees and charges.

Cover levels available

\$50,000 minimum. Maximum cover levels apply depending on the combination of benefits you choose. *Refer to page 51.*

Premium options

You can choose stepped or level premiums. *Refer to Part 2 page 2.*

How premiums are calculated

Premiums are based on your level of cover, options chosen, frequency of payments, current age, gender and smoking status. Your circumstances including state of health, occupation and pastimes will also be included. *Refer to Part 2 page 2.*

There may be restrictions under superannuation law on when premiums can be paid. *Refer to Important Information on page 54.*

Standard benefits

(There may be restrictions on benefits being paid under superannuation law. This product does not contain any investment component. Please refer to pages 51 to 52 for details).

- Death cover – a lump sum payment on your death. *Refer to page 51.*
- Inflation Protection – with a guaranteed 5% minimum. *Refer to page 51.*
- Future Insurability – automatic increases for personal events. *Refer to page 51.*
- Terminal Illness – up to \$2,000,000 advance of your Death benefit if death is likely to occur within 12 months. *Refer to page 52.*
- Advancement for funeral expenses – advancement of up to \$15,000 to cover funeral expenses. *Refer to page 52.*

Optional benefits (for an additional premium)

(There may be restrictions on benefits being paid under superannuation law. This product does not contain any investment component. Please refer to pages 52 to 53 for details).

- Total and Permanent Disablement – ‘own occupation’, ‘any occupation’, ‘domestic duties’, ‘loss of independence’ and ‘cognitive impairment’ cover available. *Refer to page 52.*
- Accidental Death – additional Accidental Death cover. *Refer to page 53.*
- Premium Waiver – Pays premiums if you are disabled and cannot work. *See page 53*

Exclusions

There are certain circumstances under which benefits will not be paid.

For details see:

- Death cover – page 52.
- TPD option – page 53.
- Accidental Death option – page 53.
- Premium Waiver option – page 54.

There are limitations and restrictions on when some benefits may be payable. Any such limitation or restriction will be detailed in the relevant benefit description on pages 50 through 56.

Other important information

- Fees and charges – a management fee will be applied to your Policy. Stamp duty and other taxes may apply. *Refer to Part 2 page 3 and Part 1 page 54.*
- Cooling-off period – a 21 day cooling-off period applies. *Refer to Part 2 page 2.*
- Complaints resolution – we have a complaints handling procedure in place. *Refer to Part 2 page 5.*
- Your privacy – Zurich has privacy provisions in place. *Refer to Part 2 page 17.*
- Information about your Policy – once your application has been accepted, you will receive a document which details the terms and conditions of the cover, and a schedule that sets out the particular details of your cover (including: levels of cover, options selected, details of the Policy Owner and Life Insured). *Refer Part 2 page 4.*
- Claims requirements – there are notification and information requirements in order to make a claim under this Policy. *Refer to Part 2 page 4.*
- Interim cover – provides Accidental Death cover while your Application is being assessed. *Refer to Part 2 pages 14 to 16.*

About Zurich Superannuation Term Life Insurance Plus

This PDS will help you to:

- decide whether this product will meet your needs and
- compare this product with others you may be considering.

Important notice

The primary purpose of the Zurich Superannuation Term Life Insurance Plus policy is to pay a lump sum on your death. It is not a savings plan. If you terminate your cover at any time other than during the cooling-off period (refer Part 2 Page 2), you will not get any money back.

The information contained in this PDS is general information only. It does not take into account your individual objectives, financial situation or particular needs. You should consider the appropriateness of this product having regard to your objectives, financial situation and needs. **We recommend you seek professional financial and taxation advice before making any decisions regarding this product.**

Defined terms

All terms appearing in *italics* (other than in headings) are defined terms with special meanings. Detailed definitions appear in the Superannuation Term Life Insurance Plus PDS Part 2 pages 6 to 13. Product features are capitalised for ease of identification.

Product overview

Zurich Superannuation Term Life Insurance Plus pays a lump sum on your death. It also covers you if you are diagnosed with a Terminal Illness.

The following benefits are standard with Zurich Superannuation Term Life Insurance Plus:

- Death Benefit
- Inflation Protection
- Future Insurability benefit
- Terminal Illness benefit
- Advancement for Funeral Expenses.

You may add the following options to your policy by paying extra premiums:

- Total and Permanent Disablement (TPD) cover
- Accidental Death option
- Premium Waiver option.

Zurich Superannuation Term Life Insurance Plus is issued under Zurich Master Superannuation Fund (Fund) which is governed by the Fund trust deed. The Fund is a complying superannuation fund as defined in superannuation law.

When you take out cover under Zurich Superannuation Term Life Insurance Plus you become a member of the Fund and the Policy will be issued by Zurich Australia Limited to the Trustee of the Fund, Zurich Australian Superannuation Pty Limited, a member of the Zurich Group. Zurich Australia Limited is the administrator and issuer of life insurance for the Fund. The owner of the Policy will be the Trustee of the Fund and you, as a member of that Fund, will be the person insured under the Fund's insurance policy. All benefits under this Policy are payable to the Trustee of the Fund who will pay you in accordance with superannuation legislation and the governing rules of the Fund. (Refer to page 54 for more details.)

The Trustee has the benefit of indemnity insurance. The benefits provided under this Policy end on the earlier of your ceasing to be a member of the Fund or the *Policy Anniversary* following your 75th birthday other than the Premium Waiver option which ceases at age 70.

Applying for Zurich Superannuation Term Life Insurance Plus

Who can apply?

People between the ages of 15 and 64 who are eligible to become a member of a complying superannuation fund can apply for this product. The rules for eligibility to contribute to a superannuation fund are set out on page 54. To add the Total and Permanent Disablement or Accidental Death Options you must be between the ages of 19 and 58.

How much cover can I apply for?

The minimum amount of cover you can apply for is \$50,000 per benefit per life insured subject to a minimum annual premium for each life insured of \$90 (excluding the management fee and any government charges) or, for additional insured lives who are children under the age of 18, a minimum premium of \$50 a year.

The maximum amount of cover you can apply for is subject to the following guidelines:

- if you add the TPD option the TPD cover cannot exceed the Death cover and
- the maximum amount of Accidental Death cover is \$1,000,000.

Further restrictions also apply to the total amount of cover in respect of a life insured for all policies from all sources (including policies issued by other life insurers):

- generally the total TPD cover with Zurich and other life insurers cannot exceed \$2,500,000.

Can I increase my cover?

Subject to Zurich's reassessment of your personal circumstances, you may apply to increase your cover any time before your 65th birthday. You may apply to increase your TPD option cover at any time prior to your 59th birthday. You may apply to increase the Accidental Death benefit any time prior to your 59th birthday. The minimum amount you can increase your cover by each time is \$50,000.

When will my cover expire?

Once your application has been accepted, while you remain a member of the Fund, and provided your premiums are paid as due (see Part 2 page 2), we guarantee that we will renew your cover every year up until the cover anniversary following your 74th birthday regardless of any changes to your health or other circumstances. Please note, the Trustee is not responsible for the payment of premiums or for monitoring your payment of premiums. Optional benefits may expire at earlier ages – refer to the relevant optional benefit description on pages 52 to 53 for details.

Benefits of Zurich Superannuation Term Life Insurance Plus

Death benefit

We will pay the Trustee of the Fund the amount you are covered for as a lump sum if you die during the term of the cover.

Inflation Protection

Each year we will provide you the opportunity to increase the level of cover (including any cover under the TPD option) by the greater of 5% and the *Consumer Price Index (CPI)*, to keep up with inflation (Indexation offer). Unless you reject the Indexation offer, your premiums will increase each year by an extra amount to reflect that change. If you take up this opportunity you do not have to provide any further health evidence.

The Indexation offer will only apply to the first:

- Death benefit – \$5,000,000 of cover
- TPD option – \$1,500,000 of cover.

Future Insurability benefit

This benefit entitles you to increase your Death or TPD cover prior to age 55 without Zurich's reassessment of your health within 30 days of the personal events described below. This benefit does not apply if you are entitled to receive a benefit, or if you are receiving or have received a benefit under your Policy, or if we or any other company have waived, or are waiving, your premium.

Events included:

- if you get married or divorced, or if a child is born to or is adopted by you, you can increase your cover by a minimum of \$10,000 and a maximum of the lesser of:
 - 25% of your Death or TPD cover at commencement or
 - \$200,000.
- if you take out for the first time or increase your mortgage on your principal place of residence, you can increase your cover by the lesser of:
 - the amount of the mortgage or the increase in mortgage or
 - an amount equal to 25% of your Death or TPD cover at commencement of the Policy or
 - \$200,000.
- if a dependent child of yours starts secondary school, you can increase your cover by a minimum of \$10,000 and a maximum of the lesser of:
 - 25% of your Death or TPD cover at commencement or
 - \$200,000.

Restrictions

The accumulative sum of all increases under this benefit cannot exceed the lower of the cover at commencement of the Policy and \$1,000,000. In any 12 month period increases are limited to 50% of your cover at commencement of the Policy.

You cannot increase your TPD cover if the increase would cause you to exceed our maximum cover limits (refer page 51). You cannot increase your TPD cover beyond the Death benefit sum insured.

Zurich retains the right to confirm your occupation in relation to any increase in the TPD benefit and eligibility and premiums in relation to the increased amount will be based on your occupation at the time of increase.

For the first **six months** after an increase under this benefit:

- any increased Death cover amount is payable only in the event of your *Accidental Death*
- any increased TPD amount is payable only in the event your *Total and Permanent Disability* is caused by an *Accidental Injury*.

Terminal Illness benefit

If you are diagnosed with a terminal illness and death is likely to occur within 12 months, we will pay the Trustee up to 100% of your Death cover. Refer to Part 2 page 3 for Claim requirements. The maximum we will pay under this benefit in total for all your Zurich policies is \$2,000,000. In order for the trustee to pay you this benefit under the relevant superannuation legislation:

- you must have ceased to be gainfully employed and
- the Trustee must be reasonably satisfied that because of ill health you are unlikely ever again to engage in gainful employment for which you are reasonably qualified by education, training or experience.

The amount of Death cover and any TPD cover will be reduced by any payments made under this benefit. Your premium will be based on the reduced cover after payment of the Terminal Illness benefit.

Advancement for Funeral Expenses

While a claim is being settled, we may advance part of the Death benefit to the Trustee towards payment of funeral expenses up to \$15,000. An application for payment of funeral expenses must include reasonable evidence of death and the funeral invoice.

Exclusions

We will not pay a benefit if you commit suicide within 13 months of the commencement date of cover (or increase in cover but only in respect of that increase) or reinstatement of the cover.

Interim cover

We will provide you with interim cover against Accidental Death for up to 90 days while we are assessing your initial application. See pages 14 to 16 of Part 2 for more details.

Conversion of cover to a non-superannuation policy

Subject to Zurich's approval, your cover may be converted to a non-superannuation policy.

You may apply to effect this conversion:

- at any time while you are a member of the Fund or
- within 30 days of ceasing to be a member of the Fund.

Optional benefits

Total and Permanent Disablement (TPD) option

This option pays the Trustee of the Fund a lump sum equal to the TPD amount you are covered for if you become *Totally and Permanently Disabled*. While you continue to pay your premiums, you will be covered for this event while the cover is in force.

The following conditions apply when adding TPD to Zurich Superannuation Term Life Insurance Plus:

- the amount of TPD cover cannot exceed the Death cover. However, the amounts of cover do not have to be equal
- generally the maximum amount of cover for domestic duties you can apply for is \$500,000.

In order for the Trustee to pay you a TPD benefit such payment must be permitted under the relevant superannuation legislation including:

- you must have ceased to be gainfully employed and
- the Trustee must be reasonably satisfied that because of ill health you are unlikely ever again to engage in gainful employment for which you are reasonably qualified by education training and experience.

You are deemed to be *Totally and Permanently Disabled* if you:

- suffer a specific loss
- are "unable to work" (two versions are available – 'any occupation' and 'own occupation')

- are unable to perform normal domestic duties
- are unable to perform at least two of the *Activities of Daily Living*
- have suffered cognitive impairment,

within the definition of *Total and Permanent Disablement* on Part 2, page 13.

Other than for specific loss, before a claim can be made you must have been absent from active employment solely as a result of *Sickness* or *Injury* for an uninterrupted period of six consecutive months.

On the anniversary of cover commencement before your 65th birthday, the definition of *Total and Permanent Disablement* will change. From that date, only the inability to perform two of the *Activities of Daily Living* and cognitive impairment and specific loss will apply and the maximum benefit payable is \$1,000,000.

Standard and double TPD

You can choose standard or double TPD cover. Under standard TPD cover, your Death cover is reduced by the amount of any TPD benefit paid to you. Under double TPD cover, your level of Death cover is reduced by the amount of any TPD benefit paid to you, but will then be restored to the same level 12 months after the TPD benefit is paid.

Double TPD also contains a waiver of premium feature. This means that once a double TPD has been paid, premiums for Death cover equivalent to the amount of the TPD benefit paid will be waived until the *Policy Anniversary* before your 65th birthday. Premiums will continue to be payable in respect of the difference between the total Death cover and the TPD benefit paid. From the *Policy Anniversary* after your 65th birthday premiums for the full Death cover will resume.

On the *Policy Anniversary* before your 65th birthday, the double TPD cover will automatically convert to standard TPD cover.

Exclusions

The TPD benefit will not be payable if you become Totally and Permanently Disabled because of:

- war (whether declared or not) or
- intentional self-inflicted injury or attempted suicide.

What happens to my other benefits if I receive a TPD benefit?

If you receive a benefit under your TPD option, your level of Death cover is reduced by the amount of any TPD benefit paid to you. If you have selected double TPD then the Death cover will be restored to the same level 12 months after the TPD benefit is paid.

Accidental Death option

This option pays an additional lump sum in the event of your *Accidental Death* while this cover is in force. While you continue to pay your premiums, you will be covered for this event until the anniversary of cover commencement following your 75th birthday.

Exclusions

The Accidental Death benefit will not be payable where a claim is the result of suicide.

Premium Waiver option

This option will waive your premiums for all benefits issued under the Policy, if you are Totally Disabled prior to age 70. We will continue to waive your premium while you remain Totally Disabled.

You are deemed to be Totally Disabled if :

- 1) prior to the *Policy Anniversary* before your 65th birthday you:
 - have been unable to perform your *Usual Occupation* for a period of six consecutive months; and
 - have been throughout the six month period, and continues to be, under the regular care and treatment of, or following the advice of, a *Registered Medical Practitioner*; and
 - are not engaged in any occupation for wage or profit during that six month period.
- 2) you are unable to perform at least two of the *Activities of Daily Living* and have been so unable for a period of six consecutive months.

In addition, if you are involuntarily unemployed other than as a direct result of a *Sickness* or *Injury*, your cover has been in force for the previous 12 months at the time we receive your claim and you are registered with an employment agency approved by us, we will waive your premium for up to three months. A total of three months premium may be waived because of involuntary unemployment during the life of the Policy.

Exclusions

Premiums will not be waived for *Sickness* or *Injury* occurring as a direct or indirect result of:

- an intentional self-inflicted act or
- attempted suicide or
- uncomplicated pregnancy or childbirth (including participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarriage or having an abortion) or

- an act of war (whether declared or not).

Important information about contributing to superannuation funds

When you are required to pay premiums to pay for applicable cover or you wish to obtain additional cover and wish to pay further contributions, you will need to satisfy relevant contribution requirements under superannuation laws.

In addition to compulsory employer contributions, the Fund may accept contributions that are made:

- in respect of a member who is under the age of 65.
- in respect of a member who is over the age of 65 and under the age of 70 and is gainfully employed on at least a part-time basis during the financial year in which the contributions are made or
- by a member in respect of the member who is over the age of 70 and under the age of 75 and is gainfully employed on at least a part-time basis during the financial year in which the contributions are made.

A member is gainfully employed on a part-time basis during a financial year if he/she has worked at least 40 hours in a period of not more than 30 consecutive days in that financial year.

WARNING: If you become ineligible to contribute to the superannuation fund, your cover will in normal circumstances cease due to the Trustee not being able to fund the risk premiums.

Important information about payments of benefits under superannuation

In some situations a benefit under Zurich Superannuation Term Life Insurance Plus may be paid to the Trustee of the Fund holding the Policy where the Trustee is not permitted, either by superannuation law or the terms of the governing rules of the Fund, to pay the benefit to the relevant Life Insured. An example of this is where a Terminal Illness benefit is paid but the person has not, as yet, ceased employment. In this case, the benefit will be held by the Trustee of the Fund until the benefit can be paid under superannuation law and the governing rules of the Fund.

Also, situations can occur where there is no entitlement to a benefit under Zurich Superannuation Term Life Insurance Plus (eg. because there is no TPD cover under the Policy or, if there is, because the incapacity suffered by the Life Insured does not meet the definition of 'Total and Permanent Disablement' required under the Policy) but the incapacity suffered is such that the Life Insured would be entitled, under superannuation law and the governing rules of the Fund to receive his/her superannuation account balance. It should be noted that in such

cases where the Life Insured is covered for TPD but does not satisfy the TPD definitions, no insurance benefit will be payable under the Zurich policy and accordingly the Fund.

Where a benefit under Zurich Superannuation Term Life Insurance Plus is paid to the Trustee of the Fund, but the Trustee is required to preserve the benefit in the Fund, the Trustee will contact you for instructions to transfer your benefit to another complying superannuation fund. If you do not provide us with instructions for payment within 90 days of our request for rollover details, we may transfer your benefit to the Australian Eligible Rollover Fund (AERF). If this occurs, your entitlements in the Fund including any residual insurance cover, will cease and you must apply to the Trustee of the AERF for the payment of your benefit.

The AERF is administered by Jacques Martin Hewitt International. The Trustee of the AERF is the Perpetual Trustee Company Limited, GPO Box 4172, Sydney NSW 2001. The administrator can be contacted on telephone number 1800 677 424.

An eligible rollover fund is a public offer superannuation fund that receives transferring members and benefits from other superannuation funds and is designed to protect member benefits from erosion by administrative charges.

Taxation

- Contributions (which contributions are in turn applied by the trustee as a premium towards the Policy) made by an employer to a superannuation fund to secure cover for the benefit of employees, or to provide benefits for dependants of employees, may be tax deductible.
- Contributions (which contributions are in turn applied by the trustee as a premium towards the Policy) made by an individual to a superannuation fund to secure personal cover may in certain circumstances be tax deductible if the person is self-employed, 'substantially self-employed' (ie where employment income, including reportable fringe benefits, received during the financial year in respect of which employer-financed superannuation was provided, accounts for less than 10% of their assessable income and reportable fringe benefits) or an employee who does not receive 'employer superannuation support'. If the person is an employee who receives employer superannuation support, then his/her personal contributions would not ordinarily be tax deductible.
- If a benefit becomes payable, any tax must be deducted before a benefit is paid. Generally, Death benefits receive concessional tax treatment. Where a Death benefit is paid to

a tax dependant (and this includes any person with whom you are considered to have an interdependency relationship[#]) and where the Death benefit is within the deceased's available pension Reasonable Benefit Limit ("RBL"), the benefits may be paid free of tax. If this benefit exceeds the deceased's RBL, the benefit, if paid in a lump sum form, will be taxed at up to the top marginal rate, plus the Medicare Levy. An RBL is the maximum amount of concessional taxed superannuation and related retirement benefits you can receive in your lifetime. You should be aware that in determining whether benefits are within a person's RBL, regard should be had to benefits previously received and benefits in other funds. The amount of a benefit counted towards your RBL depends on the type of benefit received; some benefits do not count towards your RBL. RBLs are complex and you should discuss them with your financial adviser.

- The taxation of disablement benefits can vary depending upon circumstances. To the extent the benefit qualifies as what is known as a 'post June 94 invalidity component' (and this requires, amongst other things, two medical practitioners certifying your unfitness to ever be employed in a capacity for which you are reasonably qualified because of education, training or experience), it will be free of tax. Otherwise, the benefit will be taxed at a maximum rate of 15% plus Medicare Levy if you are over 55 or 20% plus Medicare Levy if you are under 55 (these rates assume the benefit does not exceed the applicable RBL).
- A lump sum Death benefit paid to a person who is not a tax dependant will generally be taxed at a rate of up to 15% plus the Medicare Levy. If the benefit contains an insured amount then a tax of 30% plus the Medicare Levy can apply to the future service component (these rates assume the benefit does not exceed the applicable RBL).
- If a Total and Permanent Disablement option claim is paid to the trustee of the superannuation fund, but superannuation legislation does not allow the trustee to pass this to you, it must be preserved in the Fund. Any investment earnings of that preserved amount may be subject to tax at the prevailing rate applicable to superannuation funds (currently 15%) although the ultimate tax liability of investment earnings will depend on the nature of the investments. The accumulated amount will then be paid from the superannuation fund as a Death, Disablement or Retirement benefit and will be taxed accordingly.

Superannuation surcharge

The Superannuation Contributions Tax (Assessment and Collections) Act 1997 imposes a surcharge, up to a maximum of 12.5% for the 04/05 financial year*, on certain types of superannuation contributions made in respect of:

- high income earners (annual income of more than \$99,710 for the 04/05 financial year, then indexed annually) and
- some other persons who do not provide their tax file numbers to the relevant superannuation fund.

If the Trustee pays the surcharge in respect of you, the Trustee may bill you for the amount of the surcharge. You must pay this amount to the Trustee within the time specified by the Trustee.

Nominating a dependant to receive benefits

On your death, any benefit, will generally be paid as a lump sum to the person you nominate as a beneficiary on the Superannuation Fund Form which forms part of the Zurich Wealth Protection Application forms accompanying this document. The amount your beneficiary will receive will be your sum insured less any tax that may apply. If you do not nominate a beneficiary or your nominated beneficiary dies before you, the money will generally be paid to your estate as a lump sum. This type of nomination is generally not binding on the Trustee. The Trustee may decide that payments should continue to your spouse or dependants, or may pay the money as a lump sum to your spouse, dependants or estate.

At any time you can elect a new nominated beneficiary in writing to us. A new election is only effective once the Trustee receives your written request and revokes all previous elections.

The beneficiary you nominate must be your legal personal representative (generally your estate) or a dependant as defined by the Trust Deed. A dependant is defined to include your spouse (including de facto spouse), your children (including adopted and stepchildren) a person with whom you have an interdependency relationship[#] (as defined on the next page) and any other person who in the opinion of the Trustee, was dependent on you at the relevant time. You must notify the Trustee if your nominated beneficiary ceases to be a dependant (as defined above).

* This reduces to 10% for 05/06 and subsequent years.

Binding nominations

As mentioned above, generally your nomination is only a guide for the Trustee and it is obliged to pay your Death benefit in accordance with the Trust Deed and superannuation laws. In order to make your nomination binding, the Trust Deed and superannuation laws require special conditions to be met. The Trustee has developed a flexible approach to binding nominations which gives you the opportunity to choose various methods when setting up your nominations. Binding nominations can be made by category or by a flat percentage split to facilitate estate planning. You have also the option of naming specific individuals within a category. For example, you could select 'minor children' which would cover all your minor children, or you could elect to nominate specific minor children.

One restriction on binding nominations is that they are only valid for three years from the date the nomination is correctly completed. This is to ensure that your nominations stay up-to-date with your current circumstances. You can confirm this nomination and extend it by an appropriate notice to us.

For further information on binding nominations, including the nomination form, please ask your adviser to provide you with a copy of the Zurich Super Estate Management Binding Nomination brochure. Alternatively a copy of the brochure can also be obtained by contacting the Zurich Client Service Centre on 131 551.

You should consult your adviser for information regarding the nomination of a beneficiary.

Two people have an interdependency relationship if:

- they have a close personal relationship; and
- they live together; and
- one or each of them provides the other with financial support; and
- one or each of them provides the other with domestic support and personal care.

Two people also have an interdependency relationship if they have a close personal relationship but due to either or both of them suffering from a physical, intellectual or psychiatric disability, they do not meet the other three requirements of interdependency.

| Directory

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For all enquiries relating to Zurich Wealth Protection,
please contact a Client Service officer:

by phone on: 131 551

by fax on: 02 9995 3797

or by post at: Locked Bag 994
North Sydney NSW 2059

website: www.zurich.com.au



ZURICH

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