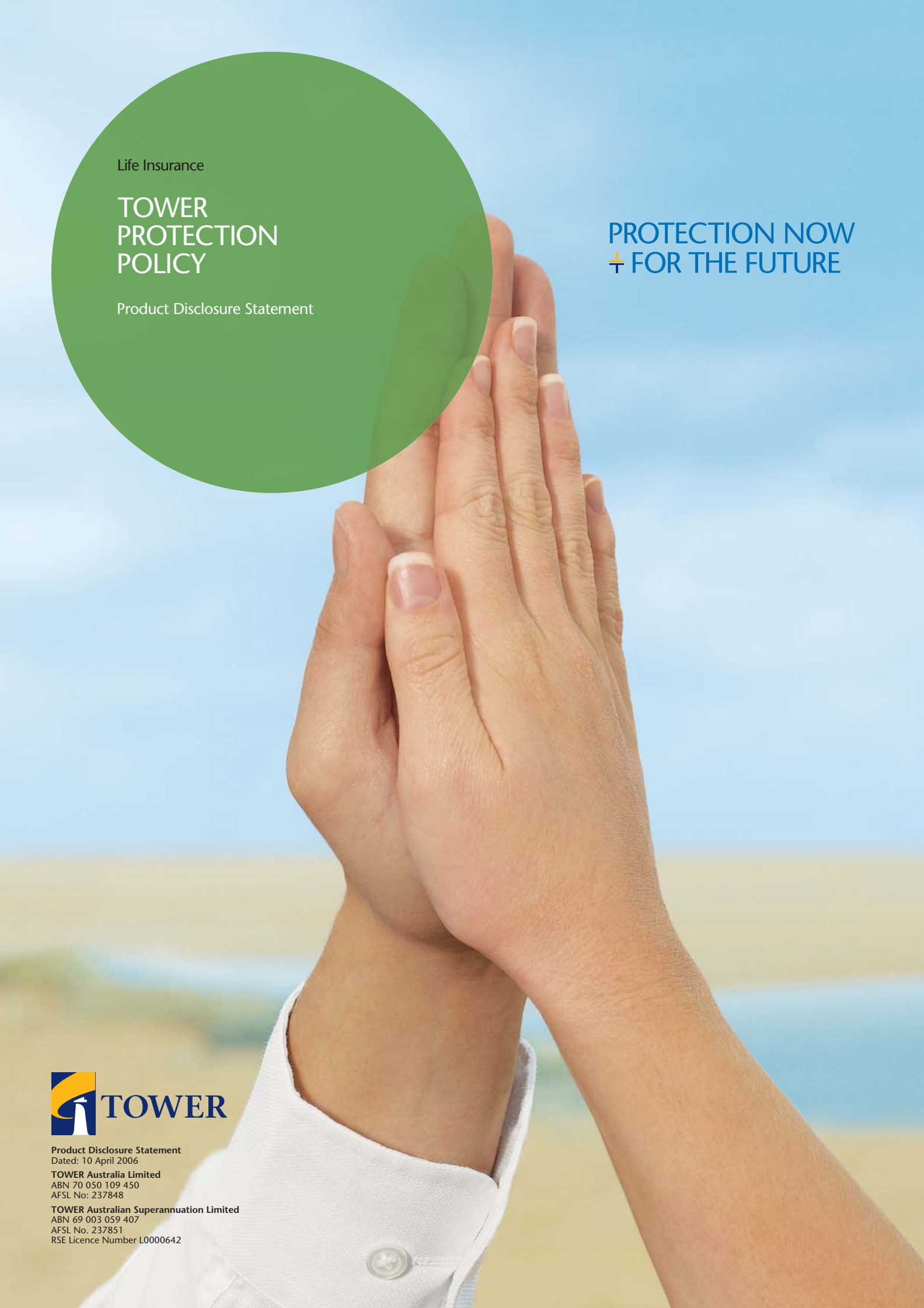


Life Insurance

TOWER PROTECTION POLICY

Product Disclosure Statement

PROTECTION NOW + FOR THE FUTURE

TOWER

Product Disclosure Statement
Dated: 10 April 2006

TOWER Australia Limited
ABN 70 050 109 450
AFSL No: 237848

TOWER Australian Superannuation Limited
ABN 69 003 059 407
AFSL No. 237851
RSE Licence Number L0000642

SO, WHO'D LIKE TO LIVE LIFE WITH PROTECTION + PEACE OF MIND?

Good. We've put the information right at your fingertips.

Introduction

It's your life, but we'll help you look after it
TOWER Australia Ltd is all about life and providing the protection you and your family deserve. This document is all about the TOWER Protection Policy and our commitment to you.

Reading this document is important because we want you to be confident our products are right for you. This document provides general information to help you understand what we are offering and compare this against other products.

Before making a final decision we recommend you talk to a licensed or authorised adviser and seek their thoughts on which product is best able to meet your individual needs, circumstances and objectives. After all while we want to provide you with a product, we want you to be confident that it is the right product for you.

We know there are other things you would rather do than read technical information, so we have kept it as simple as possible. We do this by providing you with a short Policy Overview on page 7, followed by a brief overview of the Plans available under the Policy in Section 3 of this document. We have also included the Plan Conditions, Definitions and General Policy Conditions in Sections 4 and 6 so that you can consider the detail on specific elements of these products.

Please take the time to read the document carefully as it is a worthwhile investment in your future.

Here for you
The products in this document include the TOWER Protection Policy issued directly to you and cover issued through the TOWER Superannuation Fund.

Both TOWER Australia Limited and TOWER Australian Superannuation Limited take full responsibility for the whole of this Product Disclosure Statement (PDS), however, neither is responsible for the products issued by the other.

If for any reason you have questions about the products in this document, we would encourage you to seek financial advice. Naturally we would be happy to answer any questions you have and can be contacted on 1800 226 364 or via our website at www.toweraustralia.com.au. Also, in Section 7 you will find information on your cooling off period and how we would address any complaints you may have.

If you do not have an adviser that you have used previously we can always put you in touch with someone who can help. If you would like to know if your adviser is appropriately licensed or authorised, you can check the Australian Securities and Investments Commission's website www.fido.asic.gov.au or contact ASIC on 1300 300 630 or by email at info.enquiries@asic.gov.au

Getting started
If you are satisfied that the products meet your specific needs, you will need to complete the Application Form that is enclosed at the back of this document. Once we have received your application and the initial payment your time as a TOWER customer will officially commence. This will initially be under Interim Cover during our assessment of your application.

Contents

Important Note
The information in this PDS is current at the date of issue. We may change or update information from time to time that is not materially adverse by providing a notice of any such changes on our website, www.toweraustralia.com.au. A printed copy of information updated in this way may be obtained free of charge by contacting our Customer Service Centre on 1800 226 364.

CHILDREN'S CANCER INSTITUTE AUSTRALIA

Children's Cancer Institute Australia is the only independent medical research institute in Australia solely devoted to research into the causes, prevention and cure of childhood cancer. TOWER donates $1.50 for every completed policy to Children's Cancer Institute Australia.

Introduction

About TOWER

130 years of protection and care

If you are reading this document it stands to reason that you know at least a little about us and what we do (or at the very least you would like to know).

Just in case you don't know about us we would like to take this opportunity to introduce ourselves. We know that when your adviser talks to you about our products he or she needs to know about your lifestyle, your wants and needs, so we would like you to view this by way of you getting to know us a little better as well. After all, good relationships are built on trust and knowledge so we want you to know about us when you trust your insurance needs to TOWER.

TOWER has been providing Life Insurance and Investment solutions to Australians for many years. We have over 130 years experience of delivering Life Insurance to our customers, and it is this experience that has helped TOWER become a leading provider in Australia. Our history is impressive and stretches back to 1869, when TOWER started as the Government Life Office in New Zealand. Since then our business has grown and TOWER now serves over one million customers. Our parent company TOWER Limited is listed on both the Australian and New Zealand stock exchanges which reflects our size and our origins.

What we do, why we do it

Here at TOWER we provide Life Insurance and Investment solutions to our customers.

Our objective is to deliver the right products, services and information to our customers. This approach is designed to help you make informed decisions about your life insurance and superannuation needs. And our approach to informed decisions extends further to the way in which we make this information available. Because we believe that everyone can benefit from informed advice our approach is to deliver these services to you primarily through a network of advisers who can provide you with advice and assistance. Like everything we do it simply makes good sense!

Looking out for you

At TOWER, to stay ahead we know we need to be competitive and offer the right benefits and the flexibility you want. We regularly look at ways to enhance our products and our services to make sure we give you the choice and value you require. We also like to think of ourselves as being a people business that looks after your life insurance needs.

Big enough to make a difference, small enough to care

Like any business, we try to do it better than anyone else. We are committed to providing excellent service and products to our customers and advisers. It is this approach which has been recognised by our customers and through industry awards. While public recognition for our hard work is not our focus it does show we are on the right track. Some of our awards over the past few years have been:

Money Magazine Best of the Best 2006

- Silver Winner – Best Term and TPD Risk Insurance
- Silver Winner – Best Income Protection Insurance

Money Management 2005 Adviser Choice Risk Awards

- Winner - Disability Product of the Year - Income Protection Plan
- Finalist - Life Insurance Company of the Year
- Finalist - Term and Total and Permanent Disability Product of the Year - Life Protection Plan

Personal Investor Magazine Awards for Excellence in Financial Services 2005

- Silver Medal – Life Insurance Company of the Year
- Silver Medal – Income Protection Product of the Year
- Bronze Medal – Term Life Product of the Year
- Bronze Medal – Trauma Product of Year

Money Magazine - Best of the Best 2005

- Silver Winner – Best Income Protection Insurance

Personal Investor Magazine Awards for Excellence in Financial Services 2004

- Trauma Product of the Year - Gold
- Life Insurance Company of the Year - Silver

Money Management, Personal Investor Magazine and Money Magazine have each consented to their respective awards being referred to in this document.

Group Managing Director - Australia and New Zealand, Jim Minto says: "We are extremely pleased to be recognised with these results. TOWER is a company made up of committed staff and this public recognition acknowledges the outstanding service they provide to our customers. Our people do more than just talk about service, they get on and get the job done and are constantly looking for ways to further improve the way in which they do business. Our aim is to do things better than anyone else and these awards show we are on the right track!"

Policy Overview

The TOWER Protection Policy is made up of a range of insurance Plans as outlined below. You can apply for one or more Plans under the one Policy. This gives you the flexibility to tailor a Policy to suit your personal circumstances.

A brief overview of the Plans available under the Policy is included in Section 3 of this document. As you read through this document you should refer to the Plan Conditions in Section 4 and the General Policy Conditions in Section 6 for further information.

We have tried to make the explanation of our products as simple as possible, however we realise that some aspects (particularly those relating to the Plan Conditions in Section 4) can appear complex when read for the first time. We would urge you to talk to your adviser if you have any questions. Please note that each Plan can be personally tailored to suit your needs through the inclusion of benefit options.

What type of insurance is available	What are the main risks covered?*	What does TOWER pay?
Life Protection Plan	Death Terminal Illness (defined on page 34) For an additional premium – Total and Permanent Disability (defined page 35)	The Benefit Amount as a lump sum
	Total & Permanent Disability is also available on a stand-alone basis, i.e. without Death or Terminal Illness cover	The Benefit Amount as a lump sum
Crisis Protection Plan	36 listed Crisis Events, such as Cancer, Stroke and Heart Attack (the Crisis Events are listed on page 36 and defined on pages 45 – 50) Death Terminal Illness	The Benefit Amount as a lump sum
	Crisis Protection Plan is also available on a stand-alone basis, i.e. without Death and Terminal Illness cover	The Benefit Amount as a lump sum if the life insured survives for at least 14 days after the Crisis Event
Income Protection Plan	Total Disability or Partial Disability (defined on pages 64 and 63)	A monthly benefit up to 75% of lost income
Income Protection Plan Plus	Total Disability or Partial Disability (defined on pages 64 and 63) plus a suite of additional benefits to enhance the Income Protection Plan	A monthly benefit up to 75% of lost income with additional benefits
Business Expense Plan	Reimbursement of defined business expenses while you are Totally Disabled or Partially Disabled (defined on pages 64 and 63)	A monthly benefit up to 100% of defined business expenses

*Definitions and conditions apply to these events. These definitions and conditions can be found in the corresponding Plan Conditions beginning at page 28 of this Product Disclosure Statement.

Speaking your language

All about this document

The information in this document forms what is known as a Product Disclosure Statement (PDS). While it is a legal requirement for us to provide this information to you, we look at it more as providing you with the background you need to make an informed decision.

To make it as easy as possible to read we have structured the information in a way that provides you with general or overview information initially before moving into Plan Conditions and Definitions.

In reading the document it is important to understand that your protection needs can be met through a superannuation structure as an alternative to the usual direct Policy ownership. In order to structure your cover through superannuation, you may join the TOWER Superannuation Fund (by filling the applicable parts of the Application) and then TOWER Australia Limited will issue a Policy to TOWER Australian Superannuation Limited, the Trustee of the superannuation fund. Alternatively, the trustee of your self-managed superannuation fund may be the Policy owner.

Please take the time to read the document carefully as it is a worthwhile investment in your future.

Contact details
If you need help with any of the products listed in this document please feel free to contact us using the details below.

- Telephone 1800 226 364; or
- Facsimile 1800 654 946; or
- On our website www.toweraustralia.com.au ; or
- At our postal address PO Box 142, Milsons Point, NSW 1565.

The contact details for each of TOWER Australia's State offices and for the Trustee's state offices are found on the back cover of this document.

Terms used in this document
Fund_means the TOWER Superannuation Fund, RSE Licence Number L0000642.

Policy_means the TOWER Protection Policy.

Plan_means the product or products for which you have applied.

We, us, our, and **TOWER**_mean TOWER Australia Limited.

Trustee_means TOWER Australian Superannuation Limited, the Trustee of the Fund.

I, my, you and **your**_mean the Policy owner unless otherwise indicated.

Life insured_means the person whose life is insured under the Policy.

If a term or word is defined in this document, the first letter will be capitalised. You should consult the applicable Plan Conditions to obtain the relevant meaning.

NICE ÷ SIMPLE

Ensuring our product meets your needs

Ensuring our product meets your needs

The information in this section provides you with an overview of each of the Plans. If you are looking to find out which Plan may best suit your needs this section is a good place to start. In addition to overview information, in this section we have included a series of questions and answers in line with issues that are commonly raised by customers. You may also like to discuss your needs with your adviser. We have set out the Plan Conditions in Section 4 and General Policy Conditions in Section 6.

The ownership of the TOWER Protection Policy may be structured in two different ways:

1. you can own the Policy on your life; or
2. you can own the Policy on the life of someone else. “Someone else” in this case might include the member of a self-managed superannuation fund of which you are trustee, your business partner, or spouse to name a few.

The Life Protection Plan structured through the TOWER Superannuation Fund is simply a variation on the second structure mentioned above.

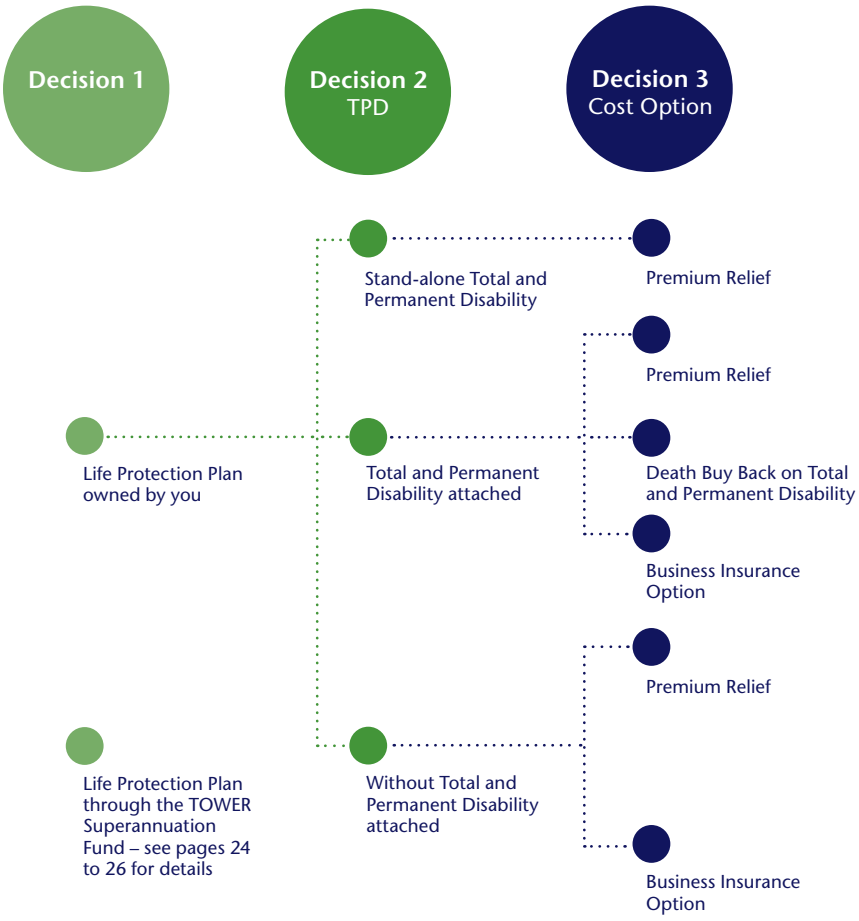
Plan Overviews

Life Protection Plan

Thinking about health concerns is never pleasant, but the greatest impact of poor health is on the people closest to us. Over the following pages we look at how the Life Protection Plan can help you be financially prepared for unforeseen problems. The information over the following pages outlines the operation of the Plan and provides you with general information (including an overview) of the Life Protection Plan.

The Life Protection Plan can be owned directly by you. Alternatively, it can be structured through your own superannuation fund or structured through the TOWER Superannuation Fund. Further explanation is set out on page 13 under "Can my Policy be owned by a superannuation fund?".

How should you read this section? If you are in the process of considering which Policy is right for you, the plan information contained in this section is a good starting point. More detail about the benefits and how they are applied is found in the Plan Conditions in Section 4 and the General Policy Conditions in Section 6. This additional detail may help you better understand the available protection.



Plan Overviews

Plan Overview
A word of encouragement before you start. This Plan Overview is designed to be just that – an overview of the Life Protection Plan. When you want additional details, or to better understand the level of cover provided, please read through the Plan Conditions in Section 4 and the General Policy Conditions in Section 6 and discuss any issues more fully with your adviser.

So, what does the Life Protection Plan and Total and Permanent Disability cover?

As the name suggests this Plan provides **two** distinct benefits.

The **first** benefit is to provide a lump sum on the death of the life insured. We also recognise the circumstances surrounding the diagnosis of terminal illness and may in some cases pay a lump sum in advance in line with the conditions of this Policy.

The **second** form of benefit is payable if the life insured becomes Totally and Permanently Disabled (if this option is selected).

It is important to note that your Life Protection Plan can provide attached Total and Permanent Disability protection. If however you are looking for a product that covers Total and Permanent Disability only (i.e. as a stand-alone Plan) you should understand that it does not include the Death or Terminal Illness benefits.

Once the Policy has been issued, you can rest assured that your Policy is working to protect you 24 hours a day, no matter where the life insured is in the world, subject to your Policy terms and conditions.

To provide you with the flexibility to ensure the product meets your specific needs there are not only the **Standard Benefits** that you expect but also a range of **Optional Benefits** that are available at extra cost.

Benefits — Standard

- Death Benefit*
- Terminal Illness Benefit*
- Premium Freeze Benefit
- Advanced Payment Benefit*
- Guaranteed Personal Insurability Benefit
- Guaranteed Business Insurability Benefit

Benefits — Optional

- Total and Permanent Disability
- Premium Relief Option
- Death Buy-Back on Total and Permanent Disability*
- Business Insurance Option*

* These Benefits are not available if you choose stand-alone Total and Permanent Disability.

For further information on any of the Benefits listed you should read the Plan Conditions outlined at page 28 and General Policy Conditions at page 70.

Quite simply the options are there for the type of cover that you require – either by taking a standard level of benefits or opting to include any of a range of additional benefits that meet your needs.

Am I eligible to apply?
If you are between the ages of 16 next birthday and 70 next birthday you are eligible to apply for cover under one of the Plans. The table below indicates the type of cover and the premium we are able to offer you at various ages.

Eligibility to apply – age at next birthday	Life Protection Plan	Total & Permanent Disability	Stepped Premiums	Level Premium
16 – 55	✓	✓	✓	✓
56 – 60	✓	✓	✓	
61 – 70	✓		✓	

For an explanation of stepped and level premiums, see page 71.

How many people can apply on one Plan?
The simple answer to this question is that up to five people can be covered by the Life Protection Plan and any optional benefits specified.

Can my Policy be 'owned' by a superannuation fund?
Yes. We know and understand that most people look to superannuation to provide for their future and that you may wish to structure your life insurance within this environment. For this reason the option is available for you to elect to have the Life Protection Plan owned by the trustee of a complying superannuation fund. Quite simply this approach means the trustee becomes the Policy owner and you become a member of the fund. When benefits are paid they will be received by the trustee who will then distribute them in accordance with the governing rules of the superannuation fund.

If you are considering the option where your Life Protection Plan is owned by a trustee of a superannuation fund there are a number of issues that you should keep in mind. In some instances benefits payable to you under the Policy could be withheld by the trustee due to superannuation law or the governing rules of the superannuation fund. In effect payments can be delayed by the trustee while the conditions governing the superannuation fund are satisfied.

If you would like to know more about this option and the way in which benefits may be distributed you should contact your adviser or the trustee of your superannuation fund.

Once you have satisfied yourself that you would like your life insurance to be held by the trustee of your superannuation fund you should ensure that you complete the additional information included in our Application Form attached to this document.

If life insurance cover structured through superannuation is for you, but you don't have your own superannuation fund, you should consider applying for cover through the TOWER Superannuation Fund. This option is explained further in pages 65 - 69.

Is there a limit to how much cover I can apply for?
Put simply, that depends on what you are applying for.

Under the Life Protection Plan you can apply for any financially justifiable amount as the Benefit Amount. There is no limit! All you need to do is to carefully consider your requirements and ensure that the premium and the cover meet your needs.

If, on the other hand, you are applying for Total and Permanent Disability you are restricted to a $2,500,000 limit. This limit is the maximum allowed for all combined insurance contracts on the same life insured undertaken with us and any other organisation.

Does the amount of cover increase with inflation?
Once your Policy is in place there is a built in Inflation Protection Benefit. The reason for this is simply to preserve the real value of your benefit. Each year the Benefit Amount is increased by the greater of the Consumer Price Index or three per cent. While the increase will occur automatically on each Policy anniversary, you can choose not to have this applied to your Policy. All you have to do is let us know. The choice is up to you. It should be noted that this increase naturally does not apply if your premiums are being waived under the Premium Relief Option.

If your Benefit Amount increases it makes sense that a new premium is then calculated. When we do this we will take into account the life insured's age and premium type just as we did when the Policy commenced. We will not however take into account any changes in the life insured's health, occupation or pastimes.

There is no limit to the maximum amount that your Benefit Amount can be increased under this approach for the Life Protection Plan.

Plan Overviews

At the Policy anniversary prior to the life insured's 65th birthday you will be notified of changes to the Total and Permanent Disability Benefit Amount. If your Total and Permanent Disability Benefit is attached to the Life Protection Plan the amount will be the lesser of the amount shown in your latest Policy Schedule and $1,000,000.

Increases that would ordinarily occur under the Inflation Protection Benefit will cease at this time for stand-alone Total and Permanent Disability or when you ask us not to increase the Benefit Amount.

Increases that would ordinarily occur under the Inflation Protection Benefit for the Life Protection Plan and attached Total and Permanent Disability will cease:

- at the Policy anniversary prior to the life insured's 100th birthday; or
- when you ask us not to increase the Benefit Amount; or
- when the Total and Permanent Disability Benefit Amount reaches $1,000,000.

At what age does my cover stop?
Insurance cover is all about providing protection to meet your needs. Over time these needs change so it is appropriate that the type of coverage and the way in which premiums are calculated change over time.

The Plan end date for the Life Protection Plan is the Policy anniversary prior to the life insured's 100th birthday.

It is important to note that in the later stages of the Plan differences also exist in the way in which premiums are applied. While you are able to select level premiums where the life insured is between the ages of 16 next birthday and 55 next birthday, this approach is replaced by stepped premiums at the Policy anniversary prior to the life insured's 65th birthday. These stepped premiums then continue until the Plan end date.

The Total and Permanent Disability definition also changes as the life insured gets older. If your Total and Permanent Disability Benefit is attached to your Life Protection Plan, at the Policy anniversary prior to the life insured's 65th birthday the Total and Permanent Disability definition changes to Loss of Independent Existence. Please see page 34 for a description of the Loss of Independent Existence definition.

If your Total and Permanent Disability Benefit is stand-alone, this cover will end at the Policy anniversary prior to the life insured's 65th birthday.

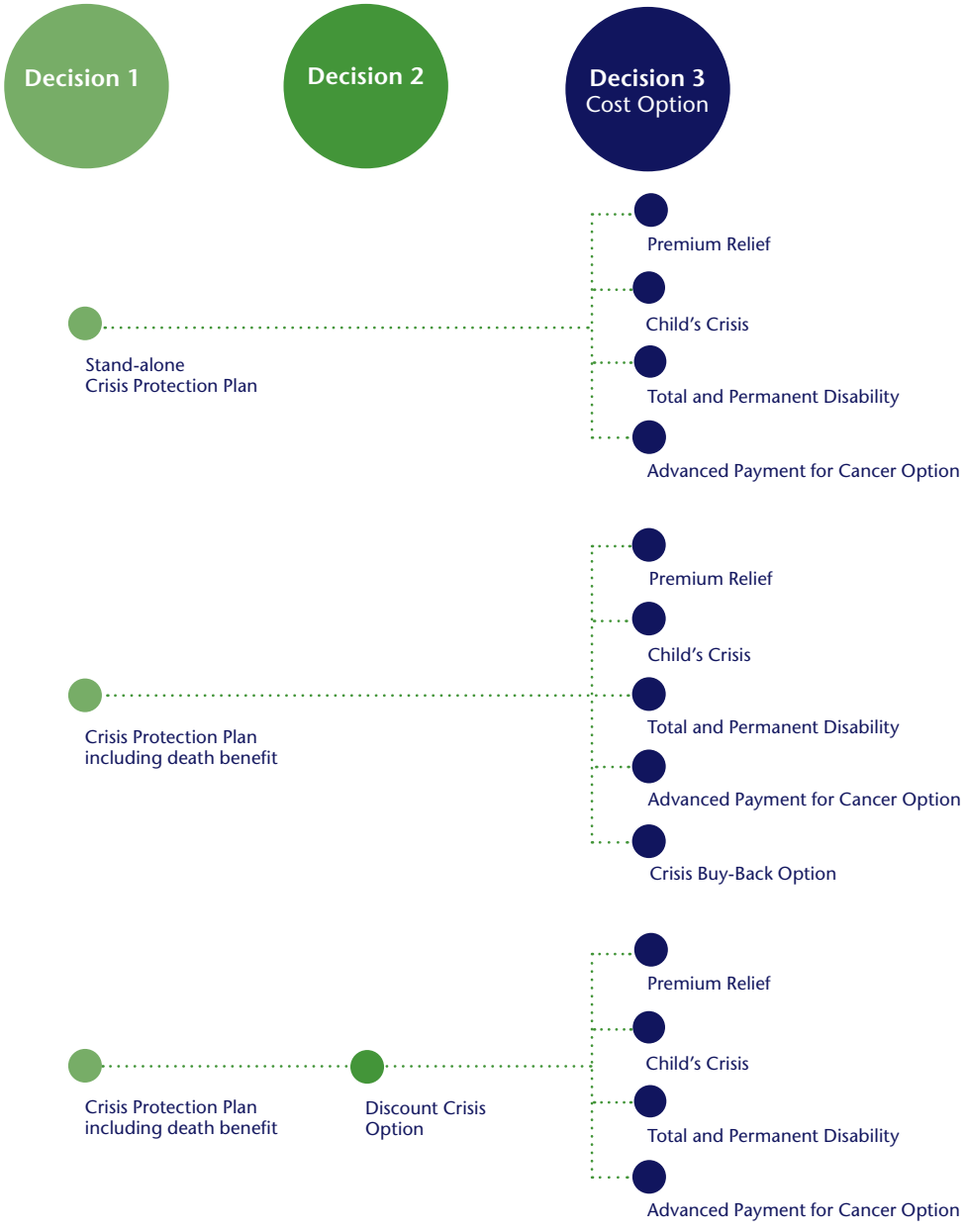
Crisis Protection Plan

Reacting calmly to a crisis is never easy but there are some steps that you can take now to be financially prepared. Having in place a Crisis Protection Plan that covers some of the unexpected and unwanted events simply makes good sense – both for you and your family.

The following pages outline the support that we can provide when trouble strikes. While we all hope to go through life without any difficulties, the fact is that it's not that simple.

When serious illness strikes it helps to be prepared. It's all about the comfort of knowing you and your family are covered.

How should you read this section? If you are in the process of considering whether the Plan is right for you, the Plan Overview is a good starting point. When you need more detail about the benefits and how they are applied, then the Plan Conditions (in Section 4) and General Policy Conditions (in Section 6) are there to provide you with this additional detail and help you understand the available protection. We would urge you to talk to your adviser if you have any questions.



Plan Overviews

Plan Overview
Crisis Protection is something that we all hope we will never have to use. But if a Crisis Event does occur having a Crisis Protection Plan in place will take away some of the financial concerns, making it easier to focus on more important issues. Like health.

The simplest definition for a Crisis Protection Plan is that it is designed to pay a lump sum if the life insured suffers from one of the Crisis Events. Our experience is that most people looking to take out Crisis Protection cover also request Death and Terminal Illness cover, so we automatically include an equal amount of this cover in the Plan. However if you wish to exclude this cover you can apply for a stand-alone Crisis Protection Plan. The choice is yours. Please refer to the lists below for details of benefits available under the stand-alone Crisis Protection Plan.

No matter what the type of Plan, once it has been issued you can rest assured that your cover is working to protect you 24 hours a day, no matter where the life insured is in the world, subject to your Policy terms and conditions.

As with all our products we pride ourselves on providing you with the flexibility to tailor cover that meets your specific needs. Within the Crisis Protection Plan there are not only a range of **Standard Benefits** that you expect but also a range of **Optional Benefits** that are available at extra cost.

Benefits – Standard

- 36 Crisis Events
- Death and Terminal Illness*
- Inflation Protection Benefit
- Advancement Benefit
- Paralysis Support Benefit
- Premium Freeze Benefit
- Death Buy-Back Benefit*
- Guaranteed Personal Insurability Benefit
- Guaranteed Business Insurability Benefit

Benefits – Optional

- Premium Relief Option
- Child's Crisis Option
- Total and Permanent Disability Option
- Crisis Buy-Back*
- Advance Payment for Cancer

Optional Benefit at a Discount

- Discount Crisis Option*

* These benefits are not available if you choose the stand-alone Crisis Protection Plan. Under the stand-alone Crisis Protection Plan the life insured must survive for at least 14 days after a Crisis Event for a benefit to be paid.

The exception to this is the Discount Crisis Option, which offers you a reduced premium when you take a modified Crisis Benefit. You should note that if you select the Discount Crisis Option, the Crisis Buy-Back Option, Death Buy-Back Benefit and the option to choose a stand-alone Crisis Protection Plan are not available to you.

Please read through the listed benefits to determine if any of the available options better meet your needs, the Plan Conditions in Section 4 outlined on pages 36 – 50 and the General Policy Conditions in Section 6 on pages 70 – 74.

If you do elect to maintain the attached death cover there are a number of things that we will do including:

- Providing the Death Buy-Back Benefit at no additional cost;
- The payment of a lump sum if the life insured is diagnosed with one of the Crisis Events or dies;
- The payment of a lump sum if the life insured is diagnosed with a Terminal Illness.

In the event that we do pay you a Crisis Benefit or Terminal Illness Benefit you should note that we will reduce your Death Benefit by the amount paid.

Am I eligible to apply?
If you are considering a Crisis Protection Plan the life insured will need to be between the ages of 16 next birthday and 60 next birthday. Within this age bracket, level premiums are available up until 55, with stepped premiums available through until the age of 60. For an explanation of stepped and level premiums, see page 71.

We also recognise the needs of parents to provide cover for their children. If the life insured has any children between the ages of two next birthday and 15 next birthday, you could also consider the Child's Crisis Option.

How many people can apply on the one Plan?
The simple answer to this question is that up to five people can be covered by the Crisis Protection Plan and any optional benefits specified.

How much can I apply for?
Under the Crisis Protection Plan you are able to apply for up to $2,000,000 for each life insured (other than a child) under the Policy. This level is the maximum allowable and also applies to the Death and Terminal Illness cover.

It is important to note that this is also the maximum amount allowed for all crisis insurance contracts. What this means is that no matter how many crisis insurance contracts you have (with TOWER and/or another insurer) the total cover on the life insured cannot exceed this amount.

Specific levels of cover also apply to the Child's Crisis Option. In this instance you are able to apply for $50,000 or $100,000 per child.

Does the amount of cover increase with inflation?
Once your Policy is in place there is a built in Inflation Protection Benefit. The reason for this is simply to preserve the real value of your Crisis Benefit. Each year the Benefit Amount is increased by the greater of the Consumer Price Index and three per cent. While the increase will occur automatically on each Policy anniversary, you can choose not to have this applied to your Policy. All you have to do is let us know. The choice is up to you. It should be noted that this increase naturally does not apply if your premiums are being waived under the Premium Relief Option.

If your Benefit Amount increases it makes sense that a new premium is then calculated. When we do this we will take into account the life insured's age and premium type just as we do when you apply. We will not however take into account any changes in the life insured's health, occupation or pastimes.

There is no limit to the maximum your Benefit Amount can increase to under the Inflation Protection Benefit.

Naturally the Inflation Protection Benefit does not continue forever. Under this Plan these increases will cease:

- when you ask us not to increase the Benefit Amount; or,
- on the Policy anniversary prior to the life insured's 70th birthday for the stand-alone Crisis Protection Plan; or
- on the Policy anniversary prior to the life insured's 100th birthday for Crisis Protection where Death and Terminal Illness are included.

The Inflation Protection Benefit is there to preserve your benefit, however we know that circumstances change, so the flexibility is there if and when you want to maintain a set Benefit Amount that meets your needs.

It should be noted that the Inflation Protection Benefit is not available for the Child's Crisis option.

At what age does my cover stop?
When you take out Crisis Protection you are covered for a range of unexpected and unwanted events. The Crisis Protection Plan end date is the Policy anniversary prior to the life insured's 100th birthday. This applies to Death, Terminal Illness and Loss of Independent Existence. Cover for other Crisis Events under this Plan will last until the Policy anniversary prior to the life insured's 70th birthday.

If you have elected to purchase the stand-alone Crisis Protection Plan you need to consider the fact that all the benefits (except the Total and Permanent Disability Option) will cease at the Policy anniversary prior to the life insured's 70th birthday.

For all Crisis Protection Plans, the Total and Permanent Disability Option ceases at the Policy anniversary prior to the life insured's 65th birthday.

The type of premium offered under the Plan is also based on the life insured's age. While you can select stepped or level premiums, level premiums are only available up until the Policy anniversary prior to the life insured's 65th birthday. After that time only a stepped premium is available until the Policy anniversary prior to the life insured's 100th birthday.

Naturally the coverage provided by the Child's Crisis Option is governed by the age of the child. Cover under this Option will last until the Policy anniversary prior to the child's 19th birthday, at which time you have the choice to continue the insured child's cover under a Crisis Protection Policy, refer to page 41 for full details. As Child's Crisis cover is an option under your Plan, it follows that Child's Crisis cover will end before this time if your Crisis Protection Plan ceases.

We pride ourselves on providing the right product for your needs throughout your life, but we must stress that cover under the Crisis Protection Plan and the Child's Crisis Option will stop upon the death of the life insured.

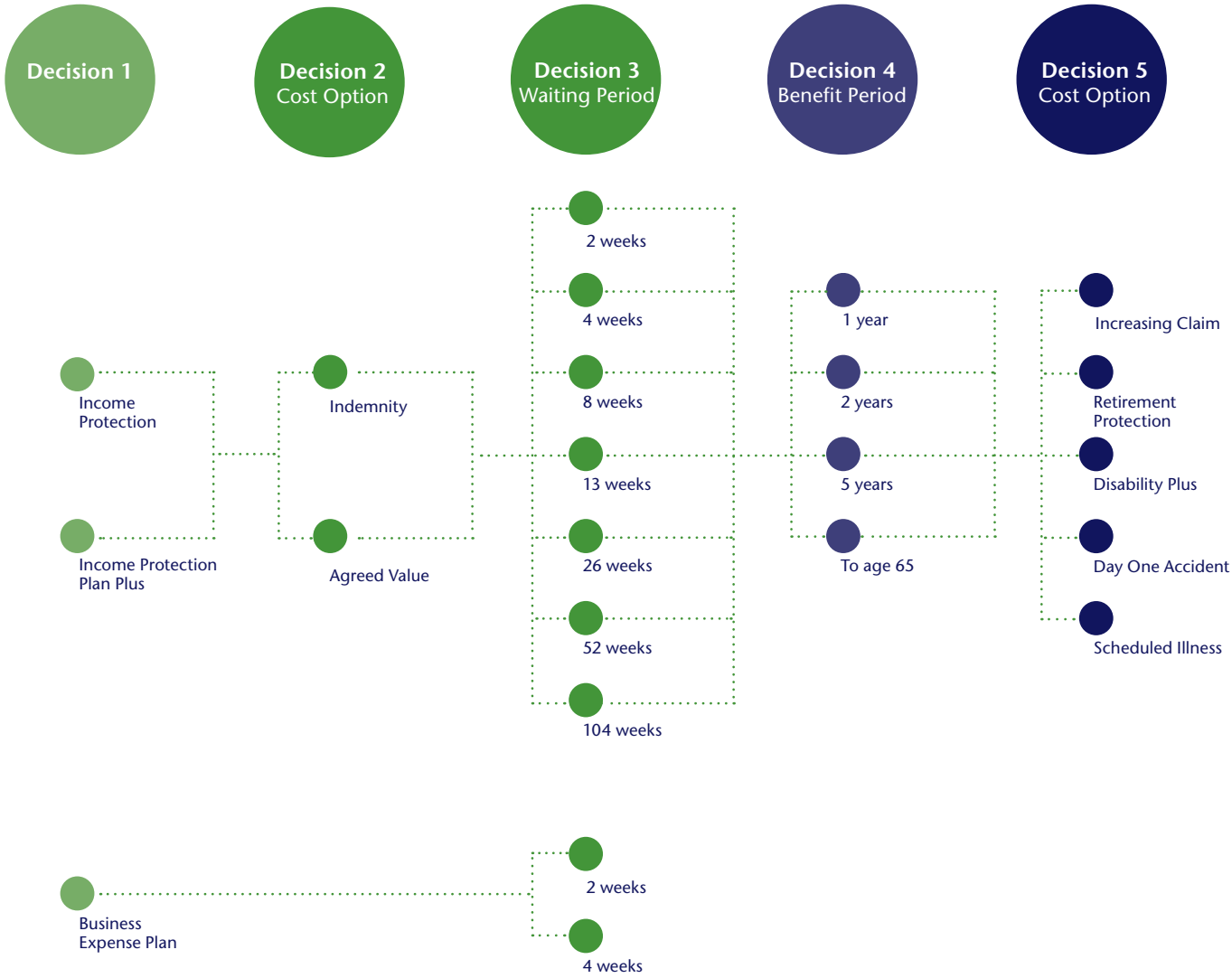
Plan Overviews

Income Protection Plan & Business Expense Plan

The pressure of paying bills and expenses is something that you simply don't need when you are incapacitated and unable to work. A Plan that is able to provide financial assistance for you or your business is all about peace of mind, giving you the time to get well, without the added worry.

Over the following few pages we have provided information on our Income Protection Plan and the Business Expense Plan. The information is there to help you understand your options and more fully consider the added security for not only you and your family but also for your business.

How should you read this section? If you are in the process of considering the right type of Policy for your needs, the information contained in this section is a good starting point. When you need more detail about the benefits and how they are applied, then the Plan Conditions (in Section 4) and General Policy Conditions (in Section 6) are there to provide you with this additional detail and help you understand the available protection. We would urge you to talk to your adviser if you have any questions.



Plan Overview
Whether you are working for someone else or own your own business a common factor is how hard you work for your income. To have this financial foundation eroded through ill health is something that many of us simply do not want to consider. Just think - if the life insured is unable to work through sickness or injury what sort of impact would that have on your family or your business?

Quite simply it makes sense to cover the possibility of injury or sickness and provide the comfort of knowing that your financial security will still be there when you are able to work again.

Investing a few minutes of your time in reading the following pages will allow you to become familiar with the benefits of this product. If you have any questions we would encourage you to consult your adviser to determine the best course of action for your personal situation.

A simple explanation of the Income Protection Plan is that it generally pays a monthly income if a life insured is unable to work because of sickness or injury after a period of time we call the Waiting Period. Before you choose your Waiting Period, you need to consider how long the life insured could afford to be off work without needing the kind of financial assistance available under the Income Protection Plan.

If after a period of time the life insured is only able to return to work on a part-time basis, a reduced monthly income is still there to provide the security required.

The Income Protection Plan includes a range of standard benefits designed to offer an appropriate level of insurance cover. If you require further cover you are also able to pay an additional cost and choose from a range of optional benefits. In addition to this a comprehensive package of extra benefits are also available at an additional cost through the Income Protection Plan Plus.
These additional benefits are outlined in the Plan Conditions in Section 4 commencing at page 51.
Further information is provided in the General Policy Conditions in Section 6 on pages 70 – 74.

Benefit Overview – Income Protection Plan
The following table details the benefits provided under the Income Protection Plan (IPP) and the Income Protection Plan Plus (IPP Plus).

Policy Features	Income Protection Plan	Income Protection Plan Plus
Choice of Waiting Period	✔	✔
Choice of Benefit Period	✔	✔
Guaranteed renewable	✔	✔
Non smoker discount	✔	✔
24 hour worldwide cover	✔	✔
Choice of agreed value or indemnity	✔	✔
Benefits - Standard		
Total Disability Benefit	✔	✔
Partial Disability Benefit	✔	✔
Inflation Protection Benefit	✔	✔
Elective Surgery Benefit	✔	✔
Recurrent Disability Benefit	✔	✔
Waiver of Premium Benefit	✔	✔
Extended Care Benefit	✔	✔
Rehabilitation Expense Reimbursement Benefit	✔	✔
Scheduled Injury Benefit	✔	✔
Rehabilitation Benefit	—	✔
Overseas Assist Benefit	—	✔
Accommodation Benefit	—	✔
Bed Confinement Benefit	—	✔
Family Support Benefit	—	✔
Housekeeper Benefit	—	✔
Job Security Benefit	—	✔
Return to Work Benefit	—	✔
Benefits - Optional		
Increasing Claim	✔	✔
Retirement Protection	✔	✔
Disability Plus	✔	✔
Day One Accident	✔	✔
Scheduled Illness Option	✔	✔

Once you decide to take the step to purchase the Income Protection Plan there are a number of options to be considered. The first of these options is that of the Waiting Period.

When a monthly income is made available under this Plan it is paid after expiry of the Waiting Period. The Waiting Periods available under the Income Protection Plan range from two weeks to two years, so it is important to consider your likely needs in this area. If you are in any doubt as to the implications of a particular Waiting Period please ask your adviser to explain the available options.

Once you have taken a decision on the length of the Waiting Period you will then need to consider the maximum length of time you wish to be eligible to receive monthly income benefits while the life insured remains Totally Disabled or Partially Disabled. Again there is a range of Benefit Periods available stretching from one year through until the Policy anniversary prior to age 65, so you will need to fully consider the type of cover you may require to preserve your financial security. You may wish to consult with your adviser on the right balance of coverage for your particular financial situation.

We will also allow you to split the Benefit Amount into two and apply a different Waiting and Benefit Period to each Benefit Amount. If the life insured becomes Totally Disabled or Partially Disabled, the Waiting Periods for each of the split benefits will begin at the same time and should the benefit payments overlap at any time the total monthly benefit you receive will be no more than the Benefit Amount.

The Waiting Period and Benefit Period that you choose will affect the size of your premiums. Generally speaking, short waiting periods tend to be more expensive than long waiting periods. In terms of benefits the opposite is generally true – that is, short benefit periods tend to be cheaper than long benefit periods.

The Benefit Amount is again dependent on your financial needs and can be determined in two different ways. If you like we can agree to the Benefit Amount at the time of your application. This means that we will pay on the basis of the nominated amount when you make a claim. This is known as agreed value. Further information on agreed value is included in the Plan Conditions.

Alternatively, the Benefit Amount can be the lesser of:

- up to 75% of the life insured's average Monthly Earnings prior to disability; or
- the Benefit Amount you applied for at application time.

This approach is known as indemnity and is generally less expensive than agreed value. If you are unsure as to how it is calculated please see the definition of Benefit Amount on page 62 for more details.

Please note that if the life insured is Partially Disabled then the Benefit Amount will be calculated taking into account the degree of their disability. The Partial Disability Benefit is discussed on page 51 for the Income Protection Plan and on page 59 for the Business Expense Plan.

We offer a unique definition of Total Disability and Partial Disability which measures the severity of the loss by evaluating either hours worked, duties performed or income produced. We let you decide when you claim which measure you would like applied. It's just another way of ensuring you get the right cover for your circumstance.

Business Expense Plan
If you are in business you may also wish to consider the Business Expense Plan as a means of protecting your valuable assets. Under the Business Expense Plan a monthly reimbursement of fixed ongoing expenses for the life insured's business will be paid, if the life insured is unable to work because of Sickness or Injury after the Waiting Period.

To provide you with further flexibility you have the choice of taking the Business Expense Plan in conjunction with the Income Protection Plan or taking it as a stand-alone Plan. The choice is there to ensure you have a Policy that is best suited to your individual financial situation and needs.

Once the Policy has been issued, you can rest assured that your cover is working to protect you 24 hours a day, no matter where you are in the world, subject to your Policy terms and conditions.

A range of standard benefits is included in the Business Expense Plan. Further details of these benefits can be found in the Plan Conditions section commencing on page 59.

Business Expense Plan Standard Benefits

- Total Disability Benefit
- Partial Disability Benefit
- Payment Extension Benefit
- Lease Extension Benefit
- Loss of Profits Benefit
- Inflation Protection Benefit
- Elective Surgery Benefit
- Recurrent Disability Benefit
- Waiver of Premium Benefit

Who can apply?
A range of conditions and options apply to the purchase of the Income Protection and Business Expense Plans. These conditions relate to factors such as the life insured's age and occupation class and whether you choose stepped or level premiums.

Within certain occupation classes you are able to choose either Income Protection or Business Expense or a combination of the two.

The table below indicates the types of cover and premium we are able to offer you at various ages.

In considering the type of cover you wish to purchase you should discuss the relevant factors with your adviser for more specific advice on the range of options that best suit your individual circumstances.

Eligibility to apply – age at next birthday	Income Protection Plan and Income Protection Plan Plus	Business Expense Plan	Stepped Premiums	Level Premium
19 – 55	✓	✓	✓	✓
56 – 60*	✓	✓	✓	

*Eligible occupations only

How many people can apply?
The simple answer to this question is that only one person can be covered under the Income Protection Plan and / or Business Expense Plan and any optional benefits under the Plans.

How much can I apply for?
The amount of cover that you are able to apply for is dependent on both the type of plan and the life insured's level of income.

Under the Income Protection Plan a percentage formula is used to calculate the maximum amount you are able to apply for under the Policy. This formula is applied in the following manner:

- up to 75% of the first $20,833 Monthly Earnings;
- 50% of the next $12,500; and
- 25% of the balance.

For example:

Monthly Earnings of $35,000

75% x $20,833 =	$15,624.75
50% x $12,500 =	$6,250
25% x $1,667 =	$416.75
	$22,291.50

You may apply for up to $22,291.50 monthly benefit

This formula does not apply to the Business Expense Plan. Under this Plan you can nominate up to 100% of the eligible day to day running expenses of your business. The eligible running expenses include Business Expenses as explained on page 62 of the Plan Conditions.

In some circumstances the amount you receive may be less than the Benefit Amount, depending on monies you may receive from other sources. Please refer to Plan Adjustments on page 58 for the Income Protection Plan and page 61 for the Business Expense Plan for details.

Does the amount of cover increase with inflation?
Once your Plan is in place there is a built in Inflation Protection Benefit, designed to preserve the real value of your benefit. Each year your Benefit Amount is increased by the greater of the Consumer Price Index and three per cent. While the increase will occur automatically on each Policy anniversary (unless your premium is being waived under the Waiver of Premium benefit), you can choose not to have this apply to your Plan. All you have to do is let us know. The choice is up to you.

If your benefit increases it makes sense that a new premium is then calculated on the new Benefit Amount. When we do this we will take into account the life insured's age and premium type, just as we did when the Policy commenced. We will not however take into account any changes in the life insured's health, occupation or pastimes.

While the Inflation Protection Benefit is there to ensure the value of the Plan keeps pace with inflation the overall benefit cannot be increased past a maximum amount. Under the Inflation Protection Benefit the maximum amount that your benefit can be increased is:

- $30,000 a month for the Income Protection Plan;
- $3,000 a month for the Retirement Protection Option;
- $15,000 a month for the Disability Plus Option; and
- $30,000 a month for the Business Expense Plan.

Increases under the Inflation Protection Benefit will cease on the earlier of the Policy anniversary prior to the life insured's 65th birthday or when you ask us not to increase the Benefit Amount.

If your Benefit Amount is not agreed value, in considering whether to accept an Inflation Protection increase to your Benefit Amount, you should keep in mind the formula explained above in "How much can I apply for?".

At what age will my cover stop?
The Income Protection and Business Expense Plans end date for cover is the earliest of:

- the Policy anniversary prior to the life insured's 65th birthday; or
- the death of the life insured.

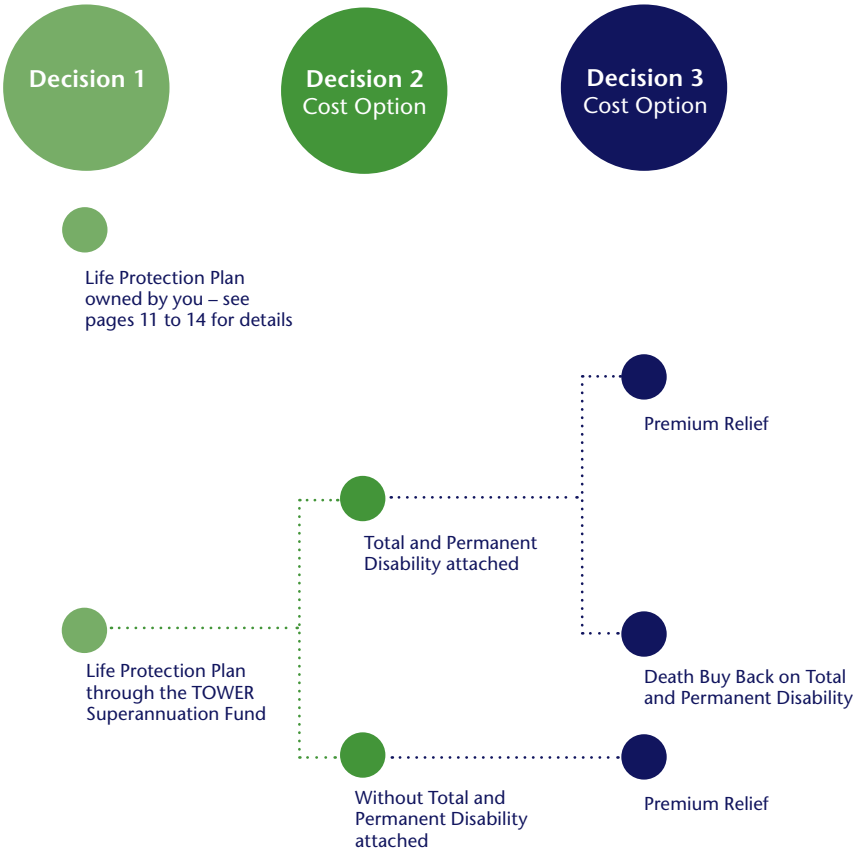
Plan Overviews

Life Protection Plan through the TOWER Superannuation Fund

Throughout this document we have shown you ways of providing financial protection – both to yourself and to those around you. In this section we look at another way in which we can tie together the important elements of Life Protection with a Total and Permanent Disability Benefit.

The information over the following pages outlines the operation of the Plan when structured through the TOWER Superannuation Fund and provides you with general information (including an overview) of the Life Protection Plan. In this Plan Overview, the Trustee of the Fund is the Policy owner. Accordingly, **I, my, you** and **your** mean the life insured.

How should you read this section? If you are in the process of considering the right type of Policy for your needs, the information contained in this section is a good starting point. When you need more detail about the benefits and how they are applied, then the Plan Conditions (in Section 4) and General Policy Conditions (in Section 6) are there to provide you with this additional detail and help you understand the available protection. We would urge you to talk to your adviser if you have any questions.



Plan Overview
Everyone expects to live long enough to see in retirement and to enjoy the benefits of years of hard work. No-one wants to think about ill health or the impact of their death on family and loved ones.

While careful planning cannot prevent death or illness, it can alleviate the financial pressures on the people we care about.

The following overview provides a brief description of the cover provided through the Life Protection Plan. We would urge you to read it carefully as part of a planning process to consider your future needs. Further details on any conditions or applicable restrictions in relation to this Plan are explained in the Plan Conditions at page 28.

If at any time you are unsure of your requirements and how this Plan may be able to assist in providing appropriate cover, you are urged to contact your adviser for further advice.

As the name suggests the Life Protection Plan is all about life cover. The central difference between this Plan and of the Life Protection Plan described earlier is that the Policy is owned by the Trustee of the TOWER Superannuation Fund and any benefit payments are made directly to the Trustee. The benefits described below presume membership of the TOWER Superannuation Fund.

On your death the Plan will pay a lump sum in accordance with the amount of cover purchased. If you are diagnosed with a Terminal Illness or if you are Totally and Permanently Disabled (if this option is selected) TOWER will pay a lump sum in advance. As indicated above any payments will be made to the Trustee.

Once the Policy has been issued, you can rest assured that your cover is working to protect you 24 hours a day, no matter where you are in the world, subject to your Policy terms and conditions.

As with all our products we pride ourselves on providing you with the flexibility to purchase cover that meets your specific needs. Within the Plan there are not only a range of **Standard Benefits** that you expect but also a range of **Optional Benefits** that are available at extra cost.

Benefits – Standard

- Death Benefit
- Terminal Illness Benefit
- Premium Freeze Benefit
- Advanced Payment Benefit
- Guaranteed Personal Insurability Benefit
- Guaranteed Business Insurability Benefit

Benefits – Optional

- Total and Permanent Disability
- Premium Relief Option
- Death Buy-Back on Total and Permanent Disability

Please read through the listed benefits to determine if any of the available options better meet your needs. To obtain further information on any of the Benefits please read the Plan Conditions explained on pages 28 – 35 and General Policy Conditions at page 70.

In considering your requirements you should note that the Total and Permanent Disability Benefit (if this option is selected) must be attached to the Life Protection Plan. This Benefit is not available as a stand-alone Plan under the TOWER Superannuation Fund.

Am I eligible to apply?
Naturally, to obtain cover in this manner you must first apply for superannuation membership. To obtain this membership you must be eligible to contribute and must complete the additional information included in the Application Form which is found at the back of this document.

If you are between the ages of 16 next birthday and 70 next birthday you are eligible to apply for cover under the Plan. The table below indicates the type of cover and the premium we are able to offer you at various ages.

Eligibility to apply – age at next birthday	Life Protection Plan	Total and Permanent Disability	Stepped Premiums	Level Premium
16 – 55	✓	✓	✓	✓
56 – 60	✓	✓	✓	
61 – 70	✓		✓	

How many people can apply on one Plan?
Given the establishment of the Life Protection Plan through the TOWER Superannuation Fund only one person can be covered.

Who owns the Policy?
As outlined earlier the structure of this cover means that the Policy is owned by TOWER Australian Superannuation Limited as Trustee of the Fund.

The difference from the cover described in an earlier section of this document is that any benefits paid under the Policy are paid to the Trustee of the Fund as the Policy owner.

There may be instances where a benefit is paid under the Policy but it is withheld by the Trustee due to superannuation law or Trust Deed requirements. If this does occur, it means is that the payment to you may be delayed until the necessary legal conditions are satisfied.

Is there a limit to how much cover I can apply for?
Put simply, that depends on what you are applying for.

Under the Life Protection Plan you can apply for any financially justifiable amount as the Benefit Amount. There is no limit! All you need to do is to carefully consider your requirements and ensure that the premium and the cover meet your needs.

If on the other hand you are applying for Total and Permanent Disability you are restricted to a $2,500,000 limit. This limit is the maximum allowed for your combined insurance contracts undertaken with us on your life and any other organisation.

Does the amount of cover increase with inflation?
Once your Policy is in place there is a built in Inflation Protection Benefit. The reason for this is simply to preserve the real value of your benefit. Each year the Benefit Amount on your Policy is increased by the greater of the Consumer Price Index and three per cent. While the increase will occur automatically on each Policy anniversary, you can choose not to have this applied to your Policy. All you have to do is let us know. The choice is up to you. It should be noted that this increase naturally does not apply if your premiums are being waived under the Premium Relief Option.

If your Benefit Amount increases it makes sense that a new premium is then calculated. When we do this we will take into account your age and premium type just as we did when the Policy commenced. We will not however take into account any changes in your health, occupation or pastimes.

There is no limit to the maximum amount that your Benefit Amount can be increased to under this approach for the Life Protection Plan and Total and Permanent Disability.

At the Policy anniversary prior to your 65th birthday you will be notified of changes to the Benefit Amount. If Total and Permanent Disability is attached to the Life Protection Plan the amount will be the lesser of the amount shown in your latest Policy Schedule and $1,000,000. Increases that would ordinarily occur under the Inflation Protection Benefit will cease at this time or when you ask us not to increase the Benefit Amount.

How long will my cover last?
Cover under the Life Protection Plan will cease on the Policy anniversary prior to your 100th birthday. If you cease to be eligible to make superannuation contributions to the Fund, for example by turning 65 and retiring, you will be given the opportunity to continue your cover under a Policy owned directly by you. Naturally if you do not take up this opportunity and we do not hear from you at that time, the Policy will terminate.

In terms of the premium payable for this cover it should be noted that if you select level premiums, these will end at the Policy anniversary prior to your 65th birthday and revert to stepped premiums.

It is important to also understand that cover under your Total and Permanent Disability Benefit will last until the Policy anniversary prior to your 65th birthday. After this time it will then become a Loss of Independent Existence Benefit.

The continuation of this Policy is dependent on your eligibility to contribute to the Fund and we will contact you at an appropriate time to confirm you comply with this requirement. Please refer to pages 65 – 69 for information on contribution rules and eligibility.

THE NOT-SO-SMALL PRINT + OTHER IMPORTANT THINGS YOU NEED TO KNOW

Plan Conditions

This bit is important. Your Policy with us will be made up of:

- the Policy Certificate;
- the Policy Schedule;
- the applicable Plan Conditions (starting on page 28); and
- the General Policy Conditions (page 70 – 74).

Plan Conditions

Life Protection Plan
Plan Conditions

The Life Protection Plan only applies under the TOWER Protection Policy if indicated in your Policy Certificate. If the Life Protection Plan is provided as stand-alone Total and Permanent Disability, this will be shown in your Policy Certificate.

The Life Protection Plan can be owned directly by you, through your own superannuation fund, or structured through the TOWER Superannuation Fund. Where the Plan Conditions vary because the Policy is owned by TOWER Australian Superannuation Limited, this is indicated.

Benefits
In all cases where we refer to a benefit payment the statement is made on the basis that the Benefit referred to is payable under the terms and conditions of the Policy. We will not pay a benefit if an exclusion applies. Exclusions are explained on page 33. You must also satisfy our claim requirements, explained on page 73.

Any benefits payable under the Life Protection Plan when owned by TOWER Australian Superannuation Limited are payable to the Trustee. The Benefits will be released from the Fund by the Trustee when the member meets a condition of release under superannuation law.

Death Benefit
The Death Benefit does not apply to stand-alone Total and Permanent Disability.

When the life insured dies, the Benefit Amount will be paid.

Terminal Illness Benefit
The Terminal Illness Benefit does not apply to stand-alone Total and Permanent Disability.

When the life insured is diagnosed as Terminally Ill, the Benefit Amount will be paid to a maximum amount of $2,500,000.

Where the Terminal Illness Benefit paid equals the full Benefit Amount, the Life Protection Plan will cease.

If on the other hand the Terminal Illness Benefit paid is less than the full Benefit Amount:

- the full Benefit Amount will be reduced by the Terminal Illness Benefit paid;
- premiums will become payable based on the reduced Benefit Amount; and
- the reduced Benefit Amount will then be paid when the life insured dies.

Inflation Protection Benefit
At each Policy anniversary, we will increase the Benefit Amount under the Plan by the greater of the Indexation Factor and 3%.

This increase will occur on each Policy anniversary unless:

- you tell us that the Inflation Protection Benefit is not to apply to your Policy; or
- premiums are being waived under the Premium Relief Option.

In the event of an increase, a new premium will be calculated to incorporate the increased Benefit Amount. This calculation will also take into account the life insured's age and premium type, (i.e. the stepped or level premium). We will not take into account any changes in the life insured's health, occupation or pastimes.

The maximum amount that the Benefit Amount can be increased to under the Inflation Protection Benefit is unlimited for the Life Protection Plan.

At the Policy anniversary prior to the life insured's 65th birthday, the Total and Permanent Disability Benefit Amount when attached to the Life Protection Plan will be the lesser of:

- the amount shown in the latest Policy Schedule; and
- $1,000,000.

Increases to the Total and Permanent Disability Benefit Amount under the Inflation Protection Benefit will cease on the earlier of:

- when you ask us not to increase the Benefit Amount; or
- for stand-alone Total and Permanent Disability, the Policy anniversary prior to the life insured's 65th birthday;
- for attached Total and Permanent Disability:
  - the Policy anniversary prior to the life insured's 100th birthday;
  - the Policy anniversary prior to the life insured's 65th birthday if the Total and Permanent Disability Benefit Amount is $1,000,000, (or is reduced to $1,000,000 at that date); or
  - when the Total and Permanent Disability Benefit Amount reaches $1,000,000 after the life insured's 65th birthday.

Increases to the Life Protection Plan Benefit Amount under the Inflation Protection Benefit will cease on the earlier of when you ask us not to increase the Benefit Amount or at the Policy anniversary prior to the life insured's 100th birthday.

Advanced Payment Benefit
The Advanced Payment Benefit does not apply to stand-alone Total and Permanent Disability.

The Advanced Payment Benefit is an advance payment of $10,000 from the Death Benefit Amount. This Benefit will be paid when the death certificate of the life insured is provided to TOWER.

Where the Plan is owned directly by you the benefit will be paid to the person who is entitled to receive the Death Benefit Amount on the death of the life insured.

Where the Plan is owned by the trustee of a superannuation fund, including TOWER Australian Superannuation Limited, the benefit will be paid to the trustee of the fund.

It should be noted that any payment of the Advanced Payment Benefit will reduce the final amount payable under the Death Benefit.

The Advanced Payment Benefit will not apply in the first three years if the life insured's death was not the result of an Accident.

Thereafter, the benefit will apply regardless of the cause of death.

Payment of the Advanced Payment Benefit does not mean any admission or acceptance of any claim or liability regarding current or future payments under the Life Protection Plan.

Should our claims assessment find that the Death Benefit Amount will not be paid due to a breach of the duty of disclosure, you will be required to repay the Advanced Payment Benefit Amount.

Premium Freeze Benefit
If a premium is paid as a stepped premium and the life insured is older than age 45, the Premium Freeze Benefit can be activated.

Under the Premium Freeze Benefit the Benefit Amount of the Life Protection Plan and the Total and Permanent Disability Benefit will be set to the level which can be purchased by the frozen premium. It is important to note that while premiums remain level under the Premium Freeze Benefit there will be a corresponding reduction in cover on a yearly basis when using this approach.

If you choose to activate the Premium Freeze Benefit, the Inflation Protection Benefit will not apply. If you stop using the Premium Freeze Benefit within three years of it starting, the Inflation Protection Benefit will recommence but only if it was applicable prior to the Premium Freeze Benefit being activated.

Guaranteed Personal Insurability Benefit
Under the Guaranteed Personal Insurability Benefit, you can increase the Benefit Amount of the Death Benefit and/or Total and Permanent Disability Benefit (if applicable) for a life insured, subject to:

- an application in writing for an increase being made within 30 days of an Allowable Event (as described below) or within 30 days of the Policy anniversary following an Allowable Event;
- the life insured being less than age 55 at the time of an Allowable Event;
- the increase being up to the lesser of:
  - 25% of the original Benefit Amount;
  - $200,000;
  - five times the annual amount of salary increase (if applicable); or
  - the amount of mortgage being taken out or increased (if applicable);
- total death cover on the life insured (including the cover with TOWER and any other organisation) being less than $3,000,000;
- total Total and Permanent Disability cover on the life insured (including the cover with TOWER and any other organisation) being less than $2,500,000; and
- evidence, satisfactory to us, of the Allowable Event being provided.

Using this benefit, the maximum amount by which you can increase the Benefit Amount is the lower of:

- the original Benefit Amount; and
- $1,000,000,

subject to total cover (with TOWER and any other organisation) not exceeding $3,000,000 for death and $2,500,000 for Total and Permanent Disability.

If Total and Permanent Disability Benefits are attached to the Life Protection Plan, the Total and Permanent Disability cover cannot exceed the death cover.

Only one Guaranteed Insurability Benefit (either Personal or Business) may be exercised in any 12 month period.

The premium for the new Benefit Amount will be calculated in line with the Plan Conditions.

If cover increases as a result of the Guaranteed Personal Insurability Benefit, changes in the health, occupation or pastimes of the life insured will not be taken into account.

Allowable Events are:

- the birth of a child where the life insured is a parent;
- the adoption of a child by the life insured;
- a dependent child of the life insured starts secondary school;
- marriage of the life insured;
- a change in employment status of the life insured where the life insured's salary increases by at least $10,000 a year; and
- taking out, or increasing, a mortgage by the life insured (either alone or jointly with another person) on a home which is the primary residence of the life insured.

Plan Conditions

During the first six months after exercising the Guaranteed Personal Insurability Benefit, the increased portion of the Benefit Amount will only be paid in the event of the life insured suffering:

- Accidental Death (unless the cover is stand-alone Total and Permanent Disability), or
- Total and Permanent Disability that is caused by Accident (if applicable).

It should be noted that the Guaranteed Personal Insurability Benefit cannot be exercised while premiums are being waived under the Premium Relief Option. If a loading or an exclusion has been applied to the cover for the life insured, this benefit is not available.

Guaranteed Business Insurability Benefit
Under the Guaranteed Business Insurability Benefit, you can increase the Benefit Amount of the Death Benefit and/or Total and Permanent Disability Benefit (if applicable) for a life insured, subject to:

- an application in writing for an increase being made within 30 days of an Allowable Event (as described below), or within 30 days of the Policy anniversary following an Allowable Event;
- our receipt of acceptable supporting financial evidence;
- the life insured being less than age 55 at the time of an Allowable Event;
- the increase being up to the lesser of:
  - 25% of the original Benefit Amount,
  - $200,000,
  - five times the average of the last three years consecutive annual increases in the life insured's annual remuneration package (if applicable); or
  - the increased amount in the person's financial interest in the business (if applicable);
- total death cover on the life insured, (including the cover with TOWER and any other organisation) being less than $3,000,000; and
- total Total and Permanent Disability cover on the life insured (including the cover with TOWER and any other organisation) being less than $2,500,000.

Using this benefit, the maximum amount by which you can increase the Benefit Amount is the lower of:

- the original Benefit Amount; or
- $1,000,000,

subject to total cover (with TOWER and any other organisation) not exceeding $3,000,000 for death and $2,500,000 for Total and Permanent Disability.

Only one Guaranteed Insurability Benefit (either Personal or Business) may be exercised in any 12 month period.

The premium for the new Benefit Amount will be calculated in line with the Plan Conditions.

If cover increases as a result of the Guaranteed Business Insurability Benefit, changes in the health, occupation or pastimes of the life insured will not be taken into account.

Allowable Events are:

- an increase in the life insured's value to the business, where the insured person is a key person in that business;
- an increase in the life insured's financial interest in the business, whether as a partner, shareholder or unit holder, and the Policy forms part of a buy-sell, share purchase or business succession agreement; and
- an increase in the loan liability of the business, and for which the life insured is the primary guarantor.

During the first six months after exercising the Guaranteed Business Insurability Benefit, the increased portion of the Benefit Amount will only be paid in the event of the life insured suffering:

- Accidental Death (unless the cover is stand-alone Total and Permanent Disability), or
- Total and Permanent Disability that is caused by Accident (if applicable).

It should be noted that the Guaranteed Business Insurability Benefit cannot be exercised while premiums are being waived under the Premium Relief Option. If a loading or an exclusion has been applied to your cover, this benefit is not available.

Benefit Options at Additional Cost
The benefit options listed below only apply if indicated in your Policy Certificate.

Total and Permanent Disability Benefit
The Total and Permanent Disability Benefit is payable if the life insured becomes Totally and Permanently Disabled. The benefit is paid immediately upon any one of the four criteria in the definition of Total and Permanent Disability being satisfied.

If the Total and Permanent Disability Benefit is attached to the Life Protection Plan, when a Total and Permanent Disability Benefit is paid, the following will apply:

- the Death Benefit Amount will be reduced by the Total and Permanent Disability Benefit paid;
- the Total and Permanent Disability Benefit will be reduced by any Terminal Illness Benefit paid; and
- premiums will be payable based on the reduced Benefit Amount.

If the stand-alone Total and Permanent Disability Benefit applies in respect of the life insured:

- any current Death Benefit will not be reduced after a Total and Permanent Disability Benefit is paid; and
- the Total and Permanent Disability Benefit will not be reduced if a Terminal Illness Benefit is paid.

Premium Relief Option
Under the Premium Relief Option, premiums due under the Life Protection Plan (and any benefit options attached to it) in relation to a life insured will be waived when, as a result of Sickness or Injury, that life insured is for three consecutive months:

- totally unable to work in any occupation suited by training, education or experience;
- not producing an income; and
- following the advice of a Medical Practitioner.

The premium waived will be the daily proportion of premiums due under the Life Protection Plan.

The Premium Relief Option will stop on the earlier of:

- the life insured returning to work;
- the life insured earning an income; or
- the Policy anniversary prior to the life insured's 65th birthday.

Death Buy-Back on Total and Permanent Disability
The Death Buy-Back option does not apply to stand-alone Total and Permanent Disability.

Under the Death Buy-Back option you can purchase death cover on the life insured under the Life Protection Plan. If the Life Protection Plan is no longer sold by TOWER, continued cover will be available under TOWER's Life Protection product that replaces it. The Death Buy-Back option can be exercised without having to provide evidence of health, occupation or pursuits.

The Death Buy-Back option is able to be exercised after a Total and Permanent Disability Benefit has been paid. The amount of cover that you may purchase is the amount of the Total and Permanent Disability Benefit paid.

You must notify us in writing of your intention to exercise the Death Buy-Back option within 30 days of the 12 month anniversary of the full Benefit Amount having been paid under the Total and Permanent Disability Benefit.

The Death Buy-Back option will expire if not exercised before the earlier of:

- 30 days after its due date, which is 12 months after the Benefit Amount under the Total and Permanent Disability Benefit has been paid; or
- the 65th birthday of the life insured.

The premium for the repurchased death cover will be based on our standard premium rates for the age of the life insured at the time the option is exercised and will take into account any extra premiums charged, and special provisions that apply to the Total and Permanent Disability Benefit.

The repurchased death cover will be not eligible for increases under the Guaranteed Personal Insurability Benefit, the Guaranteed Business Insurability Benefit or the Business Insurance Option.

Business Insurance Option
The Business Insurance Option does not apply when TOWER Australian Superannuation Limited is the Policy owner or to stand-alone Total and Permanent Disability.

Under the Business Insurance Option, you can apply to increase the Death and/or Total and Permanent Disability (if applicable) Benefit Amount for a life insured without the need for further evidence of health, occupation or pastimes, subject to appropriate financial evidence being provided.

The Business Insurance Option is available for the following business events:

- business value
  - an increase in the life insured's share or value of the business entity for which this cover was originally established;
- key-person value (arm's length employee with no ownership or financial interest in the business entity)
  - an increase in the value of the life insured key-person to the business entity for which the cover was originally established; or
- loan guarantee
  - an increase in level of a business loan for which the life insured is a guarantor.

Any increase under the Business Insurance Option must be for the same business event for which the Policy was originally established. If the Business Insurance Option was established for share-purchase or partnership value then all increases must be for the identical reason (i.e. any increase cannot be for an increase in loan guarantee or increase in value of the key-person). If the amount at the Plan start date is less than 100% of the value associated with the purpose of the business insurance, we will limit any future increases made under this option such that the amount insured as a proportion of the value associated with the business insurance purpose does not increase above that which applied at the Plan start date.

Plan Conditions

The maximum the Benefit Amount can be increased to under the Business Insurance Option is:

- for Death cover, the lower of up to three times the Benefit Amount of death cover at the Plan start date and $10,000,000; and
- for Total and Permanent Disability (if it applies), the lower of up to three times the Benefit Amount for Total and Permanent Disability at the Plan start date and $2,500,000 (including the cover with TOWER and any other organisation).

For example if your original Benefit Amount for death cover is $500,000 the maximum increase available under the Business Insurance Option is $1,000,000 bringing your total Life Protection cover to $1,500,000.

The following rules also apply:

- the increase must not exceed the increase in value of the business events, using the same valuation basis as that used in the application for the Business Insurance Option;
- if the Business Insurance Option is being increased due to an increase in the level of Loan Guarantee, the increased Benefit Amount cannot exceed the amount by which the Loan Guarantee has been increased;
- if the Total and Permanent Disability Benefit Amount is being increased, the Benefit Amount for Death cover must be increased by the same amount[#]; and
- for the first six months after the cover for the increase in Benefit Amount starts, the increase in Benefit Amount is only payable in the event of the life insured's Death, or Total and Permanent Disability if they are as a result of an Accident.

[#] The premium will increase to reflect the increase in cover. Please note that the increased cover does not apply until we have confirmed it, in writing, and you have paid the additional premium.

If you wish to increase the Benefit Amount you must apply in writing within 30 days of the business event. A limit of one increase can be made each year, and the rationale for the increase must be the same as that adopted in the application for the Business Insurance Option.

No increase is available if at the time of applying for the increase, you or anyone else has made or is entitled to make a claim in relation to the life insured under this Policy or any other Policy providing cover for Death, Terminal Illness, Total and Permanent Disability or Crisis.

To obtain the requested increase you will need to apply to us in writing and provide us with:

- a confirmation that the life insured is actively at work in their usual occupation at the time you apply for the increase;
- a current valuation of the business provided by a qualified accountant or business valuer (who is the same person or firm who provided to us financial evidence of the value associated with the business insurance purpose for the purposes of our assessment of the original application for this option or such other person or firm agreed to by us, using the same methodology); and
- any other evidence, other than medical evidence, we may request to assess the application.

The Business Insurance Option will expire on the earliest of the following:

- the option is cancelled by the Policy owner;
- the maximum increase limit for the Benefit Amount for Death or Total and Permanent Disability cover has been reached;
- you are entitled to make a claim or we have paid a claim under this Policy;
- the anniversary of the Plan start date three years after the later of:
  - the Plan start date; and
  - the last increase under the option we approved;
- cancellation of the Policy for non-payment of the premium;
- the anniversary of the Plan start date immediately prior to the life insured attaining of age 65; or
- the death of the life insured.

If the Policy Certificate states the Business Insurance Option applies the following revised terms apply:

- the Inflation Protection Benefit does not apply but will apply on the first anniversary after expiry or cancellation of the Business Insurance Option provided the Policy has not been cancelled for non-payment of the premium;
- the Guaranteed Personal Insurability Benefit does not apply;
- the Guaranteed Business Insurability Benefit does not apply;
- the Death Buy Back on Total and Permanent Disability option does not apply;
- the Premium Relief Option does not apply; and
- the Plan cannot be provided as stand-alone Total and Permanent Disability for that life insured.

Plan Exclusions
No payments will be made under the Life Protection Plan if the event giving rise to the claim is caused directly or indirectly by an intentional, self-inflicted act by the life insured within 13 months of:

- the Plan start date;
- the date of an applied-for increase but only in respect of the increase; or
- the most recent date we agreed to reinstate either the Plan or Policy.

We will waive the above exclusion if, immediately prior to the commencement of cover, you had death cover on the life insured which was current for at least 13 consecutive months (without lapsing and/or reinstatement) with TOWER or another insurer, and you have replaced the death cover with the Life Protection Plan. The waiver will only apply up to the level of cover you had with TOWER or the other insurer. Should you reinstate your cover at any time, this exclusion will recommence from the date of reinstatement.

No premiums will be waived under the Premium Relief Option if the event giving rise to the claim is caused directly or indirectly by:

- an intentional, self-inflicted act by the life insured;
- pregnancy, unless disability continues for longer than three months after the pregnancy ends, in which case disability will be considered to have started at the date the pregnancy ends.

No payments will be made under the Total and Permanent Disability Benefit if the event giving rise to the claim is caused directly or indirectly by an intentional, self-inflicted act by the life insured.

Plan Adjustments
When the Policy Certificate indicates that the Total and Permanent Disability Benefit is attached to the Life Protection Plan:

- payments under the Total and Permanent Disability Benefit will reduce the Life Protection Plan Benefit Amount by the amount paid; and
- payments under the Terminal Illness Benefit will reduce the Total and Permanent Disability Benefit Amount by the amount paid.

Cessation of Cover
Cover ends on the earliest of:

- the Plan end date;
- the date we receive the Policy owner's written request to cancel the Policy;
- the Policy lapsing as a result of non-payment of the premium;
- the Policy anniversary prior to the life insured's 100th birthday for the Life Protection Plan;
- the Policy anniversary prior to the life insured's 100th birthday for Total and Permanent Disability attached to the Life Protection Plan;
- the Policy anniversary prior to the life insured's 65th birthday for stand-alone Total and Permanent Disability;
- the death of the life insured; or
- the full Benefit Amount being paid.

Plan Conditions

Life Protection Plan
Plan Definitions

Accident or **Accidental** means an accident caused wholly by violent, accidental, external and visible means.

Activities of Daily Living are:

- Bathing - the ability to shower and bathe.
- Dressing - the ability to put on and take off clothing.
- Toileting - the ability to get on and off, and use, the toilet.
- Mobility - the ability to get in and out of bed and a chair.
- Feeding - the ability to get food from a plate into the mouth.

Benefit Amount means the amount shown in the certificate for the Life Protection Plan or benefit option after taking into account increases or reductions, applying:

- under the conditions of the Plan or option; or
- in line with a request by you that is agreed to by us.

Immediate Family Member means spouse, partner, de-facto, children, parents and siblings.

Indexation Factor is the percentage change in the Consumer Price Index (Weighted Average All Capital Cities) as last published by the Australian Bureau of Statistics in respect of the 12 month period finishing on 30 September.

This factor will be determined at 30 November each year and applied, where indicated, for the following year. If it is not published by 30 November, the indexation factor will be calculated based upon a retail price index which we consider replaces it.

If the percentage change in the Consumer Price Index, or any substitute for it, is negative, the Indexation Factor will be taken as zero.

Injury means an Accidental bodily Injury suffered by the life insured.

Loss of Independent Existence means Significant Cognitive Impairment or the total and irrecoverable loss of ability, due to Sickness or Injury, to perform at least two of the Activities of Daily Living without the physical assistance of another person.

Medical Practitioner means a person who is legally qualified and registered as a Medical Practitioner, other than:

- you or the life insured;
- a business partner of you or the life insured; or
- an Immediate Family Member of you or the life insured.

If practising other than in Australia, the Medical Practitioner must be approved by us and have qualifications equivalent to Australian standards.

Note: Chiropractors, physiotherapists and alternative therapy providers are not regarded as Medical Practitioners.

Own Occupation is the occupation in which the life insured was working immediately prior to the Sickness or Injury causing disability, unless the life insured:

- was working in that occupation for less than 10 hours a week; or
- had been employed in that occupation for less than three months; or
- was unemployed or on sabbatical, long service, maternity or paternity leave for more than 12 months,

in which case 'Own Occupation' will be any occupation for which the life insured is suited by training, education or experience.

If the life insured had been working in more than one occupation that meets these criteria, 'Own Occupation' will include all of those occupations.

Sickness means an illness or disease suffered by the life insured, and is diagnosed by a Medical Practitioner.

Significant Cognitive Impairment means a deterioration or loss of intellectual capacity that results in a requirement for a full time permanent caregiver.

Terminally Ill and **Terminal Illness** means an illness or condition where, after having regard to the current treatment or such treatment as the life insured may reasonably be expected to receive, the life insured will not survive more than 12 months.

Total and Permanent Disability and Totally and Permanently Disabled mean that:

- solely because of a Sickness or Injury, the life insured has not been in any occupation for six consecutive months and is incapacitated to such an extent as to render the life insured unlikely ever to be able to work in any occupation for which they are reasonably suited by training, education or experience; or
- solely because of a Sickness or Injury, the life insured has suffered at least a permanent 25% impairment of Whole Person Function and has not been working in any occupation, and is incapacitated to such an extent as to render the life insured unlikely ever to be able to work in any occupation for which they are reasonably suited by training, education or experience; or
- the life insured suffers the loss of:
  - both feet, both hands or sight in both eyes; or
  - any combination of two of, a hand, a foot or sight in an eye.

'Loss' in this instance means the total and permanent loss of:

- the use of the hand or foot from the wrist or ankle joint; or
- sight to the extent that visual acuity in the eye, on a Snellen Scale after the correction by a suitable lens, is less than 6/60; or
- the life insured is totally and permanently unable to perform at least two of the five Activities of Daily Living without the physical assistance of another person.

On the Policy anniversary prior to the life insured's 65th birthday, 'Total and Permanent Disability', and 'Totally and Permanently Disabled' mean that the life insured suffers Loss of Independent Existence.

When 'Own Occupation' is shown in the Policy Certificate, the reference above to 'any occupation for which they are reasonably suited by training, education or experience' will be replaced by their 'Own Occupation'.

Plan Conditions

Crisis Protection Plan
Plan Conditions

The Crisis Protection Plan only applies under the TOWER Protection Policy if indicated in your Policy Certificate.

Benefits

In all cases where we refer to a benefit payment the statement is made on the basis that the Benefit referred to is payable under the terms and conditions of the Policy. We will not pay a benefit if an exclusion applies. Exclusions are explained on page 43. You must also satisfy our claim requirements, explained on page 73.

Crisis Benefit

When the life insured suffers a Crisis Event, the Benefit Amount will be paid. If the stand-alone Crisis Protection Plan has been selected, no payments will be made unless the life insured survives a Crisis Event for at least 14 days.

In the case of Angioplasty, the amount to be paid is reduced to 25% of the Benefit Amount to a maximum payment of $25,000 per occurrence, unless a benefit is payable under Triple Vessel Angioplasty.

If the life insured suffers more than one Crisis Event, the Benefit Amount is only payable for the first occurring Crisis Event (unless the first to occur is Angioplasty or you have selected the Discount Crisis Option). If Angioplasty is the first Crisis Event to occur or you have selected the Discount Crisis Option, the remaining Benefit Amount will be the basis used to determine payment in accordance with the Plan terms and conditions when the life insured suffers another Crisis Event.

More than one payment can be made for Angioplasty, subject to:

- the first Angioplasty procedure ever undergone by the life insured occurring after the commencement of the Plan;
- each subsequent Angioplasty procedure occurring at least six months after the previous Angioplasty procedure, and
- a maximum of three payments.

If the Death and Terminal Illness Benefits are taken with the Crisis Benefit, any Crisis Benefit payment will reduce the Death and Terminal Illness Benefits by the amount paid.

Crisis Events are:

- Heart conditions
  - Angioplasty*
  - Aortic Surgery
  - Cardiomyopathy
  - Coronary Artery Bypass Surgery*
  - Heart Attack*
  - Heart Valve Surgery*
  - Primary Pulmonary Hypertension
  - Triple Vessel Angioplasty*
- Neurological conditions
  - Dementia
  - Encephalitis and Meningitis
  - Meningococcal Disease
  - Motor Neurone Disease
  - Multiple Sclerosis
  - Muscular Dystrophy
  - Paralysis
  - Parkinson's Disease
  - Stroke*
- Blood disorders
  - Aplastic Anaemia
  - Medically Acquired HIV
  - Occupationally Acquired HIV
- Cancer
  - Cancer*
  - Benign Brain Tumour
- Permanent conditions
  - Loss of Independent Existence
  - Loss of Limbs
  - Loss of Limbs and Sight
- Organ disorders
  - Blindness
  - Chronic Kidney Failure
  - Chronic Liver Failure
  - Chronic Lung Failure
  - Coma
  - Loss of Hearing
  - Loss of Speech
  - Major Head Trauma
  - Major Organ Transplant
  - Pneumonectomy
  - Severe Burns

* In the case of these events, no benefit would be paid under the Plan if the condition occurred or was diagnosed, or the circumstances leading to diagnosis became apparent, within three months after:

- the Plan start date;
- the date of an applied for increase but only in respect of the increase; or
- the most recent date that we have agreed to reinstate either the Plan or Policy.

The Crisis Event definitions are referred to at page 45 of the Plan Conditions.

Death Benefit

The Death Benefit does not apply to the stand-alone Crisis Protection Plan.

When the life insured dies, the Benefit Amount as outlined in the Plan will be paid.

Terminal Illness Benefit
The Terminal Illness Benefit does not apply to the stand-alone Crisis Protection Plan.

When the life insured is diagnosed as Terminally Ill, the Benefit Amount will be paid providing the Death Benefit is current.

As the Terminal Illness Benefit Amount paid to the life insured is equal to the full Benefit Amount, the Crisis Protection Plan will cease for the life insured.

Inflation Protection Benefit
At each Policy anniversary, we will increase the Benefit Amount under the Plan by the greater of the Indexation Factor and 3%.

This increase will occur on each Policy anniversary unless:

- you tell us that the Inflation Protection Benefit is not to apply to your Policy; or
- premiums are being waived under the Premium Relief Option.

In the event of an increase, a new premium will be calculated to incorporate the increased Benefit Amount. This calculation will also take into account the life insured's age and premium type, (i.e. the stepped or level premium). We will not take into account any changes in the life insured's health, occupation or pastimes.

The maximum amount that the Benefit Amount can be increased to under the Inflation Protection Benefit is unlimited for the Crisis Protection Plan.

Increases to the Crisis Protection Plan Benefit Amount under the Inflation Protection Benefit will cease on the earlier of:

- when you ask us not to increase the Benefit Amount; or
- for the stand-alone Crisis Protection Plan, the Policy anniversary prior to the life insured's 70th birthday;
- for the Crisis Protection Plan where Death and Terminal Illness are included, the Policy anniversary prior to the life insured's 100th birthday.

The Inflation Protection Benefit does not apply to the Child's Crisis Option.

Advancement Benefit
The Advancement Benefit will be paid when the life insured is diagnosed by a Medical Practitioner as suffering from:

- Motor Neurone Disease;
- Multiple Sclerosis;
- Muscular Dystrophy;
- Parkinson's Disease; or
- Primary Pulmonary Hypertension.

For the purposes of the Advancement Benefit only, these conditions have their normal medical meaning rather than the meaning defined in the Crisis Event definitions referred to at page 45 of the Plan Conditions.

The Advancement Benefit will also be paid if the life insured has been placed on a waiting list to receive a major organ transplant and that procedure is unrelated to any previous procedure or surgery undergone by the life insured.

The amount to be paid will be 25% of the Benefit Amount, to a maximum payment of $25,000. Only one Advancement Benefit will be paid in respect of the life insured. The Crisis Protection Plan Benefit Amount will be reduced by the Advancement Benefit paid.

Paralysis Support Benefit
If the life insured becomes paralysed, the Crisis Protection Plan benefit payment will be the lesser of:

- two times the Benefit Amount; and
- $2,000,000.

Premium Freeze Benefit
If a premium is paid as a stepped premium and the life insured is older than age 45, the Premium Freeze Benefit can be activated.

Under the Premium Freeze Benefit, the Benefit Amount of the Crisis Protection Plan will be set to the level which can be purchased by the frozen premium. It is important to note that while premiums remain level under the Premium Freeze Benefit there will be a corresponding reduction in cover on a yearly basis using this approach.

If you choose to activate the Premium Freeze Benefit, the Inflation Protection Benefit will not apply. If you stop using the Premium Freeze Benefit within three years of it starting, the Inflation Protection Benefit will recommence. This will occur only if it was applicable prior to the Premium Freeze Benefit being activated.

Death Buy-Back Benefit
The Death Buy-Back Benefit does not apply to the stand-alone Crisis Protection Plan or the Discount Crisis Option (if applicable).

Under the Death Buy-Back Benefit you can purchase Death cover on the life insured under the Life Protection Plan. If the Life Protection Plan is no longer sold by TOWER, continued cover will be available under TOWER's Life Protection product that replaces it. The Death Buy-Back Benefit can be exercised without having to provide evidence of health, occupation or pursuits.

Plan Conditions

This benefit may be exercised after a full Crisis Benefit, Paralysis Support Benefit or Total and Permanent Disability Benefit (if applicable) has been paid which reduces your cover to zero. The amount of cover you may purchase is the Crisis Protection Plan Benefit Amount paid.

You must notify us in writing of your intention to exercise the Death Buy-Back Benefit within 30 days of the 12 month anniversary of the full Benefit Amount having been paid under the Crisis Protection Plan.

The Death Buy-Back Benefit will expire if not exercised before the earlier of:

- 30 days after its due date, which is 12 months after the full Benefit Amount under the Crisis Benefit or Total and Permanent Disability Benefit (if applicable) has been paid; or
- the 70th birthday of the life insured.

The premium for the repurchased death cover will be based on our standard premium rates for the age of the life insured at the time the option is exercised. It will also take into account any extra premiums charged, and special provisions that apply to the Crisis Protection Plan for the life insured.

The repurchased death cover will not be eligible for increases under the Guaranteed Personal Insurability Benefit or the Guaranteed Business Insurability Benefit.

Guaranteed Personal Insurability Benefit
Under the Guaranteed Personal Insurability Benefit, you can increase the Benefit Amount of the Crisis Protection Plan, subject to:

- application in writing for an increase being made within 30 days of an Allowable Event (as described below), or within 30 days of the Policy anniversary following an Allowable Event;
- the life insured being less than age 55 at the time of an Allowable Event;
- the increase being up to the lesser of:
  - 25% of the original Benefit Amount;
  - $200,000;
  - five times the annual amount of salary increase (if applicable); or
  - the amount of mortgage being taken out or increased (if applicable);
- total crisis cover on the life insured, (including the cover with TOWER and any other organisation), being less than $2,000,000, and
- evidence, satisfactory to us, of the Allowable Event, being provided.

Using this Benefit, the maximum amount by which you can increase the sum is the lower of:

- the original Benefit Amount; or
- $1,000,000,

subject to total crisis cover (including cover with TOWER and any other organisation) not exceeding $2,000,000.

Only one Guaranteed Insurability Benefit (either Personal or Business) may be exercised in any 12 month period.

The premium for the new Benefit Amount will be calculated in line with the Plan Conditions and will take into account any extra premiums charged, and special provisions that apply to the Crisis Protection Plan.

If cover increases as a result of Guaranteed Personal Insurability, changes in the health, occupation or pastimes of the life insured will not be taken into account.

Allowable Events are:

- the birth of a child where the life insured is the parent;
- the adoption of a child by the life insured;
- a dependent child of the life insured starts secondary school;
- marriage of the life insured;
- a change in employment status of the life insured where the life insured's salary increases by at least $10,000 a year; and
- taking out, or increasing, a mortgage by the life insured (either alone or jointly with another person) on the purchase of a home which is the primary residence of the life insured.

During the first six months after exercising the Guaranteed Personal Insurability Benefit, the increased portion of the Benefit Amount will only be paid in the event of the life insured suffering any of the listed Crisis Protection Plan events that are caused by Accident.

The Guaranteed Personal Insurability Benefit cannot be exercised while premiums are being waived under the Premium Relief Option.

If a loading or an exclusion has been applied to your cover, this benefit is not available.

Guaranteed Business Insurability Benefit
Under the Guaranteed Business Insurability Benefit, you can increase the Benefit Amount of the Crisis Protection Plan subject to:

- application in writing for an increase being made within 30 days of an Allowable Event (as described below), or within 30 days of the Policy anniversary following an Allowable Event;
- our receipt of acceptable supporting financial evidence;
- the life insured being less than age 55 at the time of the Allowable Event (as described below);
- the increase being up to the lesser of:
  - 25% of the original Benefit Amount;
  - $200,000;

  – five times the average of the last three years consecutive annual increases in the life insured's annual remuneration package; or
  – the increased amount in the life insured's financial interest in the business, and
- total crisis cover on the life insured, (including the cover with TOWER and any other organisation), being less than $2,000,000.

Using this benefit, the maximum amount by which you can increase the Benefit Amount is the lower of:

- the original Benefit Amount; or
- $1,000,000,

subject to total crisis cover (including cover with TOWER and any other organisation) not exceeding $2,000,000.

Only one Guaranteed Insurability Benefit (either Personal or Business) may be exercised in any 12 month period.

The premium for the new Benefit Amount will be calculated in line with the Plan Conditions and will take into account any extra premiums charged, and special provisions that apply to the Crisis Protection Plan.

If cover increases as a result of Guaranteed Business Insurability, changes in the health, occupation or pastimes of the life insured will not be taken into account.

Allowable Events are:

- an increase in the life insured's value to the business, where the insured person is a key person in that business;
- an increase in the life insured's financial interest in the business, whether as a partner, shareholder or unit holder, and the Policy forms part of a buy-sell, share purchase or business succession agreement; or
- an increase in the loan liability of the business, for which the life insured is the primary guarantor.

During the first six months after exercising the Guaranteed Business Insurability Benefit, the increased portion of the Benefit Amount will only be paid in the event of the life insured suffering any of the listed Crisis Events that are caused by Accident.

The Guaranteed Business Insurability Benefit cannot be exercised while premiums are being waived under the Premium Relief Option.

If a loading or an exclusion has been applied to your cover, this benefit is not available.

Benefit Option at a Discount
The Benefit option listed below only applies if indicated in your Policy Certificate.

Discount Crisis Option
The Discount Crisis Option does not apply if the Policy Certificate for the life insured indicates that the stand-alone Crisis Protection Plan is provided. If the Discount Crisis Option applies, the Death Buy-Back Benefit and Crisis Buy-Back Option are not available.

The Discount Crisis Option amends the definitions of the Crisis Benefit for the following Crisis Events:

  – Cancer;
  – Coronary Artery Bypass Surgery;
  – Heart Attack; and
  – Stroke.

The definitions for these amended Crisis Events are detailed on pages 45 - 50 and are denoted by the words 'Discount Crisis Option Definition'. All other Crisis Event definitions remain unchanged.

When the life insured suffers a Crisis Event, or the Advancement Benefit is payable, the Discount Crisis Option will reduce the Crisis Benefit Amount payable in line with the following table:

% of Benefit Amount	Events Payable
75	Crisis Events excluding Angioplasty, Coronary Artery Bypass Surgery, Heart Attack, Stroke and Cancer Level A* Crisis Events (Coronary Artery Bypass Surgery, Heart Attack, Stroke, Cancer)
35	Level B* Crisis Events (Coronary Artery Bypass Surgery, Heart Attack, Stroke, Cancer)
18.75	Angioplasty, Advancement Benefit payments

*Refer to pages 45 to 50 for definitions that apply to Level A and Level B Crisis Events.

The Benefit Amount payable for Death, Terminal Illness and Total and Permanent Disability (if applicable) will be 100% of the Benefit Amount.

Any benefit payment under the Discount Crisis Option will reduce the Benefit Amount available for further claims.

Plan Conditions

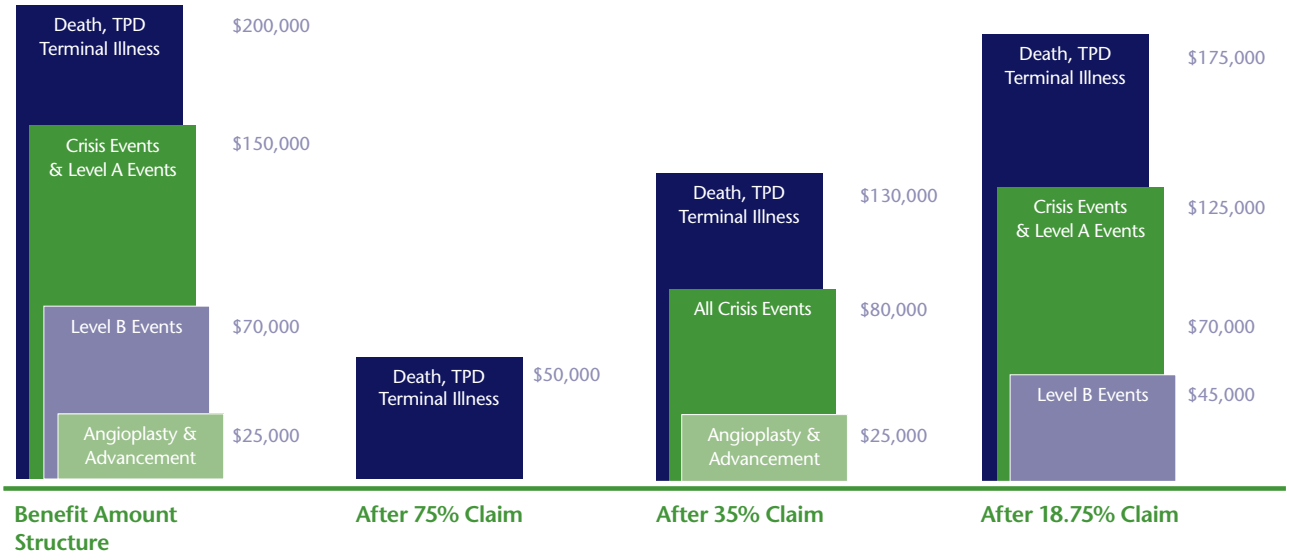
For example:

If the life insured takes out the Crisis Protection Plan with a Benefit Amount of $200,000 and elects the Discount Crisis Option, then the first column demonstrates the level of initial cover.

The second column in the following illustration shows that if the life insured suffers a Level A event or another Crisis Event then a total of $150,000 (or 75% of the Benefit Amount) becomes payable. The level of cover then reduces to $50,000 (the remaining 25% of the Benefit Amount) which is then payable on the Death, Terminal Illness or Total and Permanent Disability (if applicable) of the life insured.

In the event that the initial claim is accepted for a Level B event then the Benefit Amount is reduced by the benefit paid i.e. 35% or $70,000, leaving cover of $130,000 (or 65% of the Benefit Amount) in the event of Death, Total and Permanent Disability or Terminal Illness, $80,000 (40%) for all other Crisis Events and $25,000 for Angioplasty or the Advancement Benefit.

The final column shows the level of cover that would remain in the event of an initial claim being accepted for Angioplasty and Advancement Benefit, i.e. cover of $175,000 would remain in force payable in the event of Death, Total and Permanent Disability (if applicable) or Terminal Illness, $125,000 for all other Crisis Events and $45,000 for Level B Crisis Events.



Benefit Options at Additional Cost
Benefit options listed below only apply if indicated in your Policy Certificate.

Premium Relief Option
Under the Premium Relief Option, premiums due under the Crisis Protection Plan (and any benefit options attached to it) will be waived when, as a result of Sickness or Injury, the life insured is for three consecutive months:

- totally unable to work in any occupation suited by training, education or experience;
- not producing an income; and
- following the advice of a Medical Practitioner.

The premium waived will be the daily proportion of premiums due in respect of the life insured under the Crisis Protection Plan.

The Premium Relief Option will stop on the earlier of:

- the life insured returning to work;
- the life insured earning an income; or
- the Policy anniversary prior to the life insured's 65th birthday.

Child's Crisis Option
The Benefit Amount under the Child's Crisis Option will be paid when an insured child suffers a Crisis Event under the Child's Crisis Option as described below.

If an insured child suffers more than one Crisis Event, the Benefit Amount is only paid for the Crisis Event which occurs first.

Crisis Events under the Child's Crisis Option are:

- Death
- Terminal Illness
- Aplastic Anaemia
- Benign Brain Tumour
- Blindness
- Cancer
- Cardiomyopathy
- Chronic Kidney Failure
- Coma
- Encephalitis and Meningitis
- Loss of Hearing
- Loss of Limbs
- Loss of Limbs and Sight
- Loss of Speech
- Major Head Trauma
- Major Organ Transplant
- Meningococcal Disease
- Paralysis (the Paralysis Support Benefit will not apply)
- Severe Burns
- Stroke
- Subacute Sclerosing Panencephalitis

Grief Counselling is available to the immediate family members of the insured child. This counselling is provided to assist family members to come to terms with their reaction to grief which arises from the death of, or other Crisis Event occurring to the child. We will reimburse the costs of the initial consultation up to a maximum of $500. The consultation must be with an independent, qualified counselling organisation.

On expiry of the Crisis Protection Plan, all cover provided under the Child's Crisis Option will cease.

On the anniversary of the Policy start date immediately prior to the insured child's 19th birthday, if no benefit has been paid under the Child's Crisis Option for the insured child, you can elect to continue the Crisis cover for the child under the Crisis Protection Plan. If the Crisis Protection Plan is no longer sold by TOWER, continued cover will be available under TOWER's Crisis product that replaces it.

If the Benefit Amount under the new Crisis Protection Plan (or other replacement Policy) is less than or the same as the original benefit amount, the insured child's health will not be underwritten, but we will require details of smoking status, occupation and pursuits.

However, any increase to the benefit amount for such a Policy will be subject to full underwriting. This applies in all circumstances including (but not limited to):

- if the benefit amount is increased at the time of continuing cover under the Crisis Protection Plan (or replacement Policy); or
- the benefit amount is increased during the lifetime of that new Policy, regardless of whether the terms and conditions of the new Policy allow a guaranteed increase of the benefit amount without underwriting.

These conditions override the terms of any new or continued Policy arising from the exercising of the continuation option under the Child's Crisis Option.

The premium rate under the new Crisis Protection Plan (or other replacement Policy) will be the standard rate for that Policy applying for the sex, smoking status and any other premium rating factors that apply at the time the continuation option is exercised. Any special conditions, loadings or exclusions that applied to the original Child's Crisis Policy will continue to apply under the new Crisis Protection Plan Policy.

If you wish to exercise this continuation option, you must apply to us in writing within 30 days of the Policy anniversary prior to the insured child's 19th birthday.

Plan Conditions

Total and Permanent Disability Option
Under the Total and Permanent Disability Option we will pay the Benefit Amount when the life insured is Totally and Permanently Disabled. Please see the definition of Total and Permanent Disability in the Plan Conditions on page 45.

The Total and Permanent Disability Option will stop on the Policy anniversary prior to the life insured's 65th birthday.

Crisis Buy-Back
The Crisis Buy-Back Option does not apply if the Policy Certificate for the life insured indicates that the stand-alone Crisis Protection Plan or Discount Crisis Option applies.

One year after 100% of the Crisis Benefit Amount has been paid, you can apply to buy back up to 100% of the Crisis cover for that life insured without having to provide evidence of health, occupation or pursuits. If the Crisis Protection Plan is no longer sold by TOWER, continued cover will be available under TOWER's Crisis Protection product that replaces it. The amount of cover bought back, when added to the original Crisis Benefit Amount paid, cannot exceed $2,000,000 (including the cover with TOWER and any other organisation).

You can apply to exercise this option only within a period of 30 days after the first anniversary of the payment of 100% of the Crisis Benefit Amount. If your Policy includes this option, we will allow you to buy back Crisis cover on the following basis:

- the Crisis Benefit Amount must not exceed 100% of the Crisis Benefit paid;
- there will be no further underwriting;
- the bought back cover will not be eligible for any of the optional benefits available under the Crisis Protection Plan, including the Crisis Buy-Back Option;
- the bought back cover will not be eligible for increases under the Inflation Protection Benefit, the Guaranteed Personal Insurability Benefit or the Guaranteed Business Insurability Benefit; and
- the premium for the repurchased Crisis cover will be based on our standard premium rates for the age of the life insured at the time the option is exercised and any extra premiums charged, original exclusions or special conditions applicable under your Crisis Protection Plan will be maintained under the bought back cover.

If the life insured is subsequently diagnosed with a Crisis Event, we will pay a claim under the bought back cover provided the Crisis event occurred or was diagnosed, or the circumstances/symptoms leading to diagnosis became apparent after the Crisis cover was bought back, subject to the conditions below.

We will not pay a claim under the bought back cover if the Crisis Event:

- is the same as the original Crisis Event; or
- is directly or indirectly caused by or related to the original Crisis Event, or symptoms or condition(s) which caused the occurrence of the original Crisis Event; or
- is a Loss of Independent Existence; or
- is a Heart Condition and the original Crisis Event was also a Heart Condition; or
- is a Stroke or Paralysis (directly or indirectly resulting from a Stroke) and the original Crisis Event was a Heart Condition.

In the above paragraph, Heart Condition means any of the following Crisis Events: Aortic Surgery, Coronary Artery Bypass Surgery, Heart Attack, Heart Valve Surgery, Cardiomyopathy, Triple Vessel Angioplasty, Primary Pulmonary Hypertension (as defined).

This option cannot be exercised where:

- a Total and Permanent Disability or Terminal Illness Benefit is paid; or
- a benefit is paid for Angioplasty; or
- a benefit is paid for Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Parkinson's Disease or Primary Pulmonary Hypertension under the Advancement Benefit; or
- a benefit is paid under the Advance Payment for Cancer Option.

This option ceases at the Policy anniversary preceding age 65.

Advanced Payment for Cancer Option
Under the Advanced Payment for Cancer Option, a payment of 10% of the Benefit Amount, up to a maximum of $25,000, is payable on the occurrence of the following events:

- Carcinoma In Situ;
- Chronic Lymphocytic Leukaemia (Rai stage 0);
- Melanoma (Breslow thickness up to 1.5mm or less than Clark Level 3); and
- Prostate Cancer (TNM Classification T1).

The Crisis Benefit Amount is reduced by the amount of any payment made for these events.

The Advanced Payment for Cancer is payable once only for each event above. We will pay for multiple events under this Option to a maximum of $100,000. The Crisis Benefit Amount will reduce by any payments made under this Option.

Plan Exclusions
No payments will be made under the Death Benefit or Terminal Illness Benefit if the event giving rise to the claim is caused directly or indirectly by an intentional, self-inflicted act by the life insured within 13 months of:

- the Plan start date;
- the date of an applied-for increase but only in respect of the increase; or
- the most recent date we agreed to reinstate either the Plan or Policy.

We will waive the above exclusion if, immediately prior to the commencement of cover, you had death cover on the life insured which was current for at least 13 consecutive months (without lapsing and/or reinstatement) with TOWER or another insurer, and you have transferred the Death Benefit to the Crisis Protection Plan. The waiver will only apply up to the level of cover you had with TOWER or the other insurer. Should you reinstate your cover at anytime, this exclusion will recommence from the date of reinstatement.

No payments will be made under the Crisis Benefit or the Discount Crisis Option:

- if the event giving rise to the claim is caused directly or indirectly by an intentional, self-inflicted act by the life insured; or
- in the case of Angioplasty, Coronary Artery Bypass Surgery, Cancer, Heart Attack, Heart Valve Surgery, Triple Vessel Angioplasty or Stroke, if the condition occurred or was diagnosed, or the circumstances leading to diagnosis became apparent, within three months after:
  - the Plan start date;
  - the date of an applied for increase but only in respect of the increase; or
  - the most recent date we agreed to reinstate either the Plan or Policy.

No payments will be made under the Advanced Payment for Cancer Option in the case of Carcinoma In Situ, Chronic Lymphocytic Leukaemia, Melanoma or Prostate Cancer, if the condition occurred or was diagnosed, or the circumstances leading to diagnosis became apparent, within three months after:

- the Plan start date;
- the date of an applied for increase but only in respect of the increase; or
- the most recent date we agreed to reinstate either the Plan or Policy.

We will waive this three month period if, immediately prior to the commencement of cover, TOWER or another insurer covered the life insured for the same specified Crisis Events and you have transferred your crisis cover to the Crisis Protection Plan (and the transfer was not within TOWER's or the other insurer's three month period). The waiver will only apply up to the level of crisis cover that you had with TOWER or the other insurer. Should you reinstate your cover at any time, the three month period will recommence from the date of reinstatement.

If the Policy Certificate indicates that the stand-alone Crisis Protection Plan is provided, no payments will be made under the Crisis Benefit unless the life insured survives a Crisis Event for at least 14 days.

No payments will be made under the Premium Relief Option if the event giving rise to the claim is caused directly or indirectly by:

- an intentional, self-inflicted act by the life insured;
- pregnancy, unless disability continues for longer than three months after the pregnancy ends, in which case disability will be considered to have started at the date the pregnancy ends.

No payments will be made under the Total and Permanent Disability option if the event giving rise to the claim is caused directly or indirectly by an intentional, self-inflicted act by the life insured.

Under the Child's Crisis Option no payments will be made for Cancer or Stroke if that event occurred or was diagnosed, or the circumstances leading to diagnosis became apparent, within three months after:

- the Plan or option start date;
- the date of an applied for increase but only in respect of the increase; or
- the most recent date we agreed to reinstate either the Plan or Policy.

No payments will be made under the Child's Crisis Option if the Crisis Event is caused directly or indirectly by the intentional act of a person who stands to derive a benefit from the claim payment.

Plan Conditions

Plan Adjustments
The Benefit Amount will be reduced by payments under:

- the Advancement Benefit;
- the Crisis Event, Angioplasty;
- the Paralysis Support Benefit;
- the Advanced Payment for Cancer Option;
- the Discount Crisis Option;
- any other similar policies which we were not told about at the time of application; or
- any other similar policies you told us would be cancelled upon acceptance of the Crisis Protection Plan.

Cessation of Cover
Cover ends on the earliest of:

- the Plan end date;
- the date we receive the Policy owner's written request to cancel the Policy;
- the Policy lapsing as a result of non-payment of the premium;
- the Policy anniversary prior to the life insured's 100th birthday for Death, Terminal Illness and Loss of Independent Existence;
- the Policy anniversary prior to the life insured's 70th birthday for Crisis Events;
- the Policy anniversary prior to the life insured's 65th birthday for the Total and Permanent Disability Option;
- the Policy anniversary prior to the insured child's 19th birthday for Child's Crisis Option;
- the death of the life insured; or
- the full Benefit Amount being paid.

Crisis Protection Plan
Plan Definitions

Accident or **Accidental** means an accident caused wholly by violent, accidental, external and visible means.

Activities of Daily Living are:

- Bathing - the ability to shower and bathe;
- Dressing - the ability to put on and take off clothing;
- Toileting - the ability to get on and off, and use, the toilet;
- Mobility - the ability to get in and out of bed and a chair;
- Feeding - the ability to get food from a plate into the mouth.

Benefit Amount means the amount shown in the Policy Certificate for the Crisis Protection Plan or benefit option after taking into account increases or reductions, applying:

- under the conditions of the Plan or option; or
- in line with a request by you that is agreed to by us.

Immediate Family Member means spouse, partner, de facto, children, parents and siblings.

Indexation Factor is the percentage change in the Consumer Price Index (Weighted Average All Capital Cities) as last published by the Australian Bureau of Statistics in respect of the 12 month period finishing on 30 September.

It will be determined at 30 November each year and applied, where indicated, for the following year. If it is not published by 30 November, the Indexation Factor will be calculated based upon a retail price index which we consider replaces it.

If the percentage change in the Consumer Price Index, or any substitute for it, is negative, the Indexation Factor will be taken as zero.

Injury means an Accidental bodily injury suffered by the life insured.

Medical Practitioner means a person who is legally qualified and registered as a Medical Practitioner, other than:

- you or the life insured;
- a business partner of you or the life insured; or
- an Immediate Family Member of you or the life insured.

If practising other than in Australia, the Medical Practitioner must be approved by us and have qualifications equivalent to Australian standards.

Note: Chiropractors, physiotherapists and alternative therapy providers are not regarded as Medical Practitioners.

Own Occupation is the occupation in which the life insured was working immediately prior to the Sickness or Injury causing disability, unless the life insured:

- was working in that occupation for less than 10 hours a week; or
- had been employed in that occupation for less than three months; or
- was unemployed or on sabbatical, long service, maternity or paternity leave for more than 12 months,

in which case 'Own Occupation' will be any occupation for which the life insured is suited by training, education or experience.

If the life insured had been working in more than one occupation that meets these criteria, 'Own Occupation' will include all of those occupations.

Sickness means an illness or disease suffered by the life insured, and is diagnosed by a Medical Practitioner.

Significant Cognitive Impairment means a deterioration or loss of intellectual capacity that results in a requirement for a full time permanent caregiver.

Terminally Ill and **Terminal Illness** means an illness or condition where, after having regard to the current treatment or such treatment as the life insured may reasonably be expected to receive, the life insured will not survive more than 12 months.

Total and Permanent Disability and **Totally and Permanently Disabled** under the Total and Permanent Disability Option mean that solely because of a Sickness or Injury, the life insured has not been in any occupation for six consecutive months and is incapacitated to such an extent as to render the life insured unlikely ever to be able to work in any occupation for which they are reasonably suited by training, education or experience.

When **'Own Occupation'** is shown in the Policy Certificate, the reference above to 'any occupation for which they are reasonably suited by training, education or experience' will be replaced by 'their Own Occupation'.

Whole Person Function means where a payment depends on the life insured meeting criteria that are based on the Whole Person Function, the calculation is to be based on the current edition of the American Medical Association publication entitled Guides to the Evaluation of Permanent Impairment until an equivalent Australian guide that has been sanctioned by the Australian Medical Association has been produced at which time the calculation in the relevant Australian guide will apply.

Crisis Events Definitions

Proof of occurrence of any Crisis Event must be supported by:

Plan Conditions

- appropriate Specialist Medical Practitioners registered in Australia or New Zealand (or other country approved by us), not being the life insured, you, the life insured's partner or spouse, or your partner or spouse; and
- confirmatory investigations including, but not limited to, clinical, radiological, histological and laboratory evidence; and
- if the Crisis Event requires a surgical procedure to be performed, the procedure must be the usual treatment for the condition and be medically necessary.

Our medical advisers must support the occurrence of the Crisis Event.

We reserve the right to require the life insured to undergo a medical examination or other reasonable tests to confirm the occurrence of a Crisis Event.

Angioplasty means the actual undergoing of Coronary Artery Angioplasty to correct a narrowing or blockage of one or more coronary arteries.

Aortic Surgery means surgery to repair or correct an aortic aneurysm, an obstruction of the aorta, a coarctation of the aorta or traumatic Injury to the aorta. For the purpose of this definition, aorta means the thoracic and abdominal aorta but not its branches.

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

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

Benign Brain Tumour means a noncancerous tumour in the brain which gives rise to characteristic symptoms of intracranial pressure such as papilloedema, mental symptoms, seizures and sensory impairment, resulting in at least a permanent 25% impairment of Whole Person Function or the life insured being totally and permanently unable to perform any one of the Activities of Daily Living.

The presence of the underlying tumour must be confirmed by CT Scan, MRI or other imaging studies.

Blindness means the permanent loss of sight of both eyes.

Loss of sight of an eye means the total and irrecoverable loss of sight (whether aided or unaided) of the eye to the extent that visual acuity in the eye, on a Snellen Scale after correction by a suitable lens is less than 6/60, as a result of Sickness or Injury.

Cancer means the presence of one or more malignant tumours. The malignant tumour is to be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.

The following tumours are excluded:

- tumours showing the malignant changes of carcinoma in situ (including cervical dysplasia CIN-1, CIN-2 and CIN-3) or which are histologically described as premalignant*;
- all skin cancers, unless there is evidence of metastases or the tumour is a malignant melanoma of at least Clark level 3, or greater than 1.5mm maximum thickness as determined by histological examination using the Breslow method;
- prostatic cancers which are histologically described as TNM Classification T1 or are of another equivalent or lesser classification unless resulting in the surgical removal of the complete prostate;
- Chronic Lymphocytic Leukaemia less than Rai Stage 1.

*Carcinoma in situ of the breast is covered if it results directly in the removal of the entire breast. The procedure must be performed specifically to arrest the spread of malignancy, and be considered the appropriate and necessary treatment.

Cancer – Discount Crisis Option Definition

Level A (75% payment of Benefit Amount)**
Cancer means the presence of one or more malignant tumours. The malignant tumour is to be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.

The tumour must be classified as a minimum of $T_1N_1M_0$ or Stage III and involves spread to regional lymph nodes and/or metastasis from the primary tumour site, or one of the following types:

- acute myeloblastic leukaemia (M 4 - 6);
- acute lymphatic leukaemia;
- chronic lymphatic leukaemia (Stage III or IV);
- chronic myeloid leukaemia (Stage III – IV);
- non-Hodgkin's lymphoma (Stage II – III);
- Hodgkin's lymphoma (Stage III – IV); or
- malignant brain tumours, e.g. glioblastoma multiforme.

For the purposes of this definition, "brain" excludes the pituitary gland and the eyes.

Level B (35% payment of Benefit Amount)**
Cancer means the presence of one or more malignant tumours. The malignant tumour is to be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.

** The following tumours are excluded from both Level A and Level B payments:

- tumours showing the malignant changes of carcinoma in situ (including cervical dysplasia CIN-1, CIN-2 and CIN-3) or which are histologically described as premalignant*;
- all skin cancers, unless there is evidence of metastases or the tumour is a malignant melanoma of at least Clark level 3, or greater than 1.5mm maximum thickness as determined by histological examination using the Breslow method;
- prostatic cancers which are histologically described as TNM Classification T1 or are of another equivalent or lesser classification unless resulting in the surgical removal of the complete prostate;
- chronic lymphocytic leukaemia less than Rai Stage 1.

* Carcinoma in situ of the breast is covered if it results directly in the removal of the entire breast. The procedure must be performed specifically to arrest the spread of malignancy, and be considered the appropriate and necessary treatment.

Carcinoma In Situ means the Insured has a carcinoma in situ, characterised by a focal autonomous new growth of carcinomatous cells, which has not yet resulted in the invasion of normal tissues. "Invasion" means an infiltration and/or active destruction of normal tissue beyond the basement membrane.

Only carcinoma in situ of the following sites is covered:

- Cervix – uteri – the tumour must be classified as Tis according to the TNM staging method or FIGO stage 0 (Excluded are Cervical Intraepithelial Neoplasia (CIN) classifications including CIN 1, CIN 2, and CIN 3).
- Fallopian Tube – the tumour must be limited to the tubal mucosa and classified as Tis according to the TNM staging method or FIGO Stage 0.
- Vagina – the tumour must be classified as Tis according to the TNM staging method or FIGO stage 0.
- Vulva – the tumour must be classified as Tis according to the TNM staging method or FIGO stage 0.
- Breast – the tumour must be classified as Tis according to the TNM staging method or FIGO stage 0.
- Prostate – the tumour is confined within the prostate and histologically described as T1 according to the TNM staging method or a Gleason Score of either 2, 3, 4 or 5.

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

Cardiomyopathy means impaired ventricular function of variable aetiology resulting in permanent and irreversible physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment, and the insured being unable to perform his or her Own Occupation.

Chronic Kidney Failure means end stage renal failure presenting as chronic irreversible failure of both kidneys to function, resulting in renal transplantation or the permanent requirement for renal dialysis.

Chronic Liver Failure means end stage liver failure resulting in permanent jaundice, ascites and/or encephalopathy.

Chronic Lung Failure means end stage respiratory failure permanently requiring continuous oxygen therapy and with FEV 1 test results of consistently less than one litre.

Chronic Lymphocytic Leukaemia means the presence of chronic lymphocytic leukaemia diagnosed as Rai stage 0, which is defined to be in the blood and bone marrow only.

Coma means a state of unconsciousness with no reaction to external stimuli or internal needs, resulting in a documented Glasgow Coma Scale of 6 or less, for a continuous period of at least 72 hours.

Coronary Artery Bypass Surgery means bypass grafting performed to correct or treat coronary artery disease.

Coronary Artery Bypass Surgery – Discount Crisis Option Definition

Level A (75% payment of Benefit Amount) Coronary Artery Bypass Surgery means three or more bypass grafts performed during the same procedure to correct or treat coronary artery disease.

Level B (35% payment of Benefit Amount) Coronary Artery Bypass Surgery means less than three bypass grafts performed during the same procedure to correct or treat coronary artery disease.

Dementia means the unequivocal diagnosis of Alzheimer's disease or other dementia. The diagnosis must confirm permanent irreversible failure of brain function resulting in Significant Cognitive Impairment for which no other recognisable cause has been identified.

Encephalitis and Meningitis means the unequivocal diagnosis of encephalitis or meningitis where the condition is characterised by severe inflammation of the brain or the meninges of the brain resulting in permanent neurological deficit causing at least a permanent 25% impairment of Whole Person Function or the life insured being totally and permanently unable to perform any one the Activities of Daily Living.

Plan Conditions

Heart Attack (myocardial infarction) means the death of a portion of heart muscle as a result of inadequate blood supply to the relevant area. The basis of diagnosis will be:

- confirmatory new electrocardiogram (ECG) changes; and
- a diagnostic rise and fall (other than as a result of cardiac or coronary intervention) in either Troponin I in excess of 2.0ug/L or Troponin T in excess of 0.6ug/L or cardiac enzyme CK-MB.

If the above criteria are not met, we will pay a claim based on satisfactory evidence that the life insured has unequivocally been diagnosed as having suffered a myocardial infarct resulting in:

- a permanent reduction in the Left Ventricular Ejection Fraction to less than 50%, measured three months or more after the event, or
- new pathological Q waves.

Heart Attack – Discount Crisis Option Definition
Level A (75% payment of Benefit Amount)
Heart Attack (myocardial infarction) means the death of a portion of heart muscle as a result of inadequate blood supply to the relevant area. We will pay 75% of the Benefit Amount based on satisfactory evidence that the life insured has suffered a myocardial infarct.

The basis of diagnosis will be:

- confirmatory new electrocardiogram (ECG) changes; and
- a diagnostic rise and fall (other than as a result of cardiac or coronary intervention) in either Troponin I in excess of 2.0ug/L or Troponin T in excess of 0.6ug/L or cardiac enzyme CK-MB, and
- a permanent reduction in the Left Ventricular Ejection Fraction to less than 40% (measured three months or more after the event).

Level B (35% payment of Benefit Amount)
Heart Attack (myocardial infarction) means the death of a portion of heart muscle as a result of inadequate blood supply to the relevant area. We will pay 35% of the Benefit Amount based on satisfactory evidence that the life insured has suffered a myocardial infarct.

The basis of diagnosis will be:

- confirmatory new electrocardiogram (ECG) changes; and
- a diagnostic rise and fall (other than as a result of cardiac or coronary intervention) in either Troponin I in excess of 2.0ug/L or Troponin T in excess of 0.6ug/L or cardiac enzyme CK-MB.

Lesser Acute Coronary Syndromes including unstable angina and acute coronary insufficiency are excluded.

Heart Valve Surgery means surgery to replace or repair a cardiac valve as a consequence of a cardiac valve abnormality or a cardiac aneurysm or other cardiac defects.

Loss of Hearing means the total and irrecoverable loss of hearing, both natural and assisted, in both ears as a result of Sickness or Injury.

Loss of Independent Existence means Significant Cognitive Impairment, or the total and irrecoverable loss of ability, due to Sickness or Injury, to perform at least two of the Activities of Daily Living without the physical assistance of another person.

Loss of Limbs means the total and irrecoverable loss of use of two limbs.

Limb in this context means an arm, leg, hand or foot.

Loss of Limbs and Sight means the total and irrecoverable loss of use of one limb and the permanent loss of sight in one eye.

Limb in this context means an arm, leg, hand or foot.

Loss of sight in an eye means the total and irrecoverable loss of sight (whether aided or unaided) in the eye to the extent that visual acuity in the eye, on a Snellen Scale after correction by a suitable lens is less than 6/60, as a result of Sickness or Injury.

Loss of Speech means the total and irrecoverable loss of the ability to produce intelligible speech, as a result of permanent damage to the larynx or its nerve supply or to the speech centres of the brain, due to Sickness or Injury.

Major Head Trauma means Accidental head Injury resulting in neurological deficit causing at least a permanent 25% impairment of Whole Person Function or the life insured being totally and permanently unable to perform any one the Activities of Daily Living.

Major Organ Transplant means the human to human transplant from a donor to the life insured of bone marrow or one of the following organs, or a permanent mechanical replacement of one of the following organs:

- kidney;
- heart;
- lung;
- liver;
- pancreas; or
- small bowel.

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

Medically Acquired HIV means accidental infection, after the inception of the Policy, with the human immunodeficiency virus (HIV) where the virus was acquired in Australia by the life insured from one of the following medically necessary events conducted by a recognised and registered health professional:

- a blood transfusion;
- transfusion with blood products;
- organ transplant to the life insured;
- assisted reproductive techniques; or
- a medical procedure or operation performed by a Medical Practitioner or dentist.

Notification and proof of the incident will be required via a statement from the appropriate Statutory Health Authority that the infection was medically acquired.

HIV infection transmitted by any other means including sexual activity or use of drugs, other than as prescribed by a Medical Practitioner for the life insured, is excluded.

This Crisis Event will not apply and no payment will be made where a cure has become available or where the infected person does not take any vaccine available prior to the event. 'Cure' means an Australian Government approved treatment, which renders the HIV inactive and non-infectious, or results in there being little or no impact on life expectancy. 'Vaccine' means a preparation approved by the Australian Government and recommended for use by the Government authority to produce immunity to the HIV.

Melanoma means the presence of one or more malignant melanomas of 1.5mm or less maximum thickness as determined by histological examination using the Breslow method, or less than Clark Level 3 depth of invasion as determined by histological examination. The malignancy must be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.

Meningococcal Disease means the unequivocal diagnosis of meningococcal septicaemia resulting in at least a permanent 25% impairment of Whole Person Function or the life insured being totally and permanently unable to perform any one of the Activities of Daily Living.

Motor Neurone Disease means the unequivocal diagnosis of Motor Neurone Disease, with persistent neurological deficit resulting in at least a permanent 25% impairment of Whole Person Function or the life insured being totally and permanently unable to perform any one the Activities of Daily Living.

Multiple Sclerosis means the unequivocal diagnosis of Multiple Sclerosis, where the condition is characterised by the demyelination in the brain and/or spinal cord resulting in neurological deficit and at least a permanent 25% impairment of Whole Person Function or the life insured being totally and permanently unable to perform any one the Activities of Daily Living.

Muscular Dystrophy means the unequivocal diagnosis of Muscular Dystrophy with significant persistent neurological deficit resulting in at least a permanent 25% impairment of Whole Person Function or the life insured being totally and permanently unable to perform any one the Activities of Daily Living.

Occupationally Acquired HIV means infection with the human immunodeficiency virus (HIV) where such infection arose from an Accident relating to the occupation of the life insured, subject to the following conditions:

- the Accident must have occurred after the inception of this Policy;
- within seven days of the Accident, proof of its occurrence must be registered:
  - with TOWER, including proof provided by a Medical Practitioner of a sero-negative HIV result after the accident; and
  - with any relevant authority, and proof of such registration must be lodged with TOWER.

The infection must manifest itself as a sero-positive HIV test result within six months of the reported occurrence.

The infection must not have arisen from a deliberately, self-inflicted or induced cause or from sexual activity (whether as part of normal occupational duties or otherwise), or from the use of drugs not medically prescribed for the life insured.

TOWER reserves the right to obtain independent tests and investigations, including the taking of blood samples from the life insured.

This Crisis Event will not apply and no payment will be made where a cure has become available or where the infected person does not take any vaccine available prior to the event. "Cure" means an Australian Government approved treatment which renders the HIV inactive and non-infectious, or results in there being little or no impact on life expectancy. "Vaccine" means a preparation approved by the Australian Government and recommended for use by the Government authority to produce immunity to the HIV.

Paralysis means the total and permanent loss of function of two or more limbs through Sickness or Injury causing permanent damage to the nervous system. This includes, but is not limited to, quadriplegia, paraplegia, diplegia and hemiplegia.

Plan Conditions

Parkinson's Disease means the unequivocal diagnosis of Parkinson's Disease where the condition cannot be controlled with treatment and the person shows signs of progressive incapacity with at least a permanent 25% impairment of Whole Person Function or the life insured being totally and permanently unable to perform any one the Activities of Daily Living.

Pneumonectomy means the undergoing of surgery to remove an entire lung. This treatment must be deemed the most appropriate treatment and medically necessary.

Primary Pulmonary Hypertension means the life insured has Primary Pulmonary Hypertension with substantial right ventricular enlargement established by investigations including cardiac catheterisation, resulting in permanent irreversible physical impairment to the degree of at least Class 3 of the New York Heart Association Classification of Cardiac Impairment, and the insured being unable to perform his or her Own Occupation.

Prostate cancer means the presence of prostate cancer that is histologically described as TNM Classification T1 (or of an equivalent classification).

Severe Burns means tissue Injury caused by thermal, electrical or chemical agents causing third degree or full thickness burns to:

- at least 20% of the body surface area as measured by the Lund and Browder Body Surface Chart; or
- the whole of both hands, requiring surgical debridement and/or grafting; or
- the whole of the face, requiring surgical debridement and/or grafting.

Subacute Sclerosing Panencephalitis means the unequivocal diagnosis of this disorder. (Only covered under the Child's Crisis Option.)

Stroke means a cerebrovascular event producing neurological deficit. This requires clear evidence on a CT, MRI or similar, appropriate scan or investigation that a stroke has occurred and of infarction of brain tissue or intracranial and/or subarachnoid haemorrhage. Transient ischaemic attacks, reversible neurological deficit, cerebral symptoms due to migraine, cerebral Injury resulting from trauma or hypoxia and vascular disease affecting the eye, optic nerve or vestibular functions are excluded.

Stroke – Discount Crisis Option Definition
Level A (75% payment of Benefit Amount)
Stroke means a cerebrovascular event producing neurological deficit. This requires clear evidence on a CT, MRI or similar, appropriate scan or investigation that a stroke has occurred and of infarction of brain tissue or intracranial and/or subarachnoid haemorrhage resulting in at least 25% permanent impairment of Whole Person Function.

Transient ischaemic attacks, reversible neurological deficit, cerebral symptoms due to migraine, cerebral Injury resulting from trauma or hypoxia and vascular disease affecting the eye, optic nerve or vestibular functions are excluded.

Level B (35% payment of Benefit Amount)
Stroke means a cerebrovascular event producing neurological deficit. This requires clear evidence on a CT, MRI or similar, appropriate scan or investigation that a stroke has occurred and of infarction of brain tissue or intracranial and/or subarachnoid haemorrhage.

Transient ischaemic attacks, reversible neurological deficit, cerebral symptoms due to migrane, cerebral Injury resulting from trauma or hypoxia and vascular disease affecting the eye, optic nerve or vestibular functions are excluded.

Triple Vessel Angioplasty means the actual undergoing for the first time of coronary artery Angioplasty to correct a narrowing or blockage of three or more coronary arteries within the same procedure. Angiographic evidence, indicating at least 50% obstruction of three or more coronary arteries is required to confirm the need for this procedure.

Income Protection Plan
Plan Conditions

The Income Protection Plan only applies under the TOWER Protection Policy if indicated in your Policy Certificate. The Income Protection Plan Plus only applies under the TOWER Protection Policy if indicated in your Policy Certificate.

Benefits

In all cases where we refer to a benefit payment the statement is made on the basis that the Benefit referred to is payable under the terms and conditions of the Policy. We will not pay a benefit if an exclusion applies. Exclusions are explained on page 57. You must also satisfy our claim requirements, explained on page 73.

Total Disability Benefit

If the occupation class of the life insured is AAA, AA+, AA, PAAA, PAA+ or PAA as specified in the Policy Certificate the Total Disability Benefit will be paid:

- when the life insured has been either Totally or Partially Disabled for the Waiting Period; and
- then at the conclusion of the Waiting Period remains Totally Disabled.

If the occupation class of the life insured is A, BBB, BB or B as specified in the Policy Certificate, the Total Disability Benefit will be paid:

- when the life insured has been Totally Disabled for 14 consecutive days during the Waiting Period;
- is Totally or Partially Disabled for the balance of the Waiting Period; and
- then at the conclusion of the Waiting Period remains Totally Disabled.

The amount paid will be the Benefit Amount, taking into account any Plan Adjustments.

The Total Disability Benefit:

- starts to accrue after the Waiting Period ends;
- is paid monthly in arrears; and
- will stop on the earliest of the following events:
  - the life insured no longer being Totally Disabled;
  - the end of the Benefit Period; or
  - the Plan end date.

Partial Disability Benefit

If the occupation class of the life insured is AAA, AA+, AA, PAAA, PAA+ or PAA the Partial Disability Benefit will be paid:

- when the life insured has been either Totally or Partially Disabled for the Waiting Period; and
- then at the conclusion of the Waiting Period remains Partially Disabled.

If the occupation class of the life insured is A, BBB, BB or B the Partial Disability Benefit will be paid:

- when the life insured has been Totally Disabled for 14 consecutive days during the Waiting Period;
- is either Totally or Partially Disabled for the balance of the Waiting Period; and
- then at the conclusion of the Waiting Period remains Partially Disabled.

The Benefit Amount that will be paid will be:

$$\frac{A - B}{A} \times \text{the Benefit Amount,}$$

taking into account any Plan Adjustments, where

'A' is the life insured's Pre-Disability Earnings; and

'B' is Monthly Earnings of the life insured in respect of the month to be paid.

For example:

A life insured has Pre-Disability Earnings of $10,000, and is eligible for a Benefit Amount of $7,500. If the insured suffered a Partial Disability and was able to work for the minimum time allowable under the Partial Disability definition, being 20%, and was earning $2,000, the benefit payable would be calculated as follows:

$$\frac{\$10,000 - \$2,000}{\$10,000} \times \$7,500 =$$

$6,000 monthly benefit

When the life insured is Partially Disabled but not working, 'B' will be calculated on the Monthly Earnings it would be reasonable for the life insured to earn if working.

The Partial Disability Benefit:

- starts to accrue after the Waiting Period ends;
- is paid monthly in arrears; and
- will stop on the earliest of the following three events;
  - the life insured no longer being Partially Disabled;
  - the end of the Benefit Period; or
  - the Plan end date.

Note: If Partial Disability from the same cause immediately follows a period of Total Disability (extending beyond the Waiting Period), the Waiting Period will not start again.

Inflation Protection Benefit

At each Policy anniversary, we will increase the Benefit Amount under the Plan by the greater of the Indexation Factor and 3%.

This increase will occur on each Policy anniversary unless:

- you tell us that the Inflation Protection Benefit is not to apply to your Policy; or
- premiums are being waived under the Waiver of Premium Benefit.

Plan Conditions

In the event of an increase, a new premium will be calculated to incorporate the increased Benefit Amount. This calculation will also take into account the life insured's age and premium type, (i.e. the stepped or level premium). We will not take into account any changes in the life insured's health, occupation or pastimes.

The maximum amount that the Benefit Amount can be increased to under the Inflation Protection Benefit is:

- $30,000 a month for the Income Protection Plan and Income Protection Plan Plus;
- $3,000 a month for the Retirement Protection Option; and
- $15,000 a month for the Disability Plus Option.

Increases under the Inflation Protection Benefit will cease on the earlier of:

- when you ask us not to increase the Benefit Amount; or
- the Policy anniversary prior to the life insured's 65th birthday.

Elective Surgery Benefit
Under the Elective Surgery Benefit the life insured will be considered to be Totally Disabled due to Sickness when Total Disability results from:

- surgery to transplant part of the life insured's body to someone else;
- surgery to improve the life insured's appearance; or
- elective surgery performed on the advice of a Medical Practitioner.

The Elective Surgery Benefit will not apply if the surgery took place within six months of:

- the Plan start date;
- the date of an applied for increase (but only in respect of the increase); or
- the most recent date we agreed to reinstate the Plan.

Concurrent Disability Benefit
Under certain circumstances a life insured may become Totally or Partially disabled as a result of separate and distinct Sicknesses or Injuries. In this instance claim entitlements under benefits, which are not payable concurrently, will be calculated in line with the Plan Condition which provides the highest payment.

Recurrent Disability Benefit
When the life insured makes a claim on the Total or Partial Disability Benefit we understand that in certain circumstances the condition may reoccur from the same or a related cause during the term of the Plan. Where this happens within six months of the claim ending it will be considered a continuation of the claim.

While the Waiting Period will not be reapplied all periods of claim will be added together for the purpose of assessing the maximum Benefit Period.

If the selected Benefit Period is one, two or five years this is the most we will pay for any one or related Sickness or Injury during the term of the Plan.

If the life insured has both:

- income protection cover provided through a superannuation fund with a two year Benefit Period; and
- a TOWER Income Protection Plan with a two year Waiting Period and a Benefit Period of five years or to age 65, and

claims under the Recurrent Disability Benefit on the superannuation contract, TOWER will use the original start date of the claim for calculation of benefit entitlements under the Income Protection Plan.

Waiver of Premium Benefit
The Waiver of Premium Benefit applies when Total or Partial Disability payments have accrued. This includes payments under the Scheduled Injury Benefit and Scheduled Illness Option. In this instance the daily proportion of premiums due in respect of the life insured under the Income Protection Plan will be waived.

The Waiver of Premium Benefit:

- starts to accrue from the first day of the Waiting Period;
- applies immediately after the Waiting Period for any premiums paid during the Waiting Period and monthly in arrears for subsequent premiums; and
- will stop on the earliest of the following events;
  - the life insured no longer being Totally Disabled or Partially Disabled; or
  - the end of the Benefit Period.

Extended Care Benefit
The Extended Care Benefit applies when the life insured reaches the Income Protection Plan end date. Cover under the Plan will continue unless:

- you ask us not to continue it;
- a claim has been paid under the Income Protection Plan in the 13 months prior to the Plan end date;
- the Income Protection Plan or any underwritten increase in the Plan has been current for less than 10 years at the Plan end date;
- the Income Protection Plan was reinstated within 10 years of the Plan end date; or
- the Income Protection Plan was issued on other than our standard rate of premium or with the application of a special condition.

Under the Extended Care Benefit:

- the only benefit that applies is the Total Disability Benefit, which is subject to the Plan Exclusions and Plan Adjustments;
- the Inflation Protection Benefit will not apply;

- the definition of Total Disability alters to 'solely because of a Sickness or Injury the life insured is permanently unable to perform at least two of the five Activities of Daily Living without the physical assistance of another person';
- when the life insured is Totally Disabled, the lesser of:
  - the Benefit Amount; or
  - $5,000 (increased by the indexation factor from the Plan start date to the Plan end date) per month is payable until the end of the Benefit Period;
- the Benefit Period ends on the earlier of:
  - the death of the life insured; or
  - the Policy anniversary prior to the life insured's 100th birthday; and
- premiums will be based on the age of the life insured at the Plan end date and will continue on a level premium basis.

Rehabilitation Expense Reimbursement Benefit
When you spend money directly towards the effective rehabilitation of the life insured through a Rehabilitation Program, these funds will be reimbursed immediately (less amounts reimbursed from elsewhere) subject to:

- our written approval of expenditure before it is incurred; and
- a maximum allowable reimbursement of six times the Benefit Amount.

It should be noted that the cost of medical consultations and medical therapy consultations will not be reimbursed.

Scheduled Injury Benefit
When the life insured suffers an insured event in the following table, Total Disability will be deemed to exist for the payment period shown. The Total Disability Benefit for the Income Protection Plan will be paid in line with the payment period, however, the Waiting Period will not apply.

Should you have the Retirement Protection and/or Disability Plus options, payment will be made if the Plan Conditions for these options are met.

You have the choice of having benefits paid in advance for the first six months of any payment period, and monthly in arrears thereafter, or monthly in arrears for the entire payment period.

Payment will stop on the earliest of the following events:

- the expiry of the payment period shown;
- the end of the Benefit Period; or
- the term of the Plan finishing.

At the expiry of the payment period the life insured may be eligible for other benefits based on the appropriate Plan Conditions being satisfied.

Insured Event	Payment Period (in months)
Paralysis*	60
Loss of:	
Both feet or hands or sight in both eyes	24
Any combination of two of, a hand, a foot and sight in one eye	24
One leg or arm	18
One foot or hand or sight in one eye	12
The thumb and index finger of the same hand	6
Fracture of the:	
Thigh or pelvis	3
Leg (between the knee and foot), knee cap, upper arm, shoulder bone or jaw	2
Forearm (above the wrist), collarbone or heel	1

* In the event of Paralysis where the Benefit Period is one or two years, Total Disability will be deemed to exist for the same period as the Benefit Period.

Plan Conditions

Loss means the total and permanent loss of:

- the use of the hand or foot from the wrist or ankle joint;
- the use of the arm or leg from the elbow or knee joint;
- the use of the thumb and index finger from the first phalange joint; or
- sight, to the extent that visual acuity in the eye, on a Snellen Scale after correction by a suitable lens, is less than 6/60.

Fracture means a bone fracture requiring the application of a plaster cast or similar immobilising device.

When the life insured is eligible for payment under the Day One Accident Option, Scheduled Illness Option and the Scheduled Injury Benefit, the greater of these benefit payments will be paid.

Rehabilitation Benefit (IPP Plus only)
The Rehabilitation Benefit applies when the life insured has been Totally Disabled, is still Totally or Partially Disabled and, as a result, actively participates in a Rehabilitation Program that:

- is approved by us in writing before the life insured participates; and
- we agree will lead to reasonable opportunities for the life insured to work in a Gainful Occupation.

If the Rehabilitation Benefit applies, the amount paid will be 50% of the Benefit Amount, in addition to the Total Disability Benefit.

The Rehabilitation Benefit:

- starts to accrue from the day the life insured actively participates in the Rehabilitation Program;
- is paid monthly in arrears; and
- will stop on the earliest of the following events:
  - the life insured no longer being Totally or Partially Disabled;
  - the end of the Benefit Period;
  - the Plan end date;
  - the life insured no longer actively participating in the Rehabilitation Program;
  - 12 months Rehabilitation Benefit being paid for any one claim; or
  - when we believe that the Rehabilitation Program will no longer lead to reasonable opportunities of re-employment.

Overseas Assistance Benefit (IPP Plus only)
When the life insured is outside Australia and is Totally Disabled for 30 consecutive days and chooses to return to Australia while Totally Disabled, the Overseas Assistance Benefit will be paid.

If the Overseas Assistance Benefit applies the amount paid will be a reimbursement of the costs directly incurred by the life insured in returning to Australia, less amounts reimbursed from elsewhere, to a maximum of three times the Benefit Amount for any one claim. Air fare costs reimbursed will be in line with those that are medically necessary.

Accommodation Benefit (IPP Plus only)
The Accommodation Benefit will be paid when the life insured is Totally Disabled more than 100 kilometres from the life insured's usual place of residence, or the life insured is Totally Disabled and, on the advice of a Medical Practitioner for reasons associated with the Total Disability, travels to a place more than 100 kilometres from the life insured's usual place of residence, and:

- the life insured is bed confined; and
- an Immediate Family Member of the life insured is accommodated more than 100 kilometres from their usual place of residence but near where the life insured is Bed Confined.

If the Accommodation Benefit applies, the amount paid will be a reimbursement of the cost of accommodation of the Immediate Family Member of the life insured, to a daily maximum of $250 (increased by the Indexation Factor from 10 April 2006), less amounts reimbursed from elsewhere.

The Accommodation Benefit:

- starts to accrue when the expenditure is incurred;
- is paid monthly in arrears; and
- will stop on the earliest of the following events:
  - the life insured no longer being Bed Confined;
  - the end of the Benefit Period;
  - the Plan end date;
  - the Immediate Family Member no longer needing accommodation near the life insured; or
  - 30 days Accommodation Benefit being paid for any one Total Disability.

Bed Confinement (IPP Plus only)
The Bed Confinement Benefit will be paid when the life insured is Bed Confined during the Waiting Period for three days or more. The amount to be paid will be 1/30th of the Benefit Amount for each day of Bed Confinement.

The Bed Confinement Benefit:

- starts to accrue from the first day of the Waiting Period;
- is paid monthly in arrears; and
- will stop on the earliest of the following events:
  - the end of the Waiting Period;
  - the Plan end date;
  - the end of Bed Confinement; or
  - payments equalling three times the Benefit Amount.

Family Support Benefit (IPP Plus only)
The Family Support Benefit will be paid when the life insured is Totally Disabled and Bed Confined for 30 consecutive days, and:

- an Immediate Family Member of the life insured stops being in a Gainful Occupation to provide care and assistance to the life insured; or
- the treating Medical Practitioner recommends that a Registered Nurse is employed to provide care and assistance to the life insured.

If the Family Support Benefit applies, the monthly amount paid will be the lesser of the following:

- $3,000 (increased by the Indexation Factor from 10 April 2006);
- the Benefit Amount; or
- the loss of earnings suffered by the Immediate Family Member, or the cost of the Registered Nurse deemed necessary;

less amounts reimbursed from elsewhere.

The Family Support Benefit:

- starts to accrue when the life insured has been Totally Disabled for 30 consecutive days and the loss or expenditure is incurred;
- is paid monthly in arrears; and
- will stop on the earliest of:
  - the life insured no longer being Totally Disabled;
  - the end of the Benefit Period;
  - the Plan end date; or
  - three months Family Support Benefit being paid for any one Total Disability.

Housekeeper Benefit (IPP Plus only)
The Housekeeper Benefit will be paid when:

- the life insured is Totally Disabled for 30 consecutive days; and
- the life insured is Bed Confined at the life insured's usual place of residence; and
- the life insured needs to rely totally on another person, other than an Immediate Family Member, for housekeeping.

If the Housekeeper Benefit applies, the monthly amount paid is the least of the following:

- $3,000 (increased by the Indexation Factor from 10 April 2006);
- the Benefit Amount; or
- the cost of the housekeeper, less amounts reimbursed from elsewhere.

The Housekeeper Benefit:

- starts to accrue when the life insured has been Totally Disabled for 30 consecutive days and the expenditure is incurred;
- is paid monthly in arrears; and
- will stop on the earliest of the following events:
  - the life insured no longer being Totally Disabled;
  - the end of the Benefit Period;
  - the Plan end date;
  - the life insured no longer being Bed Confined;
  - the life insured no longer needing to totally rely on another person for housekeeping; or
  - six months Housekeeper Benefit being paid for any one Total Disability.

Job Security Benefit (IPP Plus only)
The Job Security Benefit will be paid when the life insured:

- does not directly or indirectly own all or part of the business in which the Own Occupation of the life insured is performed; and
- has been Totally Disabled for two consecutive months and subsequently returns to a Gainful Occupation with the same employer with whom the life insured was working prior to being Totally Disabled.

Payment will be to the life insured's employer and the amount paid will be one times the Benefit Amount for any one Total Disability.

Return To Work Benefit (IPP Plus only)
The Return to Work Benefit will be paid when the life insured returns to a Gainful Occupation after having been in receipt of the Rehabilitation Benefit for at least three consecutive months.

If the Return to Work Benefit applies, the amount paid will be one times the Benefit Amount on each of the following:

- the life insured starting in a Gainful Occupation for 30 hours a week or more;
- the life insured continuing in that Gainful Occupation for three consecutive months for 30 hours a week or more; and
- the life insured continuing in that Gainful Occupation for six consecutive months for 30 hours a week or more.

The Return to Work Benefit:

- starts to accrue when the life insured starts in a Gainful Occupation for 30 hours a week or more;
- is paid in arrears; and
- will stop on the earliest of the following events:
  - the end of the Benefit Period;
  - the Plan end date;
  - the life insured no longer being in a Gainful Occupation for 30 hours a week or more; or
  - three times the Benefit Amount being paid for any one Total or Partial Disability.

Plan Conditions

Benefit Options at Additional Cost
A range of optional benefits are available at additional cost. The Policy conditions relating to these optional benefits are set out below. It should be noted that the following benefit options only apply if indicated in your Policy Certificate.

Scheduled Illness Option
When the life insured suffers a Crisis Event listed below, Total Disability will be deemed to exist for six months. The Total Disability Benefit for the Income Protection Plan will be paid for six months, however the Waiting Period will not apply.

Should you be already receiving a Total or Partial Disability Benefit under the Income Protection Plan when the Crisis Event occurs, the total benefit payable will not exceed the Benefit Amount.

We will only pay a benefit for one Scheduled Illness Option Crisis Event occurring in any six month period. This period will be deemed to have commenced on the date of the first Crisis Event.

Should you have the Retirement Protection and/or Disability Plus options, payment will be made if the Plan Conditions for these options are met.

Payment will stop on the earliest of the following events:

- the expiry of six months;
- the end of the Benefit Period; or
- the Plan end date.

At the end of six months, eligibility for other benefits will be based on appropriate Plan Conditions being satisfied.

You have the choice of having the benefits paid as either:

- a lump sum payment in advance; or
- monthly in arrears.

If you have chosen to receive the benefits monthly (i.e. not as a lump sum) and the life insured dies before the end of six months, we will pay any remaining monthly benefits as a lump sum to their estate.

The Crisis Events covered are:

- Heart conditions
  - Aortic Surgery
  - Cardiomyopathy
  - Coronary Artery Bypass Surgery*
  - Heart Attack*
  - Heart Valve Surgery*
  - Primary Pulmonary Hypertension
  - Triple Vessel Angioplasty*
- Neurological conditions
  - Dementia
  - Encephalitis and Meningitis
  - Meningococcal Disease
  - Motor Neurone Disease
  - Multiple Sclerosis
  - Muscular Dystrophy
  - Paralysis
  - Parkinson's Disease
  - Stroke*
- Blood disorders
  - Aplastic Anaemia
  - Medically Acquired HIV
  - Occupationally Acquired HIV
- Cancer
  - Cancer*
  - Benign Brain Tumour
- Permanent conditions
  - Loss of Independent Existence
- Organ disorders
  - Chronic Kidney Failure
  - Chronic Liver Failure
  - Chronic Lung Failure
  - Coma
  - Loss of Hearing
  - Loss of Speech
  - Major Head Trauma
  - Major Organ Transplant
  - Pneumonectomy
  - Severe Burns

* In the case of these events no benefit will be paid if the condition occurred or was diagnosed, or the circumstances leading to diagnosis became apparent, within three months after:

- the Plan start date;
- the date of an applied-for increase (but only in respect of the increase); or
- the most recent date that we have agreed to reinstate either the Plan or Policy.

These Crisis Events are defined on page 45.

We will only pay once for each Scheduled Illness Option Crisis Event condition under this benefit for the life of the Policy.

When the life insured is eligible for payment under the Scheduled Injury Benefit, Day One Accident Option and Scheduled Illness Option, the greater of these benefit payments will be paid.

The Scheduled Illness Option is only available for waiting periods up to and including 13 weeks.

Increasing Claim Option
When a Total or Partial Disability Benefit is payable and the Increasing Claim Option is included, the Benefit Amount will increase on the anniversary of the commencement of the benefit payments by the lesser of the Indexation Factor and 10%.

The Increasing Claim Option will apply to:

- the Income Protection Plan; and
- if applicable, the Retirement Protection Option and Disability Plus Option.

Premium waiver will be made in line with the Waiver of Premium Benefit.

Retirement Protection Option
When Total or Partial Disability payments have accrued beyond the Waiting Period, the Retirement Protection Option will re-imburse the life insured or the employer of the life insured on behalf of the life insured, for contributions made by either of them to a superannuation fund complying under the Superannuation Industry (Supervision) Act 1993, or any replacement legislation.

If you have chosen 'agreed value' the amount to be reimbursed will be the Retirement Protection Option Benefit Amount stated in your Policy Schedule.

If you have chosen the 'indemnity' option the amount to be reimbursed will be the lesser of the following:

- the Retirement Protection Option Benefit Amount;
- superannuation contributions paid by the life insured or on behalf of the life insured in the 12 months prior to disability; or
- 10% of Pre-Disability Earnings.

The Retirement Protection Option:

- starts to accrue after the Waiting Period ends;
- is paid monthly in arrears; and
- will stop on the earliest of
  - the life insured no longer being Totally or Partially Disabled;
  - the end of the Benefit Period; or
  - the Plan end date.

Disability Plus Option
When Total or Partial Disability payments have accrued beyond the Waiting Period, and the life insured is permanently unable to perform at least two of the five Activities of Daily Living without the physical assistance of another person, the Disability Plus Option Benefit Amount will be paid.

The amount to be paid will be the Disability Plus Option Benefit Amount stated in your Policy Schedule.

The Disability Plus Option:

- starts to accrue after the Waiting Period ends;
- is paid monthly in arrears; and
- will stop on the earliest of the following:
  - the end of the Benefit Period;
  - the Plan end date; or
  - the life insured no longer being permanently unable to perform at least two of the five Activities of Daily Living without the physical assistance of another person.

Day One Accident Option
When the life insured is Totally Disabled for 14 consecutive days, as a result of an Injury, 1/30th of the Benefit Amount will be paid for each day the life insured is Totally Disabled.

Payment will stop on the earliest of:

- the life insured no longer being Totally Disabled;
- the Plan end date; or
- the expiry of 14 days if the Plan has a 14 day Waiting Period, and 28 days if the Plan has a Waiting Period of longer than 14 days.

When the life insured is eligible for payment under the Scheduled Injury Benefit, Scheduled Illness Option and Day One Accident Option, the greater of these benefit payments will be paid.

Plan Exclusions
No payments will be made under the Income Protection Plan or any benefit or option attached to it, if the event giving rise to the claim is caused directly or indirectly by:

- an intentional, self-inflicted act by the life insured; or
- pregnancy, unless disability continues for longer than three months after the pregnancy ends, in which case disability will be considered to have started at the date the pregnancy ends; or
- war or an act of war at any time, even if the disability manifests itself after the war or warlike activity.

No payments will be made under the Scheduled Illness Option unless the life insured survives a Crisis Event for at least 14 days.

Plan Conditions

Plan Adjustments
Adjustments to the Plan only apply to payments under Total and Partial Disability Benefits.

A reduction will only be made if the life insured receives other payments through:

- any other individual or group disability income insurance, credit or mortgage insurance; or
- workers' compensation, common law or statute where such payments are in respect of the disability of the life insured and in calculating the payment the relevant authority did not, or could not, take into account payments due under this Plan; or
- sick leave, where the life insured has accrued entitlements of at least 60 days at the commencement of the Waiting Period and chooses to use those entitlements during the Benefit Period. No adjustment will be made for accumulated sick leave where:
  - the life insured has less than 60 days' accumulated sick leave, or
  - the life insured has at least 60 days' accumulated sick leave but the life insured chooses not to use that leave during the Benefit Period.

If the workers' compensation, common law, or statute payment is received as a lump sum, it will be converted to income on the basis of 1% of the lump sum for each month that a disability benefit is paid. The disability payment will be calculated taking this figure into account for a maximum of eight years.

If a reduction applies it will be to ensure that the Benefit Amount plus the other payments is not greater than 75% of the first $20,833 of pre-disability Monthly Earnings, 50% of the next $12,500, and 25% of the balance. If at the time of application the life insured was classified as a part-time occupation (occupations PAAA, PAA+ and PAA as specified in the Policy Certificate), and a reduction applies, it will be to ensure that the Benefit Amount plus the other payments is not greater than 50% of the first $13,000 of pre-disability monthly earnings.

The amount of the reduction will not exceed the amount of the other payments.

No benefit will be paid when the other payments plus the monthly earnings of the life insured in the month to be paid, is greater than or equal to 100% of pre-disability earnings.

In those months that a benefit payment is reduced, a proportionate refund of premiums paid for the life insured will be made. The refund will be A x B, where:

A = the percentage reduction in the benefit payment; and

B = the average monthly Income Protection Plan premium (less the premium for benefit options or packages under it) over the 12 months prior to the claim starting.

The refund will be made for the lesser of 12 months or the number of months the Income Protection Plan was current prior to the claim starting.

Cessation of Cover
Cover ends on the earliest of:

- the Plan end date;
- the date we receive the Policy owner's written request to cancel the Policy;
- the Policy lapsing as a result of non-payment of the premium;
- the Policy anniversary prior to the life insured's 65th birthday;
- benefits being paid for the full Benefit Period;
- the death of the life insured.

Business Expense Plan Plan Conditions

The Business Expense Plan only applies under the TOWER Protection Policy for a life insured if indicated in your Policy Certificate.

Benefits

In all cases where we refer to a benefit payment the statement is made on the basis that the Benefit referred to is payable under the terms and conditions of the Policy. We will not pay a benefit if an exclusion applies. Exclusions are explained on page 61. You must also satisfy our claim requirements, explained on page 73.

Total Disability Benefit

If the occupation class of the life insured is AAA, AA+ or AA as specified in the Policy Certificate, the Total Disability Benefit will be paid:

- when the life insured has been either Totally or Partially Disabled for the Waiting Period; and
- then at the conclusion of the Waiting Period remains Totally Disabled.

If the occupation class of the life insured is A or BBB, the Total Disability Benefit will be paid:

- when the life insured has been Totally Disabled for 14 consecutive days during the Waiting Period;
- is either Totally or Partially Disabled for the balance of the Waiting Period; and
- then at the conclusion of the Waiting Period remains Totally Disabled.

The benefit paid will be the lesser of the following amounts:

- the Business Expense Benefit Amount; or
- Business Expenses which relate to the month to be paid less:
  - Business Expenses reimbursed from elsewhere; and
  - that percentage of the turnover of the business which is fairly and reasonably apportioned to the life insured. This will be determined in line with the usual manner the profits and/or losses of the business are divided between the life insured and any co-owners of the business.

The Total Disability Benefit:

- starts to accrue after the Waiting Period ends;
- is paid monthly in arrears; and
- will stop on the earliest of the following events:
  - the life insured no longer being Totally Disabled;
  - the end of the Benefit Period; or
  - the Plan end date.

Partial Disability Benefit

If the occupation class of the life insured is AAA, AA+ or AA as specified in the Policy Certificate, the Partial Disability Benefit will be paid:

- when the life insured has been either Totally or Partially Disabled for the Waiting Period; and
- then at the conclusion of the Waiting Period remains Partially Disabled.

If the occupation class of the life insured is A or BBB, the Partial Disability Benefit will be paid:

- when the life insured has been Totally Disabled for 14 consecutive days during the Waiting Period,
- is either Totally or Partially Disabled for the balance of the Waiting Period; and
- then at the conclusion of the Waiting Period remains Partially Disabled.

The benefit paid will be the lesser of the following amounts:

- the Business Expense Benefit Amount; or
- Business Expenses which relate to the month to be paid less:
  - Business Expenses reimbursed from elsewhere; and
  - that percentage of the turnover of the business which is fairly and reasonably apportioned to the life insured. This will be determined in line with the way in which the profits and/or losses of the business are divided between the life insured and any co-owners of the business.

The Partial Disability Benefit:

- starts to accrue after the Waiting Period ends;
- is paid monthly in arrears; and
- will stop on the earliest of the following events:
  - the life insured no longer being Partially Disabled;
  - the end of the Benefit Period; or
  - the Plan end date.

Note: If a Partial Disability from the same cause immediately follows a period of Total Disability (extending beyond the Waiting Period), the Waiting Period will not start again.

Payment Extension Benefit

The Payment Extension Benefit applies under certain conditions at the end of the Benefit Period. If at the end of the Benefit Period the life insured continues to be Totally or Partially Disabled but the total amount paid is less than 12 times the Business Expense Plan Benefit Amount, the Benefit Period will be extended.

The extension will end on the earliest of the following:

- the expiry of six months;
- the life insured no longer being Totally or Partially Disabled;
- the Plan end date; or
- the total amount paid equalling 12 times the Business Expense Plan Benefit Amount.

Plan Conditions

Lease Extension Benefit
The Lease Extension Benefit will be paid, when:

- at the end of the Benefit Period or Benefit Period extension, the life insured continues to be Totally or Partially Disabled; and
- Business Expenses claimed included lease costs for equipment, motor vehicles or premises fully used in the business and these costs continue beyond the expiry of the Benefit Period and Benefit Period extension.

The amount paid will be the lesser of:

- the life insured's share of monthly ongoing costs of a lease for equipment, motor vehicles or premises that was in place at the time the disability started; or
- 25% of the Business Expense Plan Benefit Amount,

reduced by amounts paid if the items being leased are relet and that percentage of the turnover of the business which is fairly and reasonably apportioned to the life insured.

The Lease Extension Benefit:

- starts to accrue after the expiry of the Benefit Period and Benefit Period extension;
- is reimbursed monthly in arrears; and
- will stop on the earliest of:
  - the expiry of 18 months;
  - the life insured no longer being Totally or Partially Disabled;
  - the term of the Plan finishing; or
  - all applicable leases being assigned or the commitment otherwise stopping.

Loss of Profits Benefit
The Loss of Profits Benefit will be paid when:

- the life insured directly or indirectly owns all or part of the business in which the Own Occupation of the life insured is performed;
- the life insured is Totally Disabled for two consecutive months and subsequently returns to work in the same business and is no longer Totally or Partially Disabled; and
- there is a loss of profits in the business solely because of the life insured having been Totally Disabled.

The monthly amount paid will be the lesser of the following:

- the Business Expense Plan Benefit Amount; or
- 75% of that proportion of the monthly average net profit of the business which is fairly and reasonably apportioned to the life insured, in the tax year immediately prior to the life insured being Totally Disabled; less that proportion of the monthly average net profit (calculated on the same basis) of the business which is fairly and reasonably apportioned to the life insured, in the 12 months after the life insured returned to work in the business.

'Fairly and reasonably apportioned' will be determined in line with the usual manner where the profits and/or losses of the business are divided between the life insured and any co-owners of the business.

After each three months of payment of the Loss of Profits Benefit you will need to provide us, at your expense, with appropriate accounts so that a reconciliation of amounts due and paid can be made. Any difference between what was due and what was paid will be paid by us to you or needs to be paid by you to us, as applicable, within 14 days of the reconciliation being provided.

Subsequent payments are dependent on the above settlement being completed.

The Loss of Profits Benefit:

- is paid monthly in arrears; and
- will stop on the earliest of the following:
  - the life insured becoming Totally or Partially Disabled;
  - the Plan end date;
  - the business no longer incurring a loss of profits solely as a result of the life insured's Total Disability; or
  - 12 months from the date Total or Partial Disability ended.

Inflation Protection Benefit
At each Policy anniversary, we will increase the Benefit Amount under the Plan by the greater of the Indexation Factor and 3%.

This increase will occur on each Policy anniversary unless:

- you tell us that the Inflation Protection Benefit is not to apply to your Policy; or
- premiums are being waived under the Waiver of Premium Benefit.

In the event of an increase, a new premium will be calculated to incorporate the increased Benefit Amount. This calculation will also take into account the life insured's age and premium type, (i.e. the stepped or level premium). We will not take into account any changes in the life insured's health, occupation or pastimes.

The maximum amount that the Benefit Amount can be increased to under the Inflation Protection Benefit is $30,000 a month.

Increases under the Inflation Protection Benefit will cease on the earlier of:

- when you ask us not to increase the Benefit Amount; or
- the Policy anniversary prior to the life insured's 65th birthday.

Elective Surgery Benefit
Under the Elective Surgery Benefit the life insured will be considered to be Totally Disabled due to Sickness when Total Disability results from:

- surgery to transplant part of the life insured's body to someone else;
- surgery to improve the life insured's appearance; or
- elective surgery performed on the advice of a Medical Practitioner.

The Elective Surgery Benefit will not apply if the surgery took place within six months of:

- the Plan start date;
- the date of an applied for increase but only in respect of the increase; or
- the most recent date we agreed to reinstate the Plan.

Recurrent Disability Benefit
When the life insured makes a claim on the Total or Partial Disablity Benefit we understand that in certain circumstances the condition may reoccur from the same or a related cause during the term of the Plan. Where this happens within six months of the claim ending it will be considered a continuation of the claim.

In this case the Waiting Period will not be reapplied, however, all periods of claim will be added together for the purpose of assessing the maximum Benefit Period.

A total of 12 months Benefit Amount is the most we will pay for any one or related Sickness or Injury during the term of the Plan.

Waiver of Premium Benefit
The Waiver of Premium benefit applies when Total or Partial Disability payments have accrued. The daily proportion of premiums due in respect of the life insured under the Business Expense Plan will be waived.

The Waiver of Premium Benefit:

- starts to accrue from the first day of the Waiting Period;
- applies immediately after the Waiting Period for any premiums paid during the Waiting Period and monthly in arrears for subsequent premiums; and
- will stop on the earliest of
  - the life insured no longer being Totally or Partially Disabled; or
  - the end of the Benefit Period.

Plan Exclusions
No payments will be made under the Business Expense Plan if the event giving rise to the claim is caused directly or indirectly by:

- an intentional, self-inflicted act by the life insured; or
- pregnancy, unless disability continues for longer than three months after the pregnancy ends, in which case disability will be considered to have started at the date the pregnancy ends; or
- war or an act of war at any time, even if the disability manifests itself after the war or warlike activity.

Plan Adjustments
Adjustments to the Plan only apply to payments under Total and Partial Disability Benefits.

A reduction will only be made if the life insured receives other payments through any other business expense insurance.

In those months that a benefit payment is reduced, a proportionate refund of premiums paid for the life insured will be made.

The refund will be A x B, where

A = the percentage reduction in the benefit payment; and

B = the average monthly premium over the 12 months prior to the claim starting.

The refund will be made for the lesser of 12 months or the number of months the Business Expense Plan was current prior to the claim starting.

Cessation of Cover
Cover ends on the earliest of:

- the Plan end date;
- the date we receive the Policy owner's written request to cancel the Policy;
- the Policy lapsing as a result of non-payment of the premium;
- the Policy anniversary prior to the life insured's 65th birthday;
- the death of the life insured.

Plan Conditions

Income Protection Plan & Business Expense Plan Plan Definitions

Activities of Daily Living are:
- Bathing - the ability to shower and bathe;
- Dressing - the ability to put on and take off clothing;
- Toileting - the ability to get on and off, and use, the toilet;
- Mobility - the ability to get in and out of bed and a chair; and
- Feeding - the ability to get food from a plate into the mouth.

Bed Confinement and **Bed Confined** mean the life insured has been advised by a Medical Practitioner to remain in or near a bed for a substantial part of each day and under the continuous care of a Registered Nurse.

Benefit Amount under the Income Protection Plan and benefit options attached to it, means the monthly benefit. The amount we pay you is determined by which option you have chosen (agreed value or indemnity) at time of application.

If you have chosen 'agreed value' as specified in the Policy Certificate, the Benefit Amount we will pay is the Benefit Amount shown in your Policy Certificate, inclusive of any indexation increases, and less any Plan Adjustments if applicable.

If you have chosen 'indemnity' as specified in the Policy Certificate, the initial benefit we pay is the lesser of the following amounts:

- the Benefit Amount shown in the Policy Certificate, inclusive of increases by the Indexation Factor; or
- 75% of the first $20,833 of Monthly Earnings, 50% of the next $12,500 and 25% of the balance of the annual earned income, earned by the life insured in the 12 months immediately prior to the Sickness or Injury occurring,

less any Plan Adjustments if applicable.

If you have chosen 'indemnity' as specified in the Policy Certificate and at the time of application were classified as a part-time occupation (occupations PAAA, PAA+ and PAA as specified in the Policy Certificate), the initial benefit we pay is the lesser of the following amounts:

- the Benefit Amount shown in the Policy Certificate, inclusive of increases by the Indexation Factor; or
- 50% of the first $13,000 of Monthly Earnings, earned by the life insured in the 12 months immediately prior to the Sickness or Injury occurring,

less any Plan Adjustments if applicable.

Benefit Amount under the Business Expense Plan means the monthly benefit. The initial benefit we pay is the lesser of the Benefit Amount shown in the Policy Certificate and actual Business Expenses incurred.

Benefit Period means the period when disability benefits accrue. The maximum Benefit Period is shown in your Policy Certificate.

Business Expenses generally includes accounting fees, advertising, audit fees, business insurance premiums, cleaning, costs ordinarily incurred in the employment of non-revenue generating employees, depreciation of equipment (percentage allowed may be limited), electricity, gas, heating, interest payments, leasing costs, professional dues, rates, rent and telephone charges.

Business Expenses of the following kind are generally not included: equipment, fittings, fixtures, implements, merchandise, products or wares, loan principal, personal remuneration, salaries of revenue-generating employees (except the employment of an appropriately qualified replacement for the life insured in the circumstances described above).

When the life insured directly or indirectly owns all or part of the business in which the Own Occupation of the life insured is performed, all or part of any payment which:

- is a payment or expense properly incurred by the business in its normal running as an ongoing concern;
- is not a cost of setting up or winding down the business;
- is not a payment of capital or of a capital, private or domestic nature; and
- could not reasonably be considered to give private benefit to:
  - you or the life insured;
  - an Immediate Family Member of either you or the life insured; or
  - any company, trust or other entity from which you, the life insured, or an Immediate Family Member of either, derive a benefit.

If the life insured is not the sole owner of the business, Business Expenses refers to that percentage of these payments which is fairly and reasonably apportionable to the life insured. This is determined in line with the usual manner the profits and/or losses of the business are divided between the life insured and any co-owners of the business.

The phrase 'the life insured directly or indirectly owns all or part of the business' will include:

- a professional practice; and
- the life insured owning all or part of the business through another legal entity.

If at the time of a claim, business expenses are included that were not incurred or were not incurred to the same extent or at the equivalent time, in the 12 months prior to the disability starting, those expenses will only be included if they are necessary to generate profit to the business during the period of the claim.

Gainful Occupation means an occupation in which the life insured is working and as a result generates Monthly Earnings.

Immediate Family Member means spouse, partner, de facto, children, parents and siblings.

Indexation Factor is the percentage change in the Consumer Price Index (Weighted Average All Capital Cities) as last published by the Australian Bureau of Statistics in respect of the 12 month period finishing on 30 September.

It will be determined at 30 November each year and applied, where indicated, for the following year. If it is not published by 30 November, the Indexation Factor will be calculated based upon a retail price index which we consider replaces it.

If the percentage change in the Consumer Price Index, or any substitute for it, is negative, the Indexation Factor will be taken as zero.

Injury means an accidental bodily Injury suffered by the life insured.

Medical Practitioner means a person who is legally qualified and registered as a Medical Practitioner, other than:

- you or the life insured;
- a business partner of you or the life insured; or
- an Immediate Family Member of you or the life insured.

If practising other than in Australia, the Medical Practitioner must be approved by us and have qualifications equivalent to Australian standards.

Note: Chiropractors, physiotherapists and alternative therapy providers are not regarded as Medical Practitioners.

Monthly Earnings generally includes salary, award superannuation contributions, bonuses, commission, fees, fringe benefits and regular overtime.

When the life insured does not directly or indirectly own all or part of the business in which the Own Occupation of the life insured is performed (ignoring shares in publicly listed companies), Monthly Earnings is the monthly value of the remuneration paid by the employer in respect of the work performed by the life insured. This will be determined by calculating the amount the life insured would have to receive if total remuneration was received as a salary or wage (before income tax is deducted).

When the life insured does directly or indirectly own all or part of the business in which the Own Occupation of the life insured is performed (ignoring shares in publicly listed companies), monthly earnings is:

- the monthly value of remuneration paid by the business to the life insured as a result of personal exertion, and
- the life insured's share of the profits of the business, generated through work performed by the life insured, after the deduction of business expenses, both of which are determined in line with the usual manner that the profits and/or losses of the business are divided between the life insured and any co-owners of the business.

Own Occupation is the occupation in which the life insured was working immediately prior to the Sickness or Injury causing disability, unless the life insured:

- was working in that occupation for less than 10 hours a week; or
- had been employed in that occupation for less than three months; or
- was unemployed or on sabbatical, long service, maternity or paternity leave for more than 12 months,

in which case 'Own Occupation' will be any occupation for which the life insured is suited by training, education or experience.

If the life insured had been working in more than one occupation that meets these criteria, 'Own Occupation' will include all of those occupations.

Partial Disability and **Partially Disabled** mean that, solely because of a Sickness or Injury the life insured:

- is working or capable of working;
- is following the advice of a Medical Practitioner; and
- has suffered a reduction of 20% or more, in the ability to:
  - generate Monthly Earnings; or
  - perform the income producing duties; or
  - maintain the same number of hours worked,

in the life insured's Own Occupation.

Pre-Disability Earnings means:

If you have chosen 'agreed value', the highest average monthly earnings of the life insured for any of the three tax years immediately prior to the Sickness or Injury causing disability.

If a claim occurs in the 12 months subsequent to an underwritten increase in the Benefit Amount for the Income Protection Plan, Pre-Disability Earnings will then have a minimum value of the Benefit Amount (excluding any benefit options) divided by 0.75.

If the life insured suffers a Sickness or Injury while in a Gainful Occupation and monthly earnings reduce as a direct result of the Sickness or Injury, while this continues Pre-Disability Earnings will be the value we agree would have applied at the time the reduction started, provided we are advised within 30 days of the reduction starting.

If you have chosen 'indemnity', the average monthly earnings of the life insured for the 12 months immediately prior to the Sickness or Injury causing disability.

When the life insured is disabled, pre-disability earnings will be increased by the Indexation Factor every 12 months following the date disability started.

Registered Nurse means a person who is legally qualified and registered as a nurse, other than:

- you or the life insured;
- a business partner of you or the life insured; or
- an Immediate Family Member of you or the life insured.

If practising other than in Australia, the Registered Nurse must have qualifications equivalent to Australian standards.

Rehabilitation Program means a program or plan that:

- is designed to assist the insured in returning to work in their Own Occupation; and
- has been approved by an appropriately qualified vocational or rehabilitation specialist.

Sickness means an illness or disease suffered by the life insured, and is diagnosed by a Medical Practitioner.

Total Disability and **Totally Disabled** mean that, solely because of a Sickness or Injury the life insured:

- is not in any Gainful Occupation;
- is following the advice of a Medical Practitioner; and
- has suffered a reduction of 80% or more in the ability to:
  - generate Monthly Earnings; or
  - perform the income producing duties; or
  - maintain the same number of hours worked,

in the life insured's Own Occupation.

Waiting Period means the period of time between the life insured suffering disability and disability benefits starting to accrue.

If the life insured does not consult a Medical Practitioner concerning the Sickness or Injury causing disability within seven days of the Sickness starting, or the Injury occurring, the Waiting Period will start when the life insured consults a Medical Practitioner.

Neither Total nor Partial Disability Benefits are paid during the Waiting Period. Some benefits are paid during the Waiting Period (eg. Bed Confinement) and this is specifically mentioned within the description of those benefits.

War or an act of war means armed aggression, whether declared or not, by a country or organisation, resisted by any other country or organisation.

TOWER Superannuation Fund

TOWER Superannuation Fund

The information contained in this section relates to the TOWER Protection Policy structured through the TOWER Superannuation Fund.

Contact Details
For any assistance please contact TOWER Australian Superannuation Limited, the Trustee (Trustee of the TOWER Superannuation Fund):

Telephone 1800 226 364; or
Facsimile 1800 654 946; or
On our website www.toweraustralia.com.au; or

At our postal address PO Box 142, Milsons Point, NSW 1565.

The contact details for each of the Trustee's state offices are found on the back cover of this document.

Terms used in this Section
Fund means the TOWER Superannuation Fund

Policy means the TOWER Protection Policy.

Plan means the product or products for which you have applied.

Trustee, we, us, and **our** mean TOWER Australian Superannuation Limited, the Trustee of the Fund.

I, my, you and **your** mean the life insured.

The Insurer and **TOWER** mean TOWER Australia Limited.

If a term or word is defined in this section, the first letter will be capitalised. You should consult the Plan Conditions referred to in each Plan to obtain the relevant meaning.

The TOWER Superannuation Fund
This section of the PDS contains important information about the TOWER Superannuation Fund (the Fund).

The Fund
The Fund is a regulated superannuation fund in accordance with the Superannuation Industry (Supervision) Act 1993 (SIS). SIS governs the operation of superannuation funds in Australia.

Trust Deed
The rules governing the Fund are set out in the Trust Deed. While the Trustee is able to amend these rules (under certain restrictions) the Trust Deed may not be amended to reduce your accrued benefits without your consent. The only exception to this is if the reduction is allowed under SIS.

Under the Trust Deed, the Trustee is not generally liable to you for any act or omission other than where the Trustee has failed to act honestly, or where the Trustee has intentionally and/or recklessly failed to exercise the degree of due care and diligence that it was required to exercise.

Do the Trustees have Indemnity?
The Trustee has the right to indemnity from the Fund for all liabilities it may incur, except in the case of fraud, wilful neglect or misconduct. The Trustee has arranged appropriate indemnity insurance to cover any potential liability in this regard.

Insurance cover under the Fund
The Fund is able to provide Insurance cover through the TOWER Protection Policy. You must become a member of the Fund however for life insurance to be arranged in this manner. TOWER will issue the TOWER Protection Policy to the Trustee who will own the Policy issued in respect of your life insurance cover. You will then be the life insured through the Fund.

How do I join?
In order to join you must first complete the Application Form enclosed within this PDS. If your application is accepted, and the Trustee is able to accept your contributions, you will then become a member of the Fund.

What are the contribution rules?
Contributions can only be made to the Fund in accordance with superannuation law. Generally, superannuation contributions can be made to the Fund in the following circumstances:

TOWER Superannuation Fund

Who can contribute?	You	Employer	Spouse
Under age 65	✔	✔ [3]	✔ [1]
Aged 65 to 69	✔ [2]	✔ [3]	✔ [1,2]
Aged 70 to 74	✔ [2]	✔ [3]	
Aged 75		✔ [3]	

1 Subject to requirements under the superannuation and taxation legislation being satisfied
2 Only if the Part Time test (set out below) has been satisfied
3 Generally if employer contributions are made pursuant to the Superannuation Guarantee legislation, in satisfaction of an obligation under a Certified Award or Agreement.
'Part Time' test means the member must have worked at least 40 hours in a period of not more than 30 consecutive days during the financial year in which the contribution is made.

Can I select a beneficiary to receive my death benefit?
Under the operation of the Fund members are permitted to either:

- choose certain categories of membership which affect the payment of a death benefit; or
- make binding nominations as to who is to receive any benefits payable on death and in what proportions.

The following categories of membership are available in the Fund:

Categories Of Membership

Category	Rules of Category – Benefits are payable as follows (subject to superannuation law)
1	A lump sum to the member's spouse (if there is more than one spouse, the proportions to be paid to them will be subject to the Trustee's discretion) at the date of the member's death subject to a maximum of the member's pension Reasonable Benefit Limit (RBL). *
	The balance (if any) to the member's eligible children at the date of the member's death, in equal shares and payable in each case as an Allocated Pension. #
2	Such portion of the benefit as is specified by the member in percentage terms to the member's spouse (if there is more than one spouse, the proportions to be paid to them subject to the Trustee's discretion) at the date of the member's death, as a lump sum. If the member does not specify a percentage, 50% of the benefit shall be payable to the member's spouse.*
	The balance to the member's eligible children at the date of the member's death, in equal shares and payable in each case as an Allocated Pension. #
3	A lump sum to the member's personal representative, subject to a maximum of the member's pension RBL.
	The balance (if any) to the member's eligible children at the date of the member's death, in equal shares and payable in each case as an Allocated Pension. #
4	A lump sum to the member's personal representative, subject to a maximum of the member's pension RBL.
	50% of the balance (if any) to the member's spouse (if there is more than one spouse, the proportions to be paid to them subject to the Trustee's discretion) at the date of the member's death, as an Allocated Pension. *
	The balance (if any) to the member's eligible children at the date of the member's death, in equal shares and payable in each case as an Allocated Pension. #
5	A lump sum to the member's personal representative, subject to a maximum of the member's pension RBL.
	The balance (if any) to the member's spouse (if there is more than one spouse, the proportion to be paid to them subject to the Trustee's discretion) at the date of the member's death, as an Allocated Pension. *
6	A benefit to such one or more of the member's dependants and/or personal representative, in such a manner, form and such proportions (if paying to more than one) as the Trustee in its absolute discretion shall determine.

Category	Rules of Category – Benefits are payable as follows (subject to superannuation law)
7	A lump sum to a person that has or had an Interdependency Relationship with the member at the date of the member's death, subject to a maximum of the member's pension RBL.
	The balance (if any) to the member's eligible children at the date of the member's death, in equal shares and payable in each case as an Allocated Pension. #
8	50% to a person that had an Interdependency Relationship with the member at the date of the member's death, as a lump sum. +
	The balance (if any) to the member's eligible children at the date of the member's death, in equal shares and payable in each case as an Allocated Pension. #
9	A lump sum to the member's personal representative, subject to a maximum of the member's pension RBL.
	50% of the balance to a person that has or had an Interdependency Relationship with the member at the date of the member's death, as an Allocated Pension. +
	The balance (if any) to the member's eligible children at the date of the member's death, in equal shares and payable in each case as an Allocated Pension. #
10	A lump sum to the member's personal representative, subject to a maximum of the member's pension RBL.
	The balance (if any) to a person that has or had an Interdependency Relationship with the member at the date of the member's death, as an Allocated Pension.+
11	A lump sum to the member's spouse (if there is more than one spouse, the proportions to be paid to them subject to the Trustee's discretion) at the date of the member's death, subject to a maximum of the member's pension RBL. *
	The balance (if any) to the member's spouse (if there is more than one spouse, the proportions to be paid to them subject to the Trustee's discretion) at the date of the member's death, payable as an Allocated Pension. *
12	A benefit to the member's spouse (if there is more than one spouse, the proportions to be paid to them subject to the Trustee's discretion) at the date of the member's death, payable as an Allocated Pension. *
13	A benefit to the member's Eligible Children at the date of the member's death, in equal shares payable in each case as an Allocated Pension. #

* The Trustee shall be obliged only to make reasonable enquiries to identify a spouse and, if there is no spouse, the amount shall be paid as a lump sum to the member's personal representative. Spouse for these purposes means the member's legal or de facto spouse.
# The Trustee shall be obliged only to make reasonable enquiries to identify eligible children and, if there are no eligible children, the amount shall be paid as a lump sum to the member's personal representative. Eligible children for these purposes means the member's children (including adopted children, step-children and ex-nuptial children) under the age of 18 at the date of death.
+ The Trustee shall be obliged only to make reasonable enquiries to identify a person that has or had an Interdependency Relationship with the member and if there is no such person, the amount shall be paid as a lump sum to the member's personal representative.

Binding Nominations
A binding nomination may be given by the member to the Trustee, if permitted by the Trustee, on or after a date specified by the Trustee, in which case the following provisions apply:

- if, at the time of the member's death, the Trustee holds a binding nomination which is valid, subject to SIS and any other applicable law the Trustee shall, in accordance with the binding nomination, pay the member's benefit to each nominee entitled to receive a benefit, with any balance (whether arising from the nomination not being effective for a nominee or from a nominee not being paid because of SIS or any other applicable law) paid as a lump sum to the member's personal representative;
- if, at the time of the member's death, the Trustee does not hold a binding nomination which is valid, the Trustee shall pay the member's benefit as a lump sum to the member's personal representative.

A point to consider is that any binding nomination made by a member only remains valid for three years, at which time it will expire. It is the member's responsibility to review their binding nomination regularly and renew their nomination or advise us of appropriate changes to meet personal circumstances (such as in the case of marriage or divorce).

If a portion of a benefit cannot be paid to a specified beneficiary for any reason, then that portion of the benefit will be paid to the member's personal representative (estate).

Superannuation law requires that if you are selecting a binding nomination, you must sign the application in the presence of two witnesses. The witnesses must have turned at least age 18, and must not be nominated as beneficiaries. All signatures should be signed using the same pen and with all signatories present.

If you are picking category 1 to 13 you do not need to have your signature witnessed.

You have the option to change categories or move from a category to a binding nomination at any time by completing the Death Benefit Nomination form. This form is available by contacting our Customer Service Centre on 1800 226 364.

A member's benefit will be paid in accordance with the rules of the category last notified to the Trustee or in accordance with any binding death benefit nomination which is in force (subject in both cases to superannuation law).

Under superannuation law a death benefit can only be paid to the following:

- Member's Spouse (as defined previously);
- Child of the member of any age (including adopted child, step-child and ex-nuptial child);
- The person's legal personal representative;
- Any person who was financially dependent on the member at the time of death; and
- Any person with whom the member had an interdependency relationship.

An interdependency relationship is defined as where two people (whether or not related by family):

- live together; and
- have a close personal relationship; 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.

An interdependency relationship can also exist where there is a close personal relationship between two people who do not satisfy all other criteria of interdependency because either or both of them suffer from a physical, intellectual or psychiatric disability.

When an Allocated Pension is purchased with a portion of a death benefit on behalf of eligible children, the Trustee will invest that portion of the benefit in the manner selected by the eligible child's guardian. The guardian is a person who is the biological parent, step parent, parent through adoption, or person appointed as such by law who has responsibility for the eligible child's financial circumstances. If no investment option has been selected in regard to the TOWER Superannuation Fund Allocated Pension, the Trustee will invest the amount in the TOWER Conservative Portfolio (the default option).

If for any reason a Portfolio is not available at the time of purchasing an Allocated Pension, the Trustee will use its discretion to invest in similar options.

Regular pension payments will be made on a monthly basis. The eligible child's guardian is also permitted to choose the level of pension payments provided they are :

- the minimum Government prescribed level; or
- the maximum Government prescribed level; or
- any amount within these levels.

In the first year of the pension, the minimum and maximum payment levels are calculated with reference to the date of commencement and the balance of the financial year. If the eligible child's guardian does not select a level of pension payments the Trustee will pay the minimum Government prescribed level.

Under the TOWER Superannuation Fund Trust Deed, eligible children and their guardians are not permitted to commute the pension until the eligible child reaches the commutation age. The default commutation age is 18, however the member can elect to choose a different commutation age of either 21 or 25 on page 23 of the Application Form.

When are your superannuation benefits payable?
Other than death benefits, a superannuation benefit can only be paid where the member meets a condition of release under applicable superannuation law.

These circumstances (which are outlined below) include permanent incapacity (which means the member has ceased to be gainfully employed because of ill-health). In this instance payment will be made where the Trustee is satisfied that the member is unlikely to ever again work in gainful employment for which the member is reasonably qualified by education, training or experience.

Other conditions of release are:

- the member has reached age 65; or
- the member has retired and the Trustee is satisfied that the person intends never again to become gainfully employed either on a full time basis or part time basis and has reached their preservation age (the table below will assist you in determining your preservation age); or
- the member has reached their preservation age (as shown in the table below) and the benefit is to be paid in the form of a non-commutable annuity or pension, or a non-commutable allocated pension or annuity; or
- the member has terminated an arrangement of employment on or after age 60; or
- the member permanently leaves Australia, after holding an eligible temporary resident visa; or
- the member suffers severe financial hardship; or
- compassionate grounds.

In all cases benefits will be held in the Fund until the member meets the appropriate condition of release.

What is my preservation age?

When were you born?	Preservation Age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
On or after 1 July 1964	60

Superannuation and family law
Provisions in the Family Law Act enable parties who are married to require superannuation fund trustees to carry out certain actions in relation to superannuation entitlements. Members (married persons only) should note that their spouse will be able to request the Trustee to disclose information in relation to the member's benefit entitlements ('Request for Information'). Members must understand that the Trustee is prohibited by law from informing them that such a request was made. The Trustee will not pass any information sin relation to your present whereabouts to the person making the Request for Information.

Should a couple separate, they can provide the Trustee with certain binding instructions that either flag the benefit, which prevents the trustee from paying the benefit in certain circumstances when it becomes payable, or split the benefit. Splitting the benefit essentially means that the benefit payable from the Fund to the member spouse is reduced by an amount becoming available to the non-member spouse.

The legislation permits the Trustee to charge reasonable fees in respect of these actions. If you are considering such action, the details of fees payable will be provided to you on request and prior to any action being taken.

Members should remember that this legislation does not apply to de facto or same sex couples.

Given the complexity of these laws members should consider specialist legal advice to determine whether they apply it to their individual circumstances. The Trustee is not in a position to provide advice in relation to these matters.

Do I receive an Annual Report?
At least once a year you will be provided with an Annual Report. This Report is provided to assist you in making an informed judgement about the management and financial condition of the Fund.

The latest Annual Report to Members of the Fund and other information is available to you free of charge through your adviser or through TOWER.

General Policy Conditions

General Policy Conditions

Jurisdiction
As the head office of TOWER Australia Limited is based in Sydney, the Policy will be interpreted in accordance with New South Wales law.

References to dollar amounts
You should note that any references to dollar amounts in the Plan Conditions are references to Australian currency. All benefit payments to and from TOWER or the Trustee are also referred to in Australian dollars.

Statutory fund
The Policy will be issued from TOWER's No. 1 Statutory Fund.

Headings
Headings in the Plan Conditions have been included to assist understanding but they do not alter how clauses are to be interpreted. Where the context provides for it, words indicating the singular can be taken to mean the plural and vice versa.

Guarantee of upgrade
Over time we may seek to make changes and improvements to the Plan Conditions. Where there is no increase to the premium rate table as a result, these improved conditions will be included in your Policy. Of course if you as the Policy owner (or the life insured if the Policy is owned by the Trustee) tell us that you do not want the improvements included in your Policy then no changes will be made. The choice is yours.

Naturally if the life insured has any existing symptoms prior to an improved condition being included, then payment under the improved condition may not be made.

Term of Policy and Plan
As soon as TOWER receives and accepts your application for insurance and the first premium is paid your Policy is then in place and starts working for you. The date on which this occurs is known as the Policy or Plan start date (whichever is applicable) and will be shown in the Policy Schedule.

Once your Policy has commenced the overall duration is determined by any one of a number of factors. The easiest way to remember is that the term of your Policy is the period from the Policy start date until the earliest of the following:

- all Plans under the Policy ceasing for all lives insured;
- TOWER receiving a written request from the authorised person/s to cancel;
- the Policy lapsing for non-payment of the premium; or
- all accrued benefits having been paid and no further Plans apply.

A similar approach applies in determining the term of your Plan. The term of your Plan is calculated as the period from the Plan start date until the earliest of:

- the Plan end date;
- TOWER receiving a written request from the authorised person/s to cancel;
- the death of the life insured; or
- the full Benefit Amount being paid under the Life Protection Plan or the Crisis Protection Plan.

When you take out cover you will need to indicate on the Application Form if a Plan is to replace all or part of existing insurance. In this instance the cover provided under the TOWER Plan will not start until the existing insurance has been cancelled.

Cancellations and refunds
Naturally we don't want you to cancel your Policy, but we do understand that sometimes circumstances mean that you need to take this decision. If you do take the decision to cancel your Policy and your premiums are paid yearly or half-yearly you should check with us to see if you are entitled to a refund of part of the premium as per TOWER's Refund Policy.

Policy alterations and increases
If you would like to make changes to your Policy, such as an alteration or an increase, you will need to firstly ensure that the change is possible. Your adviser can assist you with this. TOWER (or the Trustee if applicable) will then contact you to advise if your requested change has been accepted.

Premiums and Charges

Do I have any options regarding the cost?
Just as there are available options to consider in determining an appropriate level of cover, so too are there options in the area of cost. The first and most basic consideration is whether to have the costs calculated on the basis of either a stepped or level premium approach.

If you select stepped premiums the amount you pay will be based on the life insured's age at each Policy anniversary. This generally means your premium will increase each year.

If you select level premiums the amount you pay will be based on the life insured's age at the start of the Plan. This generally means your premium will only increase if:

- you include a new Plan or benefit option in your Plan;
- your Benefit Amount increases, including through the Inflation Protection Benefit;
- the Policy fee increases;
- the rates in the premium rate table increase;
- Policy discounts no longer apply; or
- government duties or charges increase.

Naturally if you choose to increase your cover, the rates used to calculate premiums for the alteration will be based on the life insured's age at that time.

Will the costs change?
In calculating the cost of the insurance we use premium rate tables that take into account a range of factors relating to the insurance purchased by you. This table only changes if we receive advice from our actuary, so if the costs change in relation to your Policy, these same changes will apply to a group of policies under the same premium rate table or occupation class, not just your Policy. As we discussed above in relation to Policy costs, any change in the new premium you pay will also include government duties and may include a Policy fee.

Please rest assured that if we do increase our premium rate tables you will be advised in writing at least 30 days prior to the increase taking effect.

In a similar fashion any increases that occur as a result of changes in government duties will also be advised to you in writing.

The Policy fee is included as part of each premium or premium instalment. It will also be included in your Policy Schedule. This fee will not increase each year by more than the greater of the Indexation Factor or 3%.

The Policy fee changes with different premium options:

Premium frequency	Per instalment	Annual equivalent
Yearly	$55.00	$55.00
Half Yearly	$27.50	$55.00
Quarterly	$15.00	$60.00
Monthly	$5.00	$60.00

How often do I have to pay?
In terms of payment options you can choose to pay your premiums yearly, half-yearly, quarterly or monthly.

If you are looking to save some money then you should look closely at paying either half yearly or yearly. In contrast a frequency loading of 9% applies to payments made for monthly or quarterly premiums.

Of course for convenience you can choose to pay by direct debit. Under this option deductions will be made on or around the due date, as dictated by weekends and public holidays. If you are paying in this manner you may wish to check first to see if your financial institution charges you a fee for this type of payment.

Payment by credit card is yet another convenient option available to you. If you do select to pay your premiums by credit card, you should be aware that we may pass any related charges on to you.

All premiums are payable in advance, by the due date shown in your Policy Schedule.

What happens if I forget to pay?
Without your first premium the Policy will be deemed to have never commenced and no cover will be provided. For this reason it is vitally important that your first premium is paid on time.

If for any subsequent payments, we do not receive the premium payment when it is due you will be sent a reminder notice and we allow you a grace period of 30 days in which to pay the premium. The grace period is provided because we understand that sometimes circumstances simply do not allow you to pay on the due date. We urge you to ensure regular payments are made to ensure continuation of the coverage you selected.

General Policy Conditions

Of course if you do not pay the premium by the end of the grace period stated in your reminder notice, we will unfortunately be forced to take action and your Policy may lapse. If this happens you will need to apply to have it reinstated if you require continuation of the cover at a later time.

While we would obviously prefer it if your Policy did not lapse, you are able to apply for reinstatement of a lapsed Policy within a 12 month period. To do this a reinstatement application must be completed. This application will be subject to underwriting and extra information may be required in order to satisfy these requirements. What we mean by underwriting is a process by which we assess risks associated with accepting your application. The process is based on the life to be insured's health and other relevant factors, for example occupation and income.

If you do wish to reinstate a lapsed Policy you will also be required to pay all premium arrears. If the Policy has lapsed for more than 12 months you can choose to apply for a new Policy, however any new Policy application will be subject to full underwriting.

You should be aware that we do reserve the right to decline an application for reinstatement if you allow the Policy to repeatedly lapse, or on the basis of our underwriting assessment of the life insured's health at the time you ask us to reinstate your Policy.

You should also understand that if we reinstate your Policy or any Plan under it, no claim payment will be made for:

- any Injury or death which occurred while your Policy or Plan was lapsed; or
- any Sickness, including Terminal Illness, which became apparent while your Policy or Plan was lapsed.

In order for a claim to be paid, an event giving rise to a claim must occur while the Policy or Plan is current.

If a claim is payable after your premium is due, but before your Policy lapses, we will pay the claim in line with the Policy conditions. When this occurs any outstanding premiums will be deducted from the claim amount.

If your premiums are not paid yearly, we will deduct the balance of the current year's premium when a claim payment results in the Policy or Plan ending.

Claims

How to make a claim

If you wish to make a claim against a Policy, please contact us at the earliest possible opportunity. Our contact details can be found on the back cover of this document. Contacting us as soon as possible allows us to begin the assessment process and identify any opportunities where further assistance can be provided.

If you are intending to claim disability benefits under the Income Protection Plan and/or Business Expense Plan, a case manager will be appointed to look after your claim. Your case manager will contact you as soon as they are appointed to discuss the circumstances of the life insured's condition and needs at that time. The case manager will also require information to allow him/her to determine how to best assess your claim. The information they gather will determine which definition (income, hours, or duties) will be used to assess your claim in order to best suit your circumstances.

Our claim requirements will be sent to you and once it has been returned assessment of your claim will commence.

We understand that in some cases making a claim can be a stressful process, particularly if you are in ill health or incapacitated in any way. We urge you and the life insured (if applicable) to cooperate in providing the case manager with the necessary information as quickly as possible. It is only when this information is made available that the case manager will be able to determine the life insured's eligibility and the extent of any claim benefits in line with your application.

Once the assessment has been concluded the case manager will then advise you in writing of the decision that has been made.

Event giving rise to a claim

An event giving rise to a claim must occur at a time while cover is provided under the relevant Plan. Claim payments can only be made, start to accrue or continue while the appropriate cover is in place.

To ensure we are able to assist you in an efficient manner you will need to provide us with advice in writing of any event that gives rise to a claim. This should be done as soon as reasonably possible otherwise claim payments may be reduced to the extent that the ability to assess the claim has been prejudiced by the delay in being able to adequately assess the claim.

Claim requirements at your expense

In order to adequately assess the claim we will require the following:

- proof of the event for which a claim is being made;
- for Income Protection Plan and Business Expense Plan, a monthly medical certificate in a form to be determined by the case manager;
- proof of payment, when a claim for reimbursement is being made; and
- proof of age (unless previously provided).

You may also need to provide:

- proof of Policy ownership; and
- a signed discharge from an authorised person.

For the Income Protection Plan and Business Expense Plan you will be advised if you are required to provide:

- verification of the life insured's Monthly Earnings and Business Expenses stated in the application; and/or
- verification of the life insured's Monthly Earnings and Business Expenses before and after the event giving rise to your claim.

Subject to the duty of disclosure, if proof of income of the life insured's Monthly Earnings has been provided at the time of the application being submitted, this will not need to be submitted again at the time of claim to justify the Benefit Amount for agreed value contracts.

You will need to meet any costs incurred in supplying the appropriate documents to verify the claim you are making.

Claim requirements at TOWER's expense

In addition to the above information you will be advised if any other requirements need to be satisfied. If TOWER subsequently requests that further requirements be satisfied, we will meet any costs that you incur in order to satisfy such requirements. Depending on the type of claim, you may be required to provide some or all of the following:

Medical requirements:

- an examination of the life insured by a Medical Practitioner of our choice. This may involve imaging studies and clinical, histological and laboratory evidence;
- confirmatory assessment or diagnosis by a specialist Medical Practitioner of our choice; and
- proof that a surgical procedure was medically necessary and was the usual treatment for the underlying condition.

For Terminal Illness benefit claims you will normally only need to provide a medical certificate from the treating medical specialist. However, we reserve the right to obtain any additional information that we deem necessary to assess your claim.

General Policy Conditions

Financial requirements:

- an audit of the life insured's business and personal financial circumstances as often as is required. This may include auditing documents that constitute a legal requirement such as business and personal taxation returns and profit & loss statements.

Interview requirements:

- you and the life insured (if applicable) may be required to attend interviews by a member of our staff or someone appointed by us as often as is required to fully consider your claim.

Other information requirements:

- access to details of the life insured's previous medical consultations;
- assessment of current functional and vocational capacity by an appropriately qualified person selected by us;
- obtaining information from various parties, including you and the life insured if applicable, in relation to your claim, by a member of our staff or someone appointed by us, as often as is required. This may include, but not be limited to, details of any previous Injury or Sickness claims in relation to the life insured and details of previous occupation duties.

Following advice of a medical practitioner
Claim payments will be dependent on the life insured following the reasonable advice of a Medical Practitioner. This includes following a recommended course of treatment and rehabilitation for any conditions on which the claim is being made.

If the life insured is in Australia and becomes disabled and subsequently travels or resides overseas, claim payments will only be made if, in travelling or residing overseas, the life insured is following the advice of the treating Medical Practitioner. In this instance the case manager should be advised in advance of the life insured's start date of travel.

Your obligation regarding disability duration and severity
In providing you with this Policy, TOWER has contracted to insure the life insured on the basis of the agreed cover. While TOWER has accepted the risks associated with any potential loss, you and the life insured also have an obligation to mitigate your loss. You and the life insured must not knowingly contribute to the severity or longevity of the life insured's disablement, or your claim may not be accepted.

Claims assessment
Both the eligibility and extent of any claim payments relating to Sickness or Injury of a life insured, will be based solely on the impact of the Sickness or Injury. Under the terms of this Policy we will exclude any claims made on the basis of additional impact due to economic, seasonal or non-medical factors.

If cover is provided under the Income Protection Plan or the Business Expense Plan and a claim is made for a period of disability of less than one month it will be paid on a pro rata basis. The payment will be made at a rate of 1/30th of the Benefit Amount for each day the life insured is Totally or Partially Disabled.

Misstatement of age
The white lie of lowering one's age may be acceptable in some social circumstances; however it can have some unintended consequences for the life insured under this Policy. If for example the age of the life insured has been incorrectly provided and the premium paid is lower than required, any claim payments that are subsequently made will be reduced. This reduction will ensure that any benefits will be equivalent to the amount that the premium paid would have purchased at that time. Of course if the premium paid is higher than required, any overpaid premiums will be refunded.

Payment of claim
If you are legally competent to apply for a claim, all benefits will be paid to you or your legal or personal representative. If you are judged to be not legally competent we will then pay any respective benefits to whom ever we are legally permitted to make payments.

If the Policy is owned by the Trustee or the trustee of a complying superannuation fund, and you are legally competent to apply for a claim payment, all benefits will be paid to the Trustee.

Important Information

Important Information

The following section contains important information relating to all Plans contained within this document. This material includes a range of administrative information relating to premiums and charges, claims and taxation, complaints, interim cover certificates and the cooling off period.

Overview

This document describes a number of different products and it is important to understand both the similarities and differences that exist in the way in which each of these operate.

The TOWER Protection Policy contains a range of Plans and options for you to consider. One of these Plans, the Life Protection Plan, may be issued by TOWER Australia Limited directly to you as the Policy owner, or to TOWER Australian Superannuation Limited as the Policy owner with you as the life insured.

While the decision on the structure is up to you, your choice impacts on the way in which the cover is administered and the way in which any proceeds of the Policy may be distributed.

The following information summarises the important differences between the two ways in which the Protection Policy can be issued.

If you take out the TOWER Protection Policy issued by TOWER Australia Limited (TOWER) directly to you:

- you will become the Policy owner and will be responsible for paying the relevant premium applying to the Policy;
- there can be more than one Policy owner and life insured to the Policy;
- you and the life insured must be Australian residents;
- the Policy will cover a named life insured for benefits which apply to that life insured;
- there can be different amounts and different types of benefit cover for different lives insured;
- separate types of cover can end for different lives insured on different dates; and
- benefits for each life insured are separate and the terms of the Policy will apply separately to each life insured.

A general description of the Plans can be found in Section 3 of this document. Further details on the Plan Conditions can be located in Section 4 and the General Policy Conditions in Section 6.

If you take out the TOWER Protection Policy offered through the TOWER Superannuation Fund (the Fund):

- you will become the life insured, TOWER Australian Superannuation Limited, the Trustee of the Fund (Trustee) will be the Policy Owner and TOWER Australia Limited (TOWER) will be the insurer of the Policy;
- you will be responsible for paying the relevant contributions applying to the Policy;
- there can only be one life insured in relation to this arrangement; and
- any benefit payable under the Policy will, in the first instance, be paid to the Trustee. The Trustee will only release the proceeds of the Policy when you meet a condition of release under the Superannuation Industry (Supervision) Regulations 1994. If you do not meet a condition of release, the monies will continue to be held in the Fund for your benefit until such time as you satisfy a condition of release.

Full details of the benefits offered by the Trustee of the Fund and insured by TOWER are referred to in Sections 3, 4 and 5 of this Product Disclosure Statement.

The Policy you receive

When you decide to purchase the TOWER Protection Policy and we agree to provide cover, you will receive a Policy Schedule and Policy Certificate/s confirming the details of the cover provided. The Policy will consist of:

- the applicable Plan Conditions (Section 4);
- the General Policy Conditions (pages 70 – 73);
- the Policy Schedule; and
- the Policy Certificate/s.

The Policy Schedule and Policy Certificate/s are documents that will be sent to you when your application for insurance is accepted. The Policy Certificate/s simply indicates which benefits and options apply to a life insured.

If the Policy is altered at any time you will receive a new Policy Schedule and Policy Certificate reflecting the agreed changes.

If the Policy is owned by more than one person, it will be owned on a joint tenancy basis.

Policy Conditions

Benefit Amount

When you read through the Plan Conditions in this Product Disclosure Statement you will note that we refer to a Benefit Amount. When we do talk about a Benefit Amount it is in reference to the Benefit Amount under a particular Plan – for example the Benefit under a Life Protection Plan is the amount of cover in place for you under this Plan. Where a Benefit Amount refers to a specific benefit option (such as the Total and Permanent Disability Option) then this will be stated clearly in the text.

If there is a split Benefit Amount under the Income Protection Plan, a reference to the Waiting Period, Benefit Period and Benefit Amount will (unless stated otherwise) refer to each component of the benefit or option.

Important Information

Occupation class

When you apply for insurance cover we look closely at a range of factors to assist us in determining the life insured's risk profile and one of these factors is what is known as Occupation Class. Quite simply an occupation class depends on the type of work the life insured does and the duties involved. Your adviser will be able to talk to you about this and assist in determining the class that will apply to the life insured. When we talk about the occupation class of the life insured within this document the reference will be to the occupation class at the start date of the Plan. This occupation class at the Plan start date will be shown in your Policy Certificate.

Changes to Policy Conditions

When we provide you with a Policy you should read it carefully and store it in a safe place as it provides you with information on the cover provided. The conditions of the Policy can be changed if required, but only if agreed to by both you and TOWER (or the Trustee if applicable). It is important to also note that any change must be confirmed in writing by an authorised member of TOWER's staff.

If you received advice from an adviser in relation to the purchase of a Policy you may wish to again talk to them about any proposed changes. You should understand however that the person providing you with advice in this manner does not have authority to alter the Plan Conditions.

How to apply

Once you have read through this document and decided to purchase the TOWER Protection Policy there are a number of simple steps that you should take. The first and most important step is to complete the Application Form which is enclosed with this Product Disclosure Statement. A signed copy of this document should then be handed to your adviser, who will then send it to us at TOWER.

Please keep this Product Disclosure Statement in a safe place as it provides you with important information relating to your Policy.

It is important that you and the life to be insured comply with the duty of disclosure and complete all the information requested in the Application Form. This information allows TOWER to assess your application for insurance quickly and efficiently.

Duty of disclosure

Before your application for insurance can be accepted, the Policy owner and any life to be insured have a duty to inform us of any matter that the Policy owner or any life to be insured know, or could reasonably be expected to know, is relevant to our decision whether to grant insurance or the terms of that insurance. The same duty applies before the benefits are varied, extended or reinstated. This duty does not apply to a matter that reduces our risk, is common knowledge, that we know or ought to know in the ordinary course of business, or of which does not require disclosure.

The duty of disclosure applies even after your application is completed and submitted until we advise that we have accepted your application.

If the Policy owner or any life to be insured does not disclose relevant matters and, if we had known about them, and would not have granted insurance at all, the benefits can be avoided or reduced within three years from the date of issue or any time if that non-disclosure is fraudulent. Alternatively, we may in some circumstances, within three years of the date, reduce the Benefit Amount to the figure which would have been granted for the premium charged, if all relevant matters had been disclosed.

Premiums and Charges

How much will it cost?

The cost of your insurance cover is dependant on a range of factors. These factors include the type of cover you need, the life insured's age and gender, whether or not the life insured smokes and how often you choose to pay your premiums. On top of that we will also take into account the life insured's occupation, health and personal pastimes. Once we know a little bit about you and the cover you require we can then determine the basic costs involved. Sometimes discounts may apply to certain policies however these may not apply for the full term of your Policy.

On top of the Policy cost the Government then imposes duties and charges which we will include in your premium. A Policy fee may also apply.

To give you an idea of the costs involved our minimum premium is currently $220 a year for a new Policy and $110 a year for an increase to an existing Policy. A table of premium rates is available on request if you require further information on this issue, although we recommend you contact your adviser to obtain an accurate quotation for your circumstances.

When you are provided with a Policy Schedule you should read it carefully. The Schedule will show you the first year's premium amount or the first instalment premium amount. The Premium amount will also include any extra amounts charged to you when we accepted your application or reinstated your Policy or a Plan under it.

Are there any hidden fees?

The simple answer to this question is that there are no hidden fees or charges. We fully describe all of our fees and charges for the Policy in Section 6 of this Product Disclosure Statement.

Can TOWER cancel my Policy?

As long as you are continually paid up to date your Policy will remain current. This means your insurance Policy will continue regardless of any changes in your health, occupation or pastimes.

We will honour claim payments in line with the Policy Conditions if:

- you have complied with the duty of disclosure; and
- you and the life insured have answered all questions in your Application Form honestly and accurately.

Is there anything else I should know?

You should be aware that some Plan Exclusions and Adjustments will apply to your Policy. We would encourage you to read through this document thoroughly and make yourself aware of these conditions. Full details of the Plan Exclusions and Adjustments can be found in the relevant Plan Conditions contained in Section 4 of this Product Disclosure Statement (as applicable). Please also refer to any other Letter of Advice we may have requested you to sign at the time of assessing your Application.

We will send you an annual statement on each Policy anniversary. The Policy anniversary will be shown in your Policy Schedule when the Policy is issued to you. A replacement schedule will be issued to you if there are any changes which affect your Policy.

Please direct any queries you have about your Policy to us on free call 1800 226 364, or to the adviser who assisted you when purchasing your Policy.

Important Information

Taxation

This taxation information is a general statement only and is based on the continuance of present taxation laws and rulings and their interpretation. Your individual circumstances may be different and have not been taken into account in providing this information. It is important, therefore, that you obtain independent, professional taxation advice, specific to your circumstances regarding any tax implications of purchasing a Policy, or investing in or contributing to superannuation.

This Policy is treated as input taxed under the Goods and Services Tax and any cost of GST will be included in the premium rates. An input tax credit will not be available to the Policyholder.

We reserve the right to make changes to this product and premium rates in response to any taxation or other legal changes.

For Income Protection and Business Expense Plans, premiums are generally tax deductible and benefits paid are assessable as income. This is not the case for Life Protection or Crisis Protection Plans. A different position may apply if the Plan is effected for business purposes and you should seek specific advice.

Contributions to a superannuation fund may also be eligible for tax deductions.

Benefits payable under these Plans may be assessed under the capital gains provisions if you are not the original beneficial owner of the Policy (as defined under the Income Tax Assessment Act 1997), and acquired the Policy for consideration. We usually do not deduct or remit tax from claim payments, unless required to by law.

If you have effected your Policy through TOWER Australian Superannuation Limited (the Trustee) the following information is relevant to you.

Are contributions tax deductible?

Individual members

If you are self-employed, substantially self-employed or are a person with no superannuation support you may be eligible for a tax deduction for your personal superannuation contribution (up to certain maximum deductible limits), provided you notify the Fund of your intention to do so. These contributions will be taxable to the Fund at 15%. Generally a person is deemed to be substantially self-employed if their assessable income and reportable fringe benefits from an employer are less than 10% of their total assessable income and reportable fringe benefits.

The amount of the tax deduction is equal to 100% of the first $5,000 per annum of contributions, and 75% of all additional contributions, subject to the maximum deductible limits shown in the table below.

Please note that if you are entitled to a Government co-contribution, you will not be able to claim a tax deduction for your contributions. Please see below for further details on the Government co-contribution scheme.

Employers

Employer contributions (up to the maximum deductible limits) are generally tax deductible to the employer where they are made for the purpose of providing superannuation benefits for an employee or the employee's dependants.

What are the maximum deductible limits?

Maximum deductible contribution limits per employee are age-based flat dollar amounts as follows:

Age in Years	Maximum Deductible Contributions (2005/2006)	Required Contribution for Self Employed (2005/2006)*
Under 35	$14,603	$17,804
35 to 49	$40,560	$52,413
50 and Over	$100,587	$132,449

* Required contribution to achieve the maximum deductible contribution.

The amounts are indexed annually on 1 July each year as advised by the Government.

Are contributions eligible for the Government co-contribution?

In July 2003, the Government co-contribution was introduced to encourage people to make personal contributions to superannuation. Generally, for every $1 an eligible individual contributes to superannuation, the Government will pay $1.50 to their superannuation fund, up to a maximum of $1,500 each year.

The income* level up to which the maximum co-contribution applies is $28,000.

For incomes* above $28,000, the maximum co-contribution will now reduce by $0.05 for each $1.00 of income*, and phase out completely at $58,000.

*Income is assessable income and reportable fringe benefits.

If you are interested in finding out more information about this scheme, speak to your adviser or contact the Australian Taxation Office on 131 020 or at www.ato.gov.au

When does the superannuation surcharge apply?
The Government has abolished the surcharge payable on individual's contributions and relevant termination payments with effect from 1 July 2005, however the surcharge will still apply in respect of the 2004/2005 and earlier financial years.

For the 2004/2005 and earlier financial years, the superannuation surcharge will apply where your adjusted taxable income is greater than the lower income surcharge threshold. The threshold for the 2004/2005 financial year is $99,710.

For the 2004/2005 and earlier financial years, the surcharge will be applied to surchargeable contributions made to the Fund. Surchargeable contributions include any contribution made by your employer (including some or all of certain eligible termination payments from your employer) and personal contributions for which you are entitled to and have claimed a tax deduction.

The surcharge is increased by 1% for each $1,709 of adjusted taxable income earned in excess of $99,710.

A maximum surcharge of 12.5% is payable if your adjusted taxable income is $121,075 or more. If the surcharge applies to you, the Trustee may reduce your cover or benefit.

If you do not provide your Tax File Number (TFN), the surcharge may be payable at the maximum rate regardless of adjusted taxable income. See page 81 for information relating to provision of Tax File Numbers.

Is there any tax on withdrawal?
Superannuation withdrawals (apart from withdrawals made by persons who hold a temporary visa and are permanently departing Australia – see below) are generally referred to as Eligible Termination Payments (ETPs). ETPs have a number of components, which are taxed differently on withdrawal. The various ETP components and their tax treatment are as follows:

Pre-July 1983 and concessional components
5% of these components are included in your assessable income and are taxed at your marginal rate plus the Medicare Levy. The remainder is not taxable.

Post-June 1983 component
The tax treatment of this component depends on your age at the date of withdrawal and the amount withdrawn, as follows:

Your Age	Amount Taxed	Untaxed Rate	Taxed Rate
Under 55	All	30% plus Medicare Levy	20% plus Medicare Levy
55 and over	Up to $129,751*	15% plus Medicare Levy	Nil
55 and over	Over $129,751*	30% plus Medicare Levy	15% plus Medicare Levy

*This amount applies to the 2005/2006 financial year and will be increased in line with Average Weekly Ordinary Time Earnings (AWOTE) as at 1 July each year.

The Medicare Levy applicable in the 2005/2006 financial year is 1.5%. You may pay a higher levy depending on your taxable income and whether or not you hold private patient hospital cover.

Undeducted contributions
No tax is payable on this component.

Excessive component
Amounts in excess of your Reasonable Benefit Limit (RBL) will be taxed at either the highest marginal tax rate, currently 47%, plus the Medicare Levy or 38% plus the Medicare Levy. For more information on RBLs refer to page 79.

Capital Gains Tax exempt component
No tax is payable on this component, provided it is within your RBL.

Post-June 1994 invalidity component
This component arises from invalidity payments made after 30 June 1994.

An invalidity payment is an ETP made to a person whose employment is terminated early (i.e. before the date for normal retirement) because of invalidity.

To have a post-June 1994 invalidity component, you must obtain a certificate from two qualified Medical Practitioners stating that the invalidity is likely to result in you being unlikely to ever be employed in a capacity for which you are reasonably qualified because of education, training or experience.

This component is exempt from tax.

Important Information

Withdrawals made by persons holding an eligible Temporary Residents Visa

Since 1 July 2002, people who have entered Australia on an eligible temporary residents visa, and who subsequently permanently depart Australia, are able to receive payment of any superannuation they have accumulated. The payment will be subject to special withholding tax, to be withheld by the Fund when making any payments.

These superannuation payments will be taxed as follows:

- Undeducted contributions and Post-June 1994 invalidity component - 0%
- Post-June 1983 untaxed element - 40%
- Remainder - 30%

Please note that that this concession does not apply to New Zealand citizens, who do not meet the eligibility criteria.

What tax is payable on death benefits?
Any death benefits paid as a lump sum will be assessed against the deceased member's Pension RBL.

If the benefit is within your Pension RBL:

- benefits paid to your dependants for tax purposes will be exempt from tax;
- payments to non-dependants including children who are 18 and over but are not financially dependent on you at the time of death will be taxed as an ETP except for the taxed element of the post 30 June 1983 component which will be taxed at the rate of 15% plus the Medicare Levy. Insurance benefits may be taxed up to 30% plus the Medicare Levy.

A dependant for tax purposes means your legal or de facto spouse, child under 18 years (including adopted child, step-child and ex-nuptial child), any person financially dependent on you on the date of death and a person with whom you have an interdependency relationship.

Amounts in excess of your pension RBL will be taxed at the highest marginal tax rate (except for the portion that represents the Post-June 1983 taxed component if not excessive which will be taxed at 38%), plus the Medicare Levy.

What are the spouse contribution rules?
The Government allows you to contribute to superannuation on behalf of your spouse and for your spouse to contribute to superannuation for you.

Under these rules, a spouse can make 'eligible spouse' contributions into a superannuation fund as long as the spouse for which contributions are being made (i.e. the receiving spouse) is either under age 65, or if they are aged from 65 to under age 70 they must have worked 40 hours in a consecutive 30 day period in the financial year that contributions were made.

An eligible spouse contribution is a superannuation contribution made in respect of a legal or de facto spouse to a superannuation fund.

Any spouse contributions made are subject to preservation which may mean that the benefit cannot be paid by the fund until the spouse meets a condition of release under applicable superannuation law.

Spouse contribution rebate
Eligible spouses (married or defacto) who make superannuation contributions, may be entitled to a rebate of up to $540 per annum for superannuation contributions made providing the spouse in respect of whom they are made is on a low income or not working.

The rebate is generally equal to 18% of the eligible spouse contributions made, up to a maximum of $3,000. This limit reduces by $1 for every $1 of the receiving spouse's assessable income and reportable fringe benefits that exceed $10,800. No rebate is available if the spouse in respect of whom they are made has assessable income plus reportable fringe benefits of $13,800 or more.

It is your (the taxpayer's) responsibility to maintain a record of eligible spouse contributions made for the purpose of claiming the rebate.

What are the Reasonable Benefit Limits (RBLs)?
The Government limits the amount you can withdraw from superannuation that will qualify for concessional tax treatment. This is known as your RBL.

If you withdraw your superannuation benefits as a lump sum you are entitled to receive up to $648,946 at concessional tax rates. If you elect to receive your superannuation benefits in the form of a complying pension you may qualify for the Pension RBL of $1,297,886.

The lump sum amount of $648,946 will be discounted by 2.5% for each year that you are less than 55 years of age.

These amounts will be indexed on 1 July each year in accordance with the changes in Average Weekly Ordinary Time Earnings (AWOTE). The present figures apply for the year ending 30 June 2006.

Higher RBL amounts may apply if you have established a transitional RBL. For more information on transitional RBLs, please contact your adviser or the Australian Taxation Office.

Do I need to provide my Tax File Number?
Legislation allows your Tax File Number to be used for the following purposes:

- taxing withdrawals from the Fund at a concessional rate;
- assisting you to locate superannuation benefits particularly where you have interests in several funds accumulated over a long period of time;
- passing your Tax File Number to the Australian Tax Office if you receive a benefit or when you have reached aged pension age and have unclaimed superannuation money;
- passing your Tax File Number to a superannuation fund receiving any benefits being transferred; and
- compliance with Superannuation Surcharge arrangements.

The Trustee will request that you supply your Tax File Number. You are, however, under no obligation to provide your Tax File Number.

If you elect not to provide your Tax File Number, the following may apply:

- more tax may be payable on superannuation benefits and contributions than would otherwise apply (however you may be able to reclaim this amount from the Australian Tax Office); and
- it will be more difficult to locate superannuation benefits, particularly if you change jobs and addresses.

These statements concerning the taxation treatment of your benefits are general in nature, and are based on current law. It is important that you obtain your own independent tax advice, both when joining the Fund and in the future. It is important to note that as your circumstances change, so might the tax treatment of your contributions and any other payments made through the Fund.

Important Information

Privacy
TOWER's Privacy Policy explains our approach to managing your personal information.

In this Policy, references to "TOWER", "we" and "our" refer to TOWER Australia Limited and its bodies corporate.

Collection, use and disclosure of personal information

As a financial services company, TOWER collects personal information about you to provide you with the products and services you request. In most instances, we collect your personal information from you when you complete an application form or personal statement, but we may also collect information from you which you provide over the telephone or internet.

In some situations, we may also collect your personal information from a third party, such as your financial planner or adviser, health professional, accountant or another organisation with whom we have an arrangement for the promotion and sale of products offered or distributed by us.

TOWER discloses your personal information to a number of its related entities which assist us in providing you with products or services. TOWER also has a New Zealand parent company and may share some personal information about its customers with that company. New Zealand has privacy legislation in place that is similar to Australia's legislation. TOWER's New Zealand parent company complies with the New Zealand legislation.

TOWER may disclose some of your personal information to external organisations who assist us in administering the products and services we provide to you. This may include, for example, mailing houses, your financial planner or adviser, health professional or account.

Like other financial services companies, there are situations where TOWER may also disclose your personal information in circumstances where it is:

- required by law (such as to the Australian Tax Office); and
- authorised by law (such as where we are obliged to disclose information in the public interest).

We may also use personal information held about you to keep you informed of new products, services or special arrangements, or to conduct marketing activities. We may disclose some personal information about you to our service providers for this purpose.

Accuracy

TOWER relies on the accuracy of the information you provide. If you think that we hold information about you that is incorrect, please contact our Customer Service Centre. If for any reason we decline a request to update your information, we will provide you with details of those reasons.

Access

Under the National Privacy Principles, you are generally entitled to access the personal information we hold about you. If you wish to access that information, you will need to complete a Request for Access to Information Form – this enables us to confirm your identity for security reasons, and to protect your personal information from being sought by a person other than yourself.

To obtain a copy of the Request Form, please contact our Customer Service Centre, or if you would like to obtain further information about how we manage a request for access to personal information, how we manage your information, or obtain a request form, please contact the TOWER Privacy Officer.

Complaints process

If for any reason you are dissatisfied with the handling of your personal information, or a request for access, we encourage you to contact our Complaints Manager.

Contact details

For privacy access requests, or information on TOWER's privacy Policy, please contact:

TOWER Privacy Officer
PO Box 142
Milsons Point NSW 1565

Should you wish to make a complaint relating to your privacy, please contact:

TOWER Complaints Manager
PO Box 142
Milsons Point NSW 1565

Money handling requirements
If we are unable to provide you with the requested insurance after application, any money paid by you will be held in a trust account. This money will be held in this manner until the insurance and/or membership of the Fund (as the case may be) or additional insurance, is ready to be provided or declined, or the money needs to be returned for any other reason. Because monies are expected to remain in this account for only a short period of time, the interest that accrues in that account will be retained. The reason for this is that the administrative complication of calculating interest and returning these additional funds would most likely lead to increased charges if it were adopted.

Any money paid by you is also required to be returned if insurance cannot be issued within a month, or any longer period that is reasonable after receiving the money. In some circumstances (such as where underwriting requirements need to be met or where full details or other requirements have not been provided or satisfied) the money received may remain in the trust account for over one month until the outstanding requirements have been fully satisfied.

Confirmation of transactions
If you would like to confirm any transactions relating to your application or Policy, you are able to do so by phoning the Customer Service Centre on 1800 226 364. If you would prefer this confirmation in writing all you need do is ask the customer service consultant at the time you call and the appropriate process will be established on your behalf.

Direct Debit Request Service Agreement
The Direct Debit Request (DDR) Service Agreement is issued to enable you to understand your rights and responsibilities when making premium payments by direct debit. Under the Agreement money will be debited from your nominated account to meet the premiums for your Policy. It is a simple and effective method of ensuring that your premiums are automatically deducted at the appropriate time. It is recommended that you keep this Agreement in a safe place for future reference.

If any changes are made to the terms of this Agreement you will be provided with at least 14 days notice to allow you to consider any implications. Under the terms of this Agreement all information relating to your nominated financial institution account is guaranteed to be kept confidential, except where required for the purposes of conducting direct debits with your financial institution, or otherwise by law.

Your commitment
If you do commit to a Direct Debit Request Service Agreement you will need to ensure that:

- the account you have nominated can accept direct debits;
- all account holders for this nominated account consent to this Agreement; and
- that there are sufficient funds available in the nominated account, on the due dates, to cover premiums. If there is not, you may incur dishonour fees from your financial institution and your Policy may lapse. Dishonour fees will only be charged by your financial institution.

Where the premium deduction date falls on a weekend or a public holiday, you should understand that the debit will automatically occur on the next business day.

How to make changes
If you wish to make any changes relating to the Agreement you will need to provide at least seven days notice before your next premium due date. This period of notice is applicable to changes such as:

- altering any of your direct debit or financial institution details; or
- stopping or suspending any debits, or cancelling the Agreement completely.

Of course if you do choose to make any changes to the Agreement you will subsequently need to make alternative arrangements for future premiums to continue your Policy.

If you wish to make any of the changes as outlined above, or wish to dispute a debit you should do so in writing. The address for any correspondence is:

TOWER Australia Limited or TOWER Australian Superannuation Limited
PO Box 142
Milsons Point NSW 1565.

We will always respond to your query or dispute in the first instance.

BPAY
For convenience you are also able to pay the Policy premium from a cheque or savings account using BPAY. If you wish to use this method you should contact a participating bank, building society or credit union.

Biller Code: 7955
Ref: See top of page 1 of Application Form (and future renewal notices)

Important Information

Interim Cover
Interim Cover is available under all products and applies from the date that TOWER receives the fully completed Application Form and Personal Statement at either our Head Office or State Office, along with your initial premium cheque or authority to debit your bank account or credit card.

In taking out Interim Cover it is important that you understand it is provided in accordance with the terms and conditions of the interim certificate. You should carefully read the information contained in the interim certificate as it outlines where cover will be provided and under what conditions and exclusions.

This Interim Cover may provide valuable cover for you during the underwriting process. This form of cover is limited to the lesser of a period of 90 days, the date we either accept, offer alternate terms or reject the Application, or the date the Application is withdrawn.

Subject to the applicable restrictions outlined in the interim certificate, this facility will provide you with insurance cover that is being applied for. Please refer to page 85 or 87 (as appropriate) of this document for further details.

Please note that for this cover to apply, a premium must accompany each and every application. Where you have indicated that you will be paying premiums by either Credit Card or Direct Debit then the availability of Interim Cover is confirmed.

If you are going to pay premiums quarterly, half yearly or yearly by cheque, then in all instances we will need to obtain a Deposit Premium with the Application. This should represent at least the equivalent of one month's premium.

If we do not receive any Deposit Premium, then it is important to note that you will not be covered for this extremely valuable Interim Cover.

Complaints

In agreeing to supply you with this Policy we are committed to delivering a service that meets your needs. It is to our mutual benefit that we work together to resolve any issues that may arise. It is our commitment that we will always attempt to satisfactorily answer any questions and resolve any problems or complaints you may have regarding the Policy.

Complaints resolution
From time to time you may have questions about your insurance. Whether your insurance is provided through TOWER Australia Ltd or through the TOWER Superannuation Fund you can rest assured that procedures are in place to deal with any queries and complaints about the operation and management of this Policy. While there are some subtle differences in these procedures depending on how your insurance is provided, the fact is that the opportunity exists for you to have your complaint heard and dealt with in an appropriate manner.

As an initial step you should seek the assistance of your adviser or our customer service consultants. These people are familiar with the product and are happy to answer any of your questions. A customer service consultant is available by calling 1800 226 364.

If you are not satisfied with the response you receive from your queries you can lodge a complaint in writing to either (depending on who is providing your insurance cover) the:

- Complaints Resolution Officer
  TOWER Australia Limited
  PO Box 142
  Milsons Point NSW 1565; or
- Complaints Resolution Officer
  TOWER Superannuation Fund
  PO Box 142
  Milsons Point NSW 1565.

If the Policy has been issued by TOWER Australia Limited our approach is that we will attempt to resolve your complaint within 45 days of the date it is lodged. If we cannot reasonably resolve your complaint within that period, we will inform you of the delay and request your consent to resolving the complaint within 90 days of the date it was lodged.

If the Policy has been issued through the TOWER Superannuation Fund your complaint will also be properly considered and dealt with within 45 days of the receipt of the complaint. If there are special circumstances we will seek your agreement to extend this time frame.

Superannuation Complaints Tribunal
If the Policy has been issued through the TOWER Superannuation Fund you may also choose to have your complaint addressed through the Superannuation Complaints Tribunal. The Tribunal may be contacted if, after 90 days of lodging your complaint the issue has not yet been resolved to your satisfaction. This Tribunal is an independent body which has been established by the Australian Government to assist you and your beneficiaries to resolve certain superannuation complaints. The Tribunal can be contacted on 1300 884 114.

Complaints to the Financial Industry Complaints Service
TOWER is a member of the Financial Industry Complaints Service. This is an industry sponsored service that has been set up to advise and assist consumers with complaints against all financial services companies, including assisting Policyholders to resolve complaints with their life insurance company. It is an independent and impartial body whose decisions are binding on us. You should note that it does not deal with issues relating to any superannuation products.

Before seeking to use them, we naturally suggest that you should first try to resolve your complaint with us. If you are not satisfied with the response or we do not resolve your complaint within 45 days of the date it was lodged, you can contact the Financial Industry Complaints Service by:

Telephone on (03) 9621 2291; or
Freecall 1300 780 808; or
Email fics@fics.asn.au; or

Writing to:
The General Manager
Financial Industry Complaints Service
PO Box 579 Collins Street West
Melbourne VIC 8007

The Financial Industry Complaints Service cannot consider certain complaints, including where the Benefit Amount exceeds a certain limit. The service will advise you whether it can consider your complaint.

Important Information

Cooling off period

Is there a cooling off period?
In presenting you with a range of Plans and options we know it can be delicate to find just the right product to meet your needs. For this reason we have in place what is called a cooling off period. The cooling off period, which applies across all the Plans covered in this Product Disclosure Statement, allows you to reconsider and be confident in the choices you have made. Once you have made your application and you receive notification from us on the terms of the coverage, you have 30 days from the date of our acceptance to check that the Policy meets your needs.

If you have any questions during this cooling off period you should take advantage of the opportunity and talk to your adviser.

Within the 30 days you may send us a request in writing asking us to cancel your Policy. Naturally we don't want to lose your business, but we do want you to be happy with the product you purchased.

If you do choose for whatever reason to cancel your cover within the 30 day period you will then receive a full refund of all premiums paid and no charges will apply. It's that simple.

From a legal perspective there are only two conditions that apply in the cooling off period. These conditions are as follows:

- if notice of acceptance was sent to you by post it will be deemed to have been received by you at the time it would have been delivered in the ordinary course of the post, and
- no refund can be made if a claim has been made under the Policy.

Life Protection Plan structured through the TOWER Superannuation Fund
Where your Policy is structured through superannuation, in refunding the premiums paid you should be aware that this payment is subject to preservation. This means that it may need to be rolled over to another superannuation arrangement rather than be paid in cash. You must do this in writing within one month of advising the Trustee that you are cancelling the Life Protection Plan. If you nominate a superannuation arrangement that does not accept the payment, the Trustee can pay the refund to an eligible rollover fund.

Interim Cover Certificate For TOWER Australia Limited

Name of life to be insured

We will extend Interim Cover to you from the date we have received your fully completed Application Form and the first premium or fully completed Credit Card or DDR authority at our Head Office or a State Office. Interim Cover will be provided to the extent that your Application is not replacing existing comparable cover with us or any other company on the same life to be insured.

The amount for which you are covered under Interim Cover may vary depending on whether the cause of any Interim Cover claim is due to an accident or sickness. Please refer to the section headed Amount Payable below.

Cover will start from the date we receive the Application Form and the first premium or a Credit Card or DDR authority, and will cease upon the earliest of:

- the date we accept your Application (notification of which will be taken as notification of termination of Interim Cover);
- the date you withdraw your Application;
- the expiration of 90 days;
- we advise you in writing that your Application will not be accepted at standard rates or without modification; or
- we advise you in writing that your Application has been declined

We will issue a notice advising when Interim Cover will cease (if it has not already ceased) based on the period of 90 days.

Details of Interim Cover subject to the above terms are as follows:

Death Cover
If you applied for the Life Protection Plan, we will insure the life to be insured against death.

Total and Permanent Disability
If you applied for Total and Permanent Disability Benefits, we will insure the life to be insured against Total and Permanent Disability (TPD). The 'Any' Occupation definition will apply (as defined on page 35). If the life insured suffers TPD prior to your application being accepted by us (but after we receive your Application), this Sickness or Injury will be taken into account in our assessment of your Application once a decision on your Interim Claim is finalised.

Crisis Cover
If you applied for the Crisis Protection Plan, we will insure the life to be insured against the Crisis Events listed within the Crisis Protection Plan that do not have an * next to the named event.

If you applied for the Child's Crisis Option, we will cover the insured child against the Crisis Events listed within the Child's Crisis Option.

If the life to be insured suffers a Crisis Event prior to your application being accepted by us (but after we receive your Application), this Sickness or Injury will be taken into account in our assessment of your Application once a decision on your Interim Claim is finalised.

Income Protection Cover
If you applied for the Income Protection Plan, we will insure the life to be insured should they suffer Total Disability (as defined on page 64).

If the life to be insured suffers a Total Disability prior to your Application being accepted by us (but after we receive your Application), this Sickness or Injury will be taken into account in our assessment of your Application once a decision on your Interim Claim is finalised.

Business Expense Cover
If you applied for the Business Expense Plan, we will insure the life to be insured should they suffer Total Disability (as defined on page 64). If the life to be insured suffers a Total Disability prior to your Application being accepted by us (but after we receive your Application), this Sickness or Injury will be taken into account in our assessment of your Application once a decision on your Interim Claim is finalised.

Amount Payable
Accident
We will cover the life to be insured on the above basis for the Benefit Amount(s) which we would have accepted in the normal course of underwriting to the lesser of, in the relevant case, the amount being applied for or:

- for the Income Protection Plan and Business Expense Plan, a maximum of $10,000 a month, for 12 months;
- for Death cover, a maximum of $1,000,000;
- for Crisis and Total and Permanent Disability cover, a maximum of $500,000; and
- for the Child's Crisis Option, a maximum of $50,000,

to a total payment in respect of all benefits under the Interim Cover Certificate of $1,000,000.

Should more than one Interim Cover certificate apply at the same time, the total payment in respect of all benefits across all Interim Cover certificates is $1,000,000.

Sickness
The purpose of Interim Cover is to provide coverage against unforeseeable events while we assess your application. Should the life insured suffer a sickness which impacts on our ability to continue the underwriting process, it may be necessary to adjust the amount upon which our payment will be based.

For example, if the condition occurred or was first diagnosed, or the circumstances leading to diagnosis first became apparent after the application form was received by us, the amount payable would be the same as outlined in Accident above.

However, if the condition was foreseeable/deemed pre-existing because of earlier diagnosis, or the circumstances leading to diagnosis were/became apparent before we received the application, an adjustment to the amount payable will be made.

This is done because the condition may impact on our ability to follow our usual underwriting process.

If we are still able to complete underwriting, then the amount payable may be the same as outlined in Accident above unless any loadings or exclusions would have applied to your Policy, in which case the benefit amount would have been reduced (please see section "When cover or full cover will not be provided").

However, if our normal underwriting process is impacted by the condition, it may be necessary to reduce the amount of cover for which you have applied to $250,000 (or $3,000 if Income Protection Plan or Business Expense Plan).

This will enable us to reduce our underwriting requirements in an effort to gather sufficient information so as to consider a payment.

Subject to the restrictions to the amount payable, the terms and conditions of the Policy (including but not limited to any applicable exclusions) will govern any payment under the Interim Cover Certificate.

Interim Cover is subject to the underwriting guidelines of TOWER. The amount of Interim Cover (if any) therefore cannot be verified until we complete our assessment of your Application (subject to any special terms or conditions).

When cover or full cover will not be provided
Other than as previously mentioned, cover will also be restricted or may not be available if you or the life to be insured have not met the duty of disclosure, or would not have been entitled to the amount of cover applied for.

If under our standard underwriting guidelines we would have declined your Application, no interim cover is payable.

Any medical conditions existing at the time of your application are excluded from this cover.

Cover is also excluded if the life to be insured engages in any pursuit or occupation which we would not have accepted in the normal course of underwriting.

If under our standard underwriting guidelines we would have modified or applied an additional loading on your Policy as a result of your medical history, we will reduce the level of Interim Cover based on the proposed premium and the terms that we would have offered. For example, if the Policy is loaded by 100%, the level of interim cover will be half of the amount of cover applied for (subject to the maximums stated above). If the Policy is loaded by 200%, the level of interim cover will be a third of the amount of cover applied for (subject to the maximums stated above).

Benefits

You applied to TOWER Australia Ltd for the following:

Life Protection Plan	$	Total & Permanent Disability	$
Income Protection Plan	$	Crisis Protection Plan	$

I, acknowledge receipt of $ made payable to TOWER.

Adviser's Signature Date / /

Interim Cover Certificate For TOWER Australian Superannuation Limited

Name of life to be insured

The insurer will extend Interim Cover to you from the date they have received your fully completed Application Form and the first premium or fully completed Credit Card or DDR authority at their Head Office or a State Office. Interim Cover will be provided to the extent that your Application is not replacing existing comparable cover with the insurer or any other company on the same life to be insured.

The amount for which you are covered under Interim Cover may vary depending on whether the cause of any Interim Cover claim is due to an accident or sickness. Please refer to the section headed Amount Payable below.

Cover will start from the date the insurer receives the Application Form and the first premium or a Credit Card or DDR authority, and will cease upon the earliest of:

- the date the insurer accepts your Application (notification of which will be taken as notification of termination of Interim Cover);
- the date you withdraw your Application;
- the expiration of 90 days;
- the insurer advises you in writing that your Application will not be accepted at standard rates or without modification, or
- the insurer advises you in writing that your Application has been declined

The insurer will issue a notice advising when Interim Cover will cease (if it has not already ceased) based on the period of 90 days.

Details of Interim Cover subject to the above terms are as follows:

Death Cover
If you applied for the Life Protection Plan, the insurer will insure the life to be insured against death.

Total and Permanent Disability
If you applied for Total and Permanent Disability (TPD) Benefits, the insurer will insure the life to be insured against Total and Permanent Disability. The 'Any' Occupation definition will apply (as defined on page 35).

If the life insured suffers TPD prior to your application being accepted by us (but after we receive your Application), this Sickness or Injury will be taken into account in our assessment of your Application once a decision on your Interim Claim is finalised.

Amount Payable
Accident
The insurer will cover the life to be insured on the above basis for the Benefit Amount(s) which they would have accepted in the normal course of underwriting to the lesser of, in the relevant case, the amount being applied for or:

- for Death cover, a maximum of $1,000,000, and
- for Total and Permanent Disability cover, a maximum of $500,000,

to a total payment in respect of all benefits under the Interim Cover Certificate of $1,000,000.

Should more than one Interim Cover certificate apply at the same time, the total payment in respect of all benefits across all Interim Cover certificates is $1,000,000.

Sickness
The purpose of Interim Cover is to provide coverage against unforeseeable events while the insurer assesses your application. Should the life insured suffer a sickness which impacts on the insurer's ability to continue the underwriting process, it may be necessary to adjust the amount upon which the payment will be based.

For example, if the condition occurred or was first diagnosed, or the circumstances leading to diagnosis first became apparent after the application form was received by the insurer, the amount payable would be the same as outlined in Accident above.

However, if the condition was foreseeable/deemed pre-existing because of earlier diagnosis, or the circumstances leading to diagnosis were/became apparent before the insurer received the application, an adjustment to the amount payable will be made.

This is done because the condition may impact on the insurer's ability to follow their usual underwriting process.

If the insurer is still able to complete underwriting, then the amount payable may be the same as outlined in Accident above unless any loadings or exclusions would have applied to your Policy, in which case the benefit amount would have been reduced (please see section "When cover or full cover will not be provided").

However, if the insurer's normal underwriting process is impacted by the condition, it may be necessary to reduce the amount of cover for which you have applied to $250,000. This will enable the insurer to reduce their underwriting requirements in an effort to gather sufficient information so as to consider a payment.

Subject to the restrictions to the amount payable, the terms and conditions of the Policy (including but not limited to any applicable exclusions) will govern any payment under the Interim Cover Certificate.

Interim Cover is subject to the underwriting guidelines of TOWER. The amount of Interim Cover (if any) therefore cannot be verified until they complete their assessment of your Application (subject to any special terms or conditions).

When cover or full cover will not be provided
Other than as previously mentioned, cover will also be restricted or may not be available if you or the life to be insured have not met the duty of disclosure, or would not have been entitled to the amount of cover applied for.

If under the insurer's standard underwriting guidelines the insurer would have declined your Application, no interim cover is payable.

Any medical conditions existing at the time of your application are excluded from this cover.

Cover is also excluded if the life to be insured engages in any pursuit or occupation which the insurer would not have accepted in the normal course of underwriting.

If under the insurer's standard underwriting guidelines they would have modified or applied an additional loading on your Policy as a result of your medical history, the insurer will reduce the level of Interim Cover based on the proposed premium and the terms that the insurer would have offered. For example, if the Policy is loaded by 100%, the level of interim cover will be half of the amount of cover applied for (subject to the maximums stated above). If the Policy is loaded by 200%, the level of interim cover will be a third of the amount of cover applied for (subject to the maximums stated above).

Benefits

You applied to TOWER Australian Superannuation Ltd for the following:

Life Protection Plan $ Total & Permanent Disability $

I, acknowledge receipt of $ made payable to TOWER.

Adviser's Signature Date / /

Intentionally left blank

Intentionally left blank

Intentionally left blank

Intentionally left blank

PROTECTION NOW
FOR THE FUTURE

TOWER Australia Limited
ABN 70 050 109 450
AFSL Number 237848
80 Alfred Street
Milsons Point NSW 2061
Call 02 9448 9000
Fax 02 9448 9100
www.toweraustralia.com.au

New South Wales
Ground Floor, 80 Alfred Street
Milsons Point NSW 2061
Call 02 9448 9000
Fax 02 9448 9510

Victoria
Level 2, 437 St. Kilda Road
Melbourne VIC 3004
Call 03 9823 2100
Fax 03 9823 2101

Queensland
Christie Corporate Centre
320 Adelaide Street
Brisbane QLD 4000
Call 07 3221 7494
Fax 07 3221 7504

South Australia
Level 24, Santos House
91 King William Street
Adelaide SA 5000
Call 08 8233 5863
Fax 08 8233 5864

Western Australia
45 Ventnor Avenue
West Perth WA 6005
Call 08 9429 8860
Fax 08 9429 8870

Tasmania
Level 4, 33 Salamanca Place
Hobart TAS 7000
Call 03 6224 3718
Fax 03 6223 6820

TOWER

T3000/V006