

# Protection*first* range

## Supplementary Product Disclosure Statement ('SPDS')



2 April 2009

### This is an SPDS for the Aviva Protection*first* range Product Disclosure Statement dated 17 October 2008.

You must read this SPDS together with the Aviva Protection*first* range Product Disclosure Statement – dated 17 October 2008 ('PDS').

This SPDS and the PDS cover two separate financial products: life insurance and superannuation.

The life insurance product is called the Aviva Protection*first* Range and is issued by Norwich Union Life Australia Limited ('NULAL', 'the Insurer', 'our', 'we', or 'us') ABN 34 006 783 295 Australian Financial Services Licence Number ('AFSL number') 241686.

The superannuation product is called the Norwich Union Superannuation Trust ('the Trust') ABN 31 919 182 354 and is issued by NULIS Nominees (Australia) Limited ('NULIS' or 'the Trustee') ABN 80 008 515 633 AFSL number 236465. Both products are administered by NULAL.

If you are a member of the Navigator Personal Retirement Plan Division, insurance policies can also be held through the Navigator Personal Retirement Plan Division ('the Plan') ABN 40 022 701 955. The trustee of the Plan is NULIS and the administrator is Navigator Australia Limited ('NAL') ABN 45 006 302 987 AFSL number 236466.

This SPDS highlights the following:

- (i) Inclusion of additional critical and severe illnesses covered
- (ii) Changes to the definition of Waiting Period
- (iii) Changes to the benefits and features
- (iv) Amendment to Maximum Sum Insured
- (v) Updated information relating to eligible dependants
- (vi) Updated Medical Definitions

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### Inclusion of additional critical and severe illnesses covered

**The list of critical illnesses on page 9 of the PDS under the heading Child Critical Illness Benefit (optional at additional cost) is extended to also include the following:**

Benign Intracranial Tumour  
Coma  
Deafness  
Intensive Care  
Loss of Limbs and/or Sight  
Loss of Speech  
Meningitis and/or Meningococcal Disease

**The list of critical illnesses on page 11 of the PDS under the heading Critical Illness Benefit (standard) is extended to also include the following:**

Diabetes  
Intensive Care  
Meningitis and/or Meningococcal Disease

**The list of critical illnesses on page 12 of the PDS under the heading Child Support Benefit (standard) is extended to also include the following:**

Benign Intracranial Tumour  
Coma  
Deafness  
Intensive Care  
Loss of Limbs and/or Sight  
Loss of Speech  
Meningitis and/or Meningococcal Disease

**The list of severe illnesses on page 14 of the PDS under the heading Severe Illness Benefit (optional at additional cost) is extended to also include the following:**

Diabetes – Other  
Male Cancer – Other  
Systemic Lupus Erythematosus with Lupus Nephritis

**The list of critical illnesses on page 17 of the PDS under the heading Critical Illness Benefit (optional at additional cost) is extended to also include the following:**

Diabetes  
Intensive Care  
Meningitis and/or Meningococcal Disease

**The list of critical illnesses on page 20 of the PDS under the heading Critical Illness Benefit (optional at additional cost) is extended to also include the following:**

Diabetes  
Intensive Care  
Meningitis and/or Meningococcal Disease

**The list of critical illnesses on page 27 of the PDS under the heading Child Income Benefit (standard) is extended to also include the following:**

Benign Intracranial Tumour  
Coma  
Deafness  
Intensive Care  
Loss of Limbs and/or Sight  
Loss of Speech  
Meningitis and/or Meningococcal Disease

## Changes to the definition of Waiting Period

**Replace the corresponding section on page 24 of the PDS with the following section below.**

### Waiting Period

You must choose a Waiting Period when taking out your policy. The Waiting Period is the period you must wait before benefits become payable.

Your choice of Waiting Period depends on your choice of Benefit Period and the type of premium (i.e. stepped or level). Your financial adviser will be able to assist you with all these choices.

If you choose a two or five year Benefit Period, you have the choice of Waiting Periods of 14 days, 30 days, 60 days, 90 days and 180 days.

If you choose a Benefit Period to age 60, 65 or 70 years you also have the choice of Waiting Periods of 365 and 730 days. However if you choose a 365 days or 730 days Waiting Period, the Spouse Accommodation Benefit, Nursing Care Benefit, Scheduled Injury Benefit, Emergency Travel Benefit and Rehabilitation Income Benefit are not available.

Generally speaking, the longer the Waiting Period, the lower the insurance premium.

The Waiting Period commences on the date that you receive advice of Disability from a medical practitioner. In circumstances where it can be substantiated that Disability had begun earlier than the date of receiving advice from a medical practitioner, the date of commencement may be backdated by up to seven days with medical certification.

If you return to full time gainful employment during the Waiting Period for five consecutive days or less, the number of days that you were gainfully employed will be added to the Waiting Period.

If you return to full time gainful employment during the Waiting Period for more than five consecutive days, the Waiting Period begins again from the day after the last day you were gainfully employed.

However, if you have an income protection policy with a 730 day Waiting Period as an addition to an existing group income protection cover which has a two year benefit period and you return to full time gainful employment during the Waiting Period for 20 consecutive days or less, the number of days that you were gainfully employed will be added to the Waiting Period. If you return to full time gainful employment during the Waiting Period for more than 20 consecutive days, the Waiting Period begins again from the day after the last day you were gainfully employed.

## Changes to the benefits and features

Replace the corresponding section on page 7 of the PDS with the following section below.

### Waiver of Premium Option (optional at additional cost)

This option provides for future premiums to be waived while you are Totally Disabled for an extended period, or become Retrenched.

If you are Totally Disabled for at least three continuous months then, while Total Disability continues, subsequent premiums falling due are waived up to the policy anniversary prior to your 65th birthday.

For the purposes of the Waiver of Premium Option, you will be considered Totally Disabled if we are satisfied that:

- (a) you have suffered total and irrecoverable loss of the:
  - sight of both eyes, or
  - use of two limbs (where a limb is defined as one whole hand or one whole foot), or
  - sight of one eye and use of one limb, or
- (b) you have been unable to perform your own occupation (or other occupation for which you are suited by education, training or experience) for an uninterrupted period of at least three months due to Sickness or Injury.

Where you are wholly engaged in full time unpaid domestic duties at the date of the event causing Total Disability, then the occupation for which you are suited by education, training or experience is taken to include unpaid domestic duties. In this case you must be disabled to such an extent that you are confined to your place of principal residence unless assisted.

If you become Retrenched we will waive premiums due or paid for a cumulative period of 12 months during the life of the policy.

For the purposes of this option you will be considered Retrenched if, after this policy has been in force for at least 6 months, you become involuntarily unemployed and register with Centrelink or a recognised employment agency.

Premiums for increases or policies effected as a result of Business Protection Option or the Buy-Back Option are not subject to this option.

The maximum age at which the option can be purchased is age 60 next birthday.

This option ceases at the policy anniversary preceding age 65.

Replace the corresponding section on page 24 of the PDS with the following section below.

### Partial Disability Benefit (standard)

If you are Partially Disabled, a proportion of the monthly Sum Insured will be paid to you.

If you are Disabled for longer than the Waiting Period, we will assess the impact of your Partial Disability on your earning ability.

We will pay a proportion of the Monthly Benefit to the Policyowner, at the end of the Waiting Period, due to your Partial Disability only if:

- (i) because of your Partial Disability you have been unable to generate at least 80% of your Pre-Disability Earnings for the duration of the Waiting Period; or
- (ii) your Partial Disability is due to you having suffered a Deemed Disability and at the end of the applicable payment period for Deemed Disability benefits you are still Partially Disabled at the end of the Waiting Period.

If you satisfy one of the above criteria, the proportion we will pay will be:

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

where A is your Pre-Disability Earnings and B is your Monthly Earnings for the month in which Partial Disability is claimed. If, during the first six months of a continuous period of Partial Disability your Monthly Earnings are 20% or less of your Pre-Disability Earnings, we will pay the full Monthly Benefit during those months.

If part a) (iii) of the definition of Partial Disability applies, you are capable of working on a partial basis but you are not working, then we will calculate Monthly Earnings based on what you could reasonably be expected to earn if you were working. We will base this calculation on medical advice (which will include the opinion of your medical practitioner).

If you have suffered a Deemed Disability and at the end of the applicable payment period you are Partially Disabled, the Waiting Period will be deemed to have commenced on the date that you suffered the Deemed Disability, as certified by a medical practitioner.

We will pay the Partial Disability Benefit monthly in arrears. The Partial Disability Benefit will stop at the end of the Benefit Period, or when you cease to be Partially Disabled, whichever occurs first.

**Replace the corresponding section on page 28 of the PDS with the following section below.**

### **Critical Conditions Benefit (standard for Aviva Protection – Income Gold only)**

If you are first diagnosed as suffering from one of the conditions listed below after you have purchased the policy, you will be paid the monthly Sum Insured for six months, even if you are working, provided the critical condition is diagnosed by a medical practitioner and is supported by histological and laboratory evidence as appropriate, depending on the circumstances.

Aplastic Anaemia  
Benign Intracranial Tumour  
Cancer  
Cardiomyopathy  
Chronic Lung Disease  
Coma  
Coronary Artery By-Pass Surgery  
Coronary Artery Disease  
Deafness  
Dementia  
Diabetes  
Encephalitis  
Heart Attack  
Heart Surgery  
Intensive Care  
Liver Disease  
Loss of Independent Existence  
Loss of Speech  
Major Burns  
Major Head Trauma  
Major Organ Transplant  
Medically Acquired HIV Infection  
Meningitis and/or Meningococcal Disease  
Motor Neurone Disease  
Multiple Sclerosis  
Muscular Dystrophy  
Occupationally Acquired Hepatitis B and C  
Occupationally Acquired HIV Infection  
Open Heart Surgery  
Out of Hospital Cardiac Arrest  
Parkinson's Disease  
Pneumonectomy  
Primary Pulmonary Hypertension  
Renal Failure  
Stroke

These critical conditions are defined in the 'Medical Definitions' on page 53.

The Critical Conditions Benefit is payable once for the same type of critical condition until the expiry date of your policy. However it will only be paid for another type of critical condition if you recovered from your prior critical condition, returned to employment and have not been receiving any benefits from this policy for at least six months. The benefit is paid monthly in advance for a total of six months.

The Waiting Period begins upon the date of diagnosing of the critical condition. If you are Disabled at the end of the Critical Conditions Benefit Period, you must wait until the Waiting Period expires before Disability Benefits become payable.

The Critical Conditions Benefit will not be paid:

- (a) if Heart Attack, Cardiomyopathy, Stroke, Benign Intracranial Tumour, Cancer, Heart Surgery, Open Heart Surgery, Coronary Artery By-Pass Surgery or Coronary Artery Disease is diagnosed, or symptoms leading to the diagnosis become reasonably apparent within three months of the inception, increase or reinstatement of the policy. If this occurs within three months before an increase in benefits, the increase will not be payable; or
- (b) if it is shown that you do not have the condition which has been diagnosed.

Where this Income Protection policy is to replace an existing similar policy from another insurer, the three month exclusion of payments, as defined in part (a) above, will not apply where the same medical conditions and procedures have been covered under the policy to be replaced. This will only apply up to the lesser of the monthly Sum Insured under the policy being replaced and the monthly Sum Insured under this policy. It will also only apply where the life to be insured is the same under both policies and where the policy being replaced has been in force for at least three months.

In the event of a claim within the first three months of this policy, evidence of:

- (a) the conditions and procedures covered under the replaced policy;
- (b) the currency of the replacement policy at the Commencement Date of this policy; and
- (c) cancellation of the replaced policy from the previous insurer,

must be provided by the Policyowner to enable the three month exclusion of payments to be waived.

The Critical Conditions Benefit will cease on the earlier of the policy expiry or the policy anniversary preceding age 65.

This benefit is not available if your policy is held in a superannuation fund.

## Amendment to Maximum Sum Insured

Replace the corresponding section on page 34 of the PDS with the following section below.

### Maximum Sum Insured

75% of first \$320,000 p.a. of gross income after Business Expenses, and

50% of gross income p.a after Business Expenses, thereafter.

Subject to a maximum Sum Insured of \$30,000 per month.

## Updated information relating to Eligible dependants

Replace the corresponding section on page 43 of the PDS with the following section below.

### Eligible dependants

A dependant can only be one of the following:

- your spouse\* (including de facto spouse)
- any of your children\*\* (any age)
- other dependants:
  - any other person with whom, in the opinion of the trustee, you have an interdependency relationship
  - any other person who is in the opinion of the trustee, financially dependant on you

Two people (whether or not related by family) have an interdependency relationship if:

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

If either of the two people suffers from a physical, intellectual or psychiatric disability that prevents them from satisfying these requirements, they have an interdependency relationship if they have a close personal relationship.

\* Legislative change from 1 July 2008 means that a same-sex domestic partner of a member can be their spouse for beneficiary purposes.

\*\* Includes adopted children, step children, a child of the person's spouse and someone who is a child of the person within the meaning of the Family Law Act 1975. As well as providing specific details of relationships for adoption or step children, the Family Law Act 1975 addresses children born as a result of artificial conception procedures, provision of genetic material, when a child is not biologically the child of the birth mother, and matters of consent, presumptions and proofs.

## Updated Medical Definitions

Insert the following text on page 54 of the PDS immediately before the section headed "Encephalitis".

### Diabetes

Means severe diabetes mellitus, either insulin or non-insulin dependant, as certified by a consultant endocrinologist and resulting in at least two of the following criteria:

- severe diabetic retinopathy resulting in visual acuity uncorrected and corrected of 6/36 or worse in both eyes;
- severe diabetic nephropathy causing motor and/or autonomic impairment;
- diabetic gangrene leading to surgical intervention; or
- severe diabetic nephropathy causing chronic irreversible renal impairment as measured by a corrected creatinine less than 28ml/min (CKD stage 4, International Chronic Kidney Disease classification).

### Diabetes – Other

Means the diagnosis, after the age of 30, of insulin dependant diabetes mellitus (IDDM) by an appropriate medical practitioner.

Insert the following text on page 55 of the PDS immediately before the section headed "Liver Disease".

### Intensive Care

Means a Sickness or Injury has resulted in the life insured requiring continuous mechanical ventilation by means of tracheal intubation for 10 consecutive days (24 hours per day) or more in an authorised intensive care unit of an acute care hospital. No benefit shall be payable where the Sickness or Injury is as a result of drug or alcohol intake or other self-inflicted means.

Replace the corresponding section on page 55 of the PDS with the following section below.

### Major Organ Transplant

Means the human to human organ transplant, as a result of injury or disease from a donor to you, of one or more of the following complete organs:

- heart
- kidney
- liver
- lung
- pancreas
- small bowel, or
- the transplantation of bone marrow.

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

**Insert the following text on page 56 of the PDS immediately before the section headed "Medically Acquired HIV Infection".**

### **Male Cancer – Other**

#### **Carcinoma in situ of the penis**

Means the life insured is confirmed by biopsy to have localised pre-invasive cancer in the penis with a TNM Classification of TIS where cancer cells do not penetrate the basement membrane nor invade the surrounding tissues. 'Invade' means to infiltrate and/or destroy the tissue of origin or surrounding tissue.

#### **Carcinoma in situ of the testicle**

Means the life insured is confirmed by biopsy to have localised pre-invasive cancer in one or both testicles with a TNM Classification of TIS where the cancer cells do not penetrate the basement membrane nor invade the surrounding tissues, and one or both of the testicles are removed by radical orchidectomy. The removal must be considered to be the appropriate and necessary treatment and is performed specifically to arrest the spread of malignancy. 'Invade' means to infiltrate and/or destroy the tissue of origin or surrounding tissue.

**Insert the following text on page 56 of the PDS immediately before the section headed "Motor Neurone Disease".**

### **Meningitis and/or Meningococcal Disease**

Means meningitis or meningococcal septicaemia, resulting in either:

- a) at least 25% permanent impairment of whole person function, as defined by the latest edition of the Guide to the Evaluation of Permanent Impairment, American Medical Association, as certified by a consultant neurologist, or
- b) the insured person being totally and permanently unable to perform at least two of the following 'Activities of Daily Living':
  - i. bathing and showering,
  - ii. dressing and undressing,
  - iii. eating and drinking,
  - iv. using a toilet to maintain personal hygiene,
  - v. moving from place to place by walking, wheelchair or with assistance of a walking aid.

**Replace the corresponding section on page 58 of the PDS with the following section below.**

### **Severe Rheumatoid Arthritis**

Means you are diagnosed with severe rheumatoid arthritis by a medical practitioner acceptable to us. The diagnosis must confirm all of the following:

- Morning stiffness of the joints;
- Swelling and pain in the joints of at least three joint groups, involving the corresponding joints in both sides of the body. One of the groups must be joints on the fingers or toes, the knuckles of the hand or the wrist;
- Small nodular swelling beneath the skin;
- A positive rheumatoid factor test;
- X-ray evidence showing multiple and extensive changes to joints typical of rheumatoid arthritis; and
- Diffuse osteoporosis with severe hand and spinal deformity.

**Insert the following text on page 58 of the PDS immediately after the section headed "Stroke".**

### **Systemic Lupus Erythematosus with Lupis Nephritis**

Means the unequivocal diagnosis of systemic lupus erythematosus according to internationally accepted criteria. Internationally accepted criteria would include the 'American College of Rheumatology revised criteria for the classification of Systemic Lupus Erythematosus'.

The requirements for a medical practitioner acceptable to us to make a diagnosis of systemic lupus erythematosus in the clinical setting are the presence of any four or more of the 11 criteria listed in the following table.

In addition to the diagnosis of systemic lupus erythematosus, lupus nephritis must be confirmed by renal changes as measured by a renal biopsy that is grade three to five of the WHO classification of Lupus Nephritis and be associated with persisting proteinuria greater than 0.5 grams per day or greater than 2+ if quantification not performed.

1. Malar rash	Fixed erythema, flat or raised, over the malar eminences, tending to spare the nasolabial folds.
2. Discoid rash	Erythematous, raised patches with adherent kerotic scaling and follicular plugging, atrophic scarring may occur in older lesions.
3. Photosensitivity	Skin rash as a result of unusual reaction to sunlight, evidenced by a medical practitioner's report.
4. Oral ulcers	Oral or nasopharyngeal ulceration reported by a medical practitioner.
5. Arthritis	Non-erosive arthritis involving two or more peripheral joints, characterised by tenderness, swelling or effusion.
6. Serositis	Pleuritis – convincing history of pleuritic pain or pleuritic rub heard by a medical practitioner or evidence of pleural effusion. or Pericarditis – documented by ECG or rub or evidence of pericardial effusion.
7. Renal disorder	Persistent proteinuria greater than 0.5 grams per day or greater than 2+ if quantification not performed. or Tubular casts – may be red cell, haemoglobin, granular, cellular or mixed.
8. Neurological disorder	Seizures – in the absence of offending drugs or known metabolic derangements, e.g. uraemia, ketoacidosis or electrolyte imbalance.
9. Hematologic disorder	Hemolytic anaemia – with reticulocytosis or Leucopenia – less than 3,500/mm <sup>3</sup> on two or more occasions or Thrombocytopenia – less than 100,000/mm <sup>3</sup> in the absence of offending drugs.
10. Immunologic disorder	Positive LE cell preparation or Anti-DNA: antibody to native DNA in abnormal titre or Anti-Sm (Smooth Muscle): presence of antibody to Sm nuclear antigen or False positive serologic test for syphilis known to be positive for at least six months and confirmed by Treponema pallidum immobilisation or fluorescent treponemal antibody absorption test.
11. Antinuclear antibody	An abnormal titre of antibody by immunofluorescence or an equivalent assay at any point in time and in the absence of drugs known to be associated with 'drug-induced lupus' syndrome.

## Interim Cover

**Replace the corresponding section on page 62 of the PDS with the following section below.**

### **4. Conditions specific to Interim Total Disability or Interim Substantial Disability**

'Interim Total Disability' means an event which results in your Total Disability for Income Gold, Income Excell or Income Business Expense policies or Substantial Disability for Income Daily Living Benefits policies during the term of the Interim Cover.

'Total Disability' has the same meaning as defined on page 33 of this PDS. Substantial Disability has the same meaning as defined on page 37 of this PDS.

The benefit payable is the lowest of \$10,000 per month, the proposed disability Sum Insured, or the monthly disability amount recommended within the SOA.

The benefit is payable each month that you remain continuously Totally Disabled or Substantially Disabled after the end of the applied for Waiting Period, up to a maximum of six months.

The total monthly benefit will not exceed:

- a) i) for Income Gold or Income Excell, 75% of Pre-Disability Earnings,
  - or
  - ii) for Income Daily Living Benefit, the greater of \$3,000 or 75% of the Pre-Disability Earnings,
  - and
  - b) for Income Business Expenses, the life insured's actual Allowable Business Expenses,
- less all other disability benefits payable.