

TOWER Protection Policy

PRODUCT UPGRADE BOOKLET

November 2008



RUNNER UP
2008 Risk Company
of the Year



WINNER
2007 Risk Company
of the Year



WINNER
2006 Risk Company
of the Year



Risk Insurer
of the year 2007



TOWER

WE'VE ENHANCED YOUR INSURANCE POLICY TO PROVIDE BETTER COVER

We want you to receive the very best cover from your TOWER Protection Policy. That's why we've made a number of improvements to the policy benefits effective from 17 November 2008 which are described in detail in this booklet.

The information in this booklet will now form part of your TOWER Protection Policy, if your policy was issued under the Product Disclosure Statements dated 2 April 2007 or 30 April 2008.

So if you ever need to make a claim in the future, the definitions outlined in this booklet will now apply. If you are currently on claim, or if you make a claim based on existing medical conditions, the definitions outlined in your Product Disclosure Statement will apply. But you don't need to do anything as our Claims Team has all your new and old policy details on file.

For your reference, we've included a 'Product Enhancements Summary' at the front of the booklet that explains each benefit change.

For more information about your improved policy, contact your financial adviser or visit www.toweraustralia.com.au.

Alternatively, you can contact a member of our friendly service team on 1800 226 364 (Freecall) on Monday to Friday 8.30am to 6.00pm (AEST) or by emailing customerservice@toweraustralia.com.au.

Thank you for choosing TOWER Australia for your insurance needs.

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PRODUCT ENHANCEMENTS SUMMARY

The product enhancements apply to policies issued under the TOWER Protection Policy Product Disclosure Statement (PDS) dated 2 April 2007 or 30 April 2008.

TOWER PROTECTION POLICY

Life Protection Plan

- Financial Planning Benefit to offset the cost of financial planning
- Accommodation Benefit now available to cover the costs of accommodation for family members

Crisis Protection Plan

- Financial Planning Benefit and Accommodation Benefit introduced
- Angioplasty cap increased to \$50,000
- Partial Benefits added for either Loss of Sight in one eye, Loss of Hearing in one ear or Loss of a Single Limb
- Major Organ Transplant definition improved to cover patients on a transplant waiting list
- The following definitions have improved and a full benefit is now payable upon diagnosis:
 - Dementia and Alzheimer's
 - Motor Neurone Disease
 - Multiple Sclerosis
 - Muscular Dystrophy
 - Parkinson's Disease
 - Primary Pulmonary Hypertension
- Severe Burns definition improved and now provides cover when third degree burns occur to at least 50% of face or hands rather than 100%
- Intensive Care added as a crisis event

Income Protection Plan

- Waiting Period definition improved
- Scheduled Illness Option improved
- Death Benefit improved from three times to six times the monthly IP benefit payment
- Removed the maximum indexation increase limits

Business Expense Plan

- Removed the maximum indexation increase limits

TOWER PROTECTION PLAN (TPP)

LIFE PROTECTION PLAN

Financial Planning Benefit

The Standard Benefits now include a Financial Planning Benefit.

New

Previously

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Financial Planning Benefit

If we pay 100% of the Death Benefit, Total and Permanent Disability Benefit or the Terminal Illness Benefit we will also reimburse the costs associated with preparation of a financial plan by a financial adviser for the person to whom we paid 100% of the Death Benefit, Total and Permanent Disability Benefit or Terminal Illness Benefit.

The following conditions apply to the Financial Planning Benefit:

- The maximum total amount we pay under the Financial Planning Benefit is \$1,000.
- The Financial Planning Benefit is only payable for the reimbursement of fees actually paid to a financial adviser for the preparation of a financial plan where the fees were paid by the person(s) to whom we paid 100% of the Death Benefit, Total and Permanent Disability Benefit or Terminal Illness Benefit (we will not pay any commission payable to the financial adviser as a result of decisions to implement recommendations made in the financial plan).
- We must receive evidence, which is acceptable to us, of the financial planning advice received before the Financial Planning Benefit is payable and the financial plan must be received by the client within 12 months of the payment of 100% of the Death Benefit, Total and Permanent Disability Benefit or Terminal Illness Benefit.
- The Financial Planning Benefit will only be paid once per life insured across all policies issued by us in respect of that life insured. The financial adviser who provides the financial plan must be an Australian Financial Services Licensee or an Authorised Representative of an Australian Financial Services Licensee.

This section of the product is new, therefore there was no previous text.

TOWER PROTECTION PLAN (TPP)

LIFE PROTECTION PLAN cont.

Accommodation Benefit

The Standard Benefits now include an Accommodation Benefit.

New

Previously

Accommodation Benefit

If we pay 100% of the Terminal Illness Benefit or Total and Permanent Disability Benefit for a life insured, and a Medical Practitioner certifies that the life insured must remain confined to bed due to the reason for which we paid 100% of the Terminal Illness Benefit or Total and Permanent Disability Benefit, and:

- the life insured is more than 100 kilometres from their home and an Immediate Family Member is required to travel from their home to be with the life insured; or
- an Immediate Family Member is required to travel more than 100 kilometres from their home to be with the life insured.

We will reimburse the accommodation costs of the life insured's Immediate Family Member up to a maximum of \$150 per day for each day that the life insured remains confined to bed and their Immediate Family Member remains away from their home, for a maximum of 14 days.

The reimbursement of accommodation costs must be claimed within six weeks of 100% of the Terminal Illness Benefit or Total and Permanent Disability Benefit being paid. We must receive evidence which is acceptable to us of the life insured's confinement to bed and of the payment of the accommodation costs.

This section of the product is new, therefore there was no previous text.

CRISIS PROTECTION PLAN

Financial Planning Benefit

The Standard Benefits now include a Financial Planning Benefit.

New

Previously

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Financial Planning Benefit

If we pay 100% of the Crisis Benefit or Total and Permanent Disability Benefit we will also reimburse the costs associated with preparation of a financial plan by a financial adviser for the person to whom we paid 100% of the Crisis Benefit or Total and Permanent Disability Benefit.

The following conditions apply to the Financial Planning Benefit:

- The maximum total amount we pay under the Financial Planning Benefit is \$1,000.
- The Financial Planning Benefit is only payable for the reimbursement of fees actually paid to a financial adviser for the preparation of a financial plan where the fees were paid by the person(s) to whom we paid 100% of the Crisis Benefit or Total and Permanent Disability Benefit (we will not pay any commissions payable to the financial adviser as a result of decisions to implement recommendations made in the financial plan).
- We must receive evidence, which is acceptable to us, of the financial planning advice received before the Financial Planning Benefit is payable and the financial plan must be received by the client within 12 months of the payment of 100% of the Crisis Benefit or Total and Permanent Disability Benefit.
- The Financial Planning Benefit will only be paid once per life insured across all policies issued by us in respect of that life insured. The financial adviser who provides the financial plan must be an Australian Financial Services Licensee or an Authorised Representative of an Australian Financial Services Licensee.

This section of the product is new, therefore there was no previous text.

TOWER PROTECTION PLAN (TPP)

CRISIS PROTECTION PLAN cont.

Accommodation Benefit

The Standard Benefits now include an Accommodation Benefit.

New

Previously

Accommodation Benefit

If we pay the full Benefit Amount for a life insured, and a Medical Practitioner certifies that the life insured must remain confined to bed due to the Crisis Event for which we paid the Crisis Protection Plan Benefit and:

- the life insured is more than 100 kilometres from their home and an immediate family member is required to travel from their home to be with the life insured; or
- an immediate family member is required to travel more than 100 kilometres from their home to be with the life insured.

We will reimburse the accommodation costs of the life insured's immediate family member up to a maximum of \$150 per day for each day while the life insured remains confined to bed and their immediate family member remains away from their home, for a maximum of 14 days.

The reimbursement of accommodation costs must be claimed within six weeks of the Crisis Protection Plan Benefit being paid. We must receive evidence which is acceptable to us of the life insured's confinement to bed and of the payment of the accommodation costs.

This section of the product is new, therefore there was no previous text.

Partial benefits for Loss of Hearing in one ear, Loss of Sight in one eye or Loss of a Single Limb

The Advancement Benefit now pays a partial benefit to cover the Loss of Hearing in one ear or the Loss of Sight in one eye or Loss of a Single Limb.

New

Advancement Benefit

The Advancement Benefit will be paid under this Benefit when the life insured suffers from the:

- **Loss of Hearing in one ear;** or
- **Loss of Sight in one eye;** or
- **Loss of a Single Limb.**

The amount to be paid will be 10% of the Benefit Amount to a maximum of \$50,000. This is payable only once for each of these events. The total Benefit Amount will be reduced by the amount paid for each of these events. The Advancement Benefit will only be paid if the condition or the circumstances leading to the claim first occurs after the Plan start date.

Previously

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 43 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.

Loss of Hearing in one ear definition

New

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

Previously

This section of the product is new, therefore there was no previous text.

Loss of a Single Limb definition

New

Loss of a Single Limb means the total and irrecoverable loss of use of one Limb.

Previously

This section of the product is new, therefore there was no previous text.

TOWER PROTECTION PLAN (TPP)

CRISIS PROTECTION PLAN cont.

Angioplasty

We have increased the maximum amount payable under the Angioplasty benefit up to \$50,000.

New

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

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.

In the case of Angioplasty, the amount to be paid is reduced to 25% of the Benefit Amount to a maximum payment of **\$50,000** per occurrence, unless a benefit is payable under Triple Vessel Angioplasty.

Previously

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

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.

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.

Dementia and Alzheimer's definition

A partial benefit has been introduced for Dementia and Alzheimer's disease.

New

If the life insured is unequivocally diagnosed with Alzheimer's disease or other dementia, as confirmed by a specialist Medical Practitioner, and if the meaning defined on page 45 of the Plan Conditions is not met, we will pay a partial benefit of 25% of the Benefit Amount to a maximum payment of \$50,000.

Previously

This section of the product is new, therefore there was no previous text.

Intensive Care definition

Intensive Care has been added as a crisis event.

New

Intensive Care means that 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) in an authorised intensive care unit of an acute care hospital. No amount will be paid where Intensive Care of the life insured results from the consumption of alcohol or the use of non-prescribed drugs.

Previously

This section of the product is new, therefore there was no previous text.

Crisis Benefit

The revised Crisis Benefit wording shown below includes the partial benefit for Dementia and Alzheimer's disease and the amended definitions of Intensive Care and Angioplasty.

New

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 **\$50,000** 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). If Angioplasty is the first Crisis Event to occur, 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 life insured is unequivocally diagnosed with Alzheimer's disease or other dementia, as confirmed by a specialist Medical Practitioner, and if the meaning defined on page 45 of the Plan Conditions is not met, we will pay a partial benefit of 25% of the Benefit Amount to a maximum payment of \$50,000.

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.

If a stand-alone Crisis Protection Plan is linked to a Life Protection Plan, any Crisis Benefit payment will reduce the Life Protection Plan Benefit Amount by the amount paid.

Previously

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). If Angioplasty is the first Crisis Event to occur, 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.

If a stand-alone Crisis Protection Plan is linked to a Life Protection Plan, any Crisis Benefit payment will reduce the Life Protection Plan Benefit Amount by the amount paid.

TOWER PROTECTION PLAN (TPP)

CRISIS PROTECTION PLAN cont.

New (continued)

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
- **Other events**
 - **Intensive Care**

* 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 44 of the Plan Conditions.

Previously (continued)

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 43 of the Plan Conditions.

Major Organ Transplant definition

The definition of Major Organ Transplant has been improved allowing the full benefit to be paid on diagnosis.

New

Major Organ Transplant means either the undergoing of, or upon the advice of a Specialist Medical Practitioner the placement on a waiting list of a Transplantation Society of Australia and New Zealand recognised transplant unit for, 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.

Previously

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.

Motor Neurone Disease definition

The definition of Motor Neurone Disease has been improved allowing the full benefit to be paid on diagnosis.

New

Motor Neurone Disease means the unequivocal diagnosis of a progressive form of debilitating Motor Neurone Disease.

Previously

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 definition

The definition of Multiple Sclerosis has been improved allowing the full benefit to be paid on diagnosis.

New

Multiple Sclerosis means a disease characterised by demyelination in the brain and/or spinal cord. Multiple Sclerosis must be unequivocally diagnosed. There must be more than one episode of well-defined neurological deficit with persisting neurological abnormalities. Neurological investigations such as lumbar puncture, MRI (Magnetic Resonance Imaging) evidence of lesions in the central nervous system, evoked visual responses, and evoked auditory responses are required to confirm diagnosis.

Previously

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 definition

The definition of Muscular Dystrophy has been improved allowing the full benefit to be paid on diagnosis.

New

Muscular Dystrophy means the unequivocal diagnosis of muscular dystrophy.

Previously

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 of the Activities of Daily Living.

TOWER PROTECTION PLAN (TPP)

CRISIS PROTECTION PLAN cont.

Parkinson's Disease definition

The definition of Parkinson's Disease has been improved allowing the full benefit to be paid on diagnosis.

New

Parkinson's Disease means the unequivocal diagnosis of degenerative idiopathic Parkinson's Disease as characterised by the clinical manifestation of one or more of the following: rigidity, tremor, akinesia, resulting in the degeneration of the nigrostriatal system. All other types of Parkinsonism are excluded (eg. secondary to medication).

Previously

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 of the Activities of Daily Living.

Primary Pulmonary Hypertension definition

The definition of Primary Pulmonary Hypertension has been improved allowing the full benefit to be paid on diagnosis. The previous requirement for permanent physical impairment has been removed.

New

Primary Pulmonary Hypertension means the unequivocal diagnosis of Primary Pulmonary Hypertension with right ventricular enlargement established by investigations including cardiac catheterisation.

Previously

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.

Severe Burns definition

The Severe Burns definition now provides cover when third degree burns occur to at least 50% of face or hands (rather than 100%).

New

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
- at least 50% of both hands, requiring surgical debridement and/or grafting, or
- at least 50% of the face, requiring surgical debridement and/or grafting.

Previously

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.

Chronic Lung Failure definition

We have enhanced this definition to remove reference to the FEV1 test result of one litre.

New

Chronic Lung Failure means end stage lung disease with a consistent pulmonary function test result of FEV1 less than 40% predicted and requiring permanent oxygen therapy.

Previously

Chronic Lung Failure means end stage respiratory failure permanently requiring continuous oxygen therapy and with FEV1 test results of consistently less than one litre.

INCOME PROTECTION PLAN AND BUSINESS EXPENSE PLAN

Waiting Period definition

The definition of the Waiting Period has been improved so that the client has the ability to return to work during the Waiting Period and still qualify for the benefits.

New

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.

If the life insured returns to a full time Gainful Occupation during the Waiting Period for five consecutive days or less, the number of days that the life insured was gainfully employed will be added to the Waiting Period remaining.

If the life insured returns to a full time Gainful Occupation during the Waiting Period for more than five consecutive days, the Waiting Period will recommence from the day after the last day the life insured was gainfully employed.

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.

Previously

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.

Death Benefit

The Death Benefit has been improved from three times to six times the monthly IP benefit amount.

New

If the life insured dies while receiving Total or Partial Disability benefits we will pay a lump sum equal to six times the monthly Benefit Amount, to a maximum \$60,000.

Previously

If the life insured dies while receiving Total or Partial Disability benefits we will pay a lump sum equal to three times the monthly Benefit Amount, to a maximum \$60,000.

TOWER PROTECTION PLAN (TPP)

INCOME PROTECTION PLAN AND BUSINESS EXPENSE PLAN cont.

Scheduled Illness Option

The Scheduled Illness Option has been improved to pay a lump sum benefit equal to six times the monthly benefit, should the life insured suffer one of the listed Crisis Events.

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New

When the life insured suffers a Crisis Event listed below, we will pay the Scheduled Illness Benefit.

The amount to be paid under the Scheduled Illness Benefit is six times the monthly Benefit Amount. The Scheduled Illness Benefit is paid as a lump sum in addition to any Total or Partial Disability entitlements.

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.

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

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

Previously

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*

New (continued)

- 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 44.

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.

Previously (continued)

- 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.

TOWER PROTECTION PLAN (TPP)

INCOME PROTECTION PLAN AND BUSINESS EXPENSE PLAN cont.

Inflation Protection Benefit

For the Inflation Protection Benefit, we have removed the cap on the maximum indexation increases allowable under the Income Protection Plan and Business Expense Plan.

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New

Does the amount of cover increase with inflation?

Once your Policy 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 Policy. 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.

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?".

Previously

Does the amount of cover increase with inflation?

Once your Policy 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 Policy. 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?".



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This information has been prepared for use by advisers and is not intended to be provided to a client. It contains general information only and no individual's financial needs or objectives have been taken into account in the preparation of this material. A policy can only be effected after completion of a valid application. Prior to making any decision clients should read the TOWER Protection Policy or Accelerated Protection Policy Product Disclosure Statement (PDS).

Where a policy is structured through superannuation, in limited circumstances, benefits payable under the Policy could be withheld by the superannuation trustee due to superannuation laws or the governing rules of the superannuation fund.