

# Priority Protection Policy Enhancement Summary

1 December 2009

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**AIA Australia has been operating in Australia for almost 40 years and is committed to protecting the financial health and welfare of Australians.**

**Every year AIA Australia upgrades its product range to ensure that the features and benefits offered to our customers and policy holders meet their changing needs.**

**The list of enhancements which are passed back to existing policyholders are listed below.**

Please read this Policy Enhancement Summary and keep it in a safe place with your Priority Protection Policy Document. It is important that you read this document together with any other policy notices. The enhancements outlined in this document now form part of your Policy Document.

These enhancements apply from 1 December 2009. The improved features and benefits outlined below are only effective on and from this date. These enhancements will not apply to any policy where a claim is pending or where a claim is in the process of being paid. The enhancements override your existing policy terms and conditions (except to the extent where you are disadvantaged in any way, in which case the previous policy wording will apply) and are subject to any pre-existing conditions\*.

Benefit	Previous key features and benefits that applied to policies prior to 1 December 2009	Enhanced key features and benefits to apply effective from 1 December 2009
<b>Life Cover Plan (Life Cover, Term Cover and Accidental Death benefit)</b>	<ul style="list-style-type: none"><li>Final Expenses advance payment on death of the life insured of the lesser of 10% of the sum insured and \$10,000.</li></ul>	<ul style="list-style-type: none"><li>The Final Expenses benefit will pay the lesser of 10% of the sum insured and \$25,000 if the policy is owned by a company or business entity.</li></ul>
<b>Permanent Disablement benefit</b>	<ul style="list-style-type: none"><li>Current benefit name; <i>Permanent Disablement benefit</i></li><li>Unemployment provision for 'Own Occupation' set at 12 months.</li></ul>	<ul style="list-style-type: none"><li>Change of benefit name to '<i>Total and Permanent Disablement (TPD)</i>' – this has no impact on the benefit itself.</li><li>Unemployment provision for 'Own Occupation' to be unrestricted.</li></ul>
<b>Crisis Recovery</b>	<ul style="list-style-type: none"><li>Major Organ Transplant – Small Bowel not included.</li><li>Complimentary Child Crisis Cover – not available.</li></ul>	<ul style="list-style-type: none"><li>Now includes transplant of Small Bowel.</li><li>Complimentary Child Crisis Cover of \$20,000 per child of the Life Insured where the parent buys the comprehensive module of a Crisis Recovery or Crisis Recovery Stand Alone benefit.</li></ul>

Benefit	Previous key features and benefits that applied to policies prior to 1 December 2009	Enhanced key features and benefits to apply effective from 1 December 2009
<p><b>Definition change for Crisis Recovery events</b></p>	<p>'BACTERIAL MENINGITIS' means the diagnosis of the life insured with bacterial meningitis. The meningitis must produce neurological deficit causing permanent and significant functional impairment. 'Significant' shall mean at least a 25% impairment of whole person function as defined in <i>Guides to the Evaluation of Permanent Impairment 5th edition</i>, American Medical Association. Diagnosis must be confirmed by a consultant neurologist. Bacterial meningitis in the presence of HIV is excluded. All other forms of meningitis including viral, are excluded.</p>	<p>'BACTERIAL MENINGITIS' means the diagnosis of the life insured with bacterial meningitis. The meningitis must produce neurological deficit causing permanent and functional impairment resulting in the Life Insured being totally and permanently unable to perform any one of the Activities of Daily Activities. Diagnosis must be confirmed by a consultant neurologist. Bacterial meningitis in the presence of HIV is excluded. All other forms of meningitis including viral, are excluded.</p>
	<p>'BENIGN BRAIN TUMOUR' means a non-cancerous tumour on the brain giving rise to symptoms of increased intracranial pressure such as papilloedema, mental symptoms, seizures and sensory or motor skills impairment as confirmed by a consultant neurologist. The tumour must result in permanent neurological deficit, resulting in either:</p> <ul style="list-style-type: none"> <li>(a) at least 25% impairment of whole person function, as defined in <i>Guides to the Evaluation of Permanent Impairment 5th edition</i>, American Medical Association, or</li> <li>(b) the life insured being totally and permanently unable to perform any one of the following 'Activities of Daily Living': <ul style="list-style-type: none"> <li>(i) bathing,</li> <li>(ii) dressing,</li> <li>(iii) eating,</li> <li>(iv) toileting,</li> <li>(v) transferring.</li> </ul> </li> </ul> <p>The presence of the underlying tumour must be confirmed by imaging studies such as CT scan or MRI (Magnetic Resonance Imaging).</p> <p>Cysts, granulomas, cholesteatomas, malfunctions in or of the arteries or veins of the brain, haematomas and tumours in the pituitary gland or spine are not covered.</p>	<p>'BENIGN BRAIN TUMOUR' means a non-cancerous tumour on the brain or spine giving rise to symptoms of increased intracranial pressure such as papilloedema, mental symptoms, seizures and sensory or motor skills impairment as confirmed by a consultant neurologist. The tumour must result in permanent neurological deficit, resulting in the Life Insured being totally and permanently unable to perform any one of the Activities of Daily Activities.</p> <p>The presence of the underlying tumour must be confirmed by imaging studies such as CT scan or MRI (Magnetic Resonance Imaging).</p> <p>Cysts, granulomas, cholesteatomas, malfunctions in or of the arteries or veins of the brain, haematomas and tumours in the pituitary gland are not covered.</p>

Benefit	Previous key features and benefits that applied to policies prior to 1 December 2009	Enhanced key features and benefits to apply effective from 1 December 2009
<p><b>Definition change for Crisis Recovery events</b></p>	<p>‘COMA’ means total failure of cerebral function characterised by total unarousable, unresponsiveness to external stimuli, persisting continually with the use of a life support system for a period of at least 96 hours. It must result in significant permanent loss of cerebral function as determined by a recognised consultant neurologist acceptable to us.</p> <p>For the purposes of this definition, ‘significant’ shall mean at least a 25% impairment of whole person function as defined in <i>Guides to the Evaluation of Permanent Impairment 5th edition</i>, American Medical Association.</p> <p>Excluded from this definition is coma induced medically or resulting from alcohol or drug abuse.</p>	<p>‘COMA’ means a state of unconsciousness with no reaction to external stimuli or internal needs, persisting continuously with the use of a life support system for at least 72 hours.</p> <p>Excluded from this definition is coma induced medically or resulting from alcohol or drug abuse.</p>
	<p>‘MAJOR HEAD TRAUMA’ means an accidental head injury resulting in neurological deficit, as certified by a consultant neurologist acceptable to us, causing at least a permanent 25% impairment of whole person function as defined in <i>Guides to the Evaluation of Permanent Impairment 5th edition</i>, American Medical Association.</p>	<p>‘MAJOR HEAD TRAUMA’ means an accidental head injury resulting in permanent neurological deficit, resulting in the Life Insured being totally and permanently unable to perform any one of the Activities of Daily Activities.</p>
	<p>‘RHEUMATOID ARTHRITIS’ means widespread joint destruction with major deformity of three or more of the following joint areas:</p> <p>Hands, wrists, elbows, cervical spine, knees, ankles, metatarsophalangeal joints in the feet.</p> <p>The condition must result in the permanent inability to perform any three of the following Activities of Daily Living:</p> <ul style="list-style-type: none"> <li>• Bathing</li> <li>• Dressing</li> <li>• Eating</li> <li>• Toileting</li> <li>• Transferring</li> </ul>	<p>‘RHEUMATOID ARTHRITIS’ means widespread joint destruction with major deformity of three or more of the following joint areas:</p> <p>Hands, wrists, elbows, cervical spine, knees, ankles, metatarsophalangeal joints in the feet.</p> <p>The condition must result in the permanent inability to perform any two of the Activities of Daily Living.</p>
	<p>‘VIRAL ENCEPHALITIS’ means the diagnosis of the life insured with encephalitis due to direct viral infection of the central nervous system. The encephalitis must produce neurological deficit causing permanent and significant functional impairment certified by a consultant neurologist. ‘Significant’ shall mean at least a 25% impairment of whole person function as defined in <i>Guides to the Evaluation of Permanent Impairment 5th edition</i>, American Medical Association. Encephalitis in the presence of HIV infection is excluded.</p>	<p>‘VIRAL ENCEPHALITIS’ means the diagnosis of the Life Insured with encephalitis due to direct viral infection of the central nervous system. The encephalitis must produce neurological deficit causing permanent and functional impairment resulting in the Life Insured being totally and permanently unable to perform any one of the Activities of Daily Activities. The diagnosis must be certified by a consultant neurologist. Encephalitis in the presence of HIV infection is excluded.</p>

Benefit	Previous key features and benefits that applied to policies prior to 1 December 2009	Enhanced key features and benefits to apply effective from 1 December 2009
<b>Crisis Recovery Reinstatement</b>	<ul style="list-style-type: none"> <li>Waiting period for Crisis Recovery Reinstatement (Stand Alone) – currently set at 12 months.</li> </ul>	<ul style="list-style-type: none"> <li>Waiting period for Crisis Recovery Reinstatement – (Stand Alone) – reduce to 30 days.</li> </ul>
<b>Disability Income</b>	<ul style="list-style-type: none"> <li>Current benefit name; Disability Income</li> <li>Pre-disablement Income (Indemnity) is the life insured's average monthly income for the latest financial year preceding the commencement of disablement.</li> <li>If the life insured becomes totally and permanently disabled, the current benefit pays the same monthly benefit as if life insured was temporarily totally disabled.</li> </ul>	<ul style="list-style-type: none"> <li>Change of benefit name to <i>Income Protection</i> – this has no impact on the benefit itself.</li> <li>The definition for pre-disability income is amended as follows: <i>Pre-disablement Income (Indemnity) is the greater of the life insured's average monthly income:</i> <ul style="list-style-type: none"> <li>for the 12 consecutive months preceding the commencement of disablement; and</li> <li>the latest financial year preceding the commencement of disablement.</li> </ul> </li> <li><i>Severity benefit</i> Pays an additional 1/3 of the Insured Monthly Benefit (maximum \$30,000 per month) if the life insured is totally disabled to the extent that he/she is unable to perform at least 2 of the Activities of Daily Living.</li> </ul>
<b>Policy Fee (relevant only to policies issued prior to 1 December 2008)</b>	<ul style="list-style-type: none"> <li>\$60 per policy</li> </ul>	<ul style="list-style-type: none"> <li>\$72 per life insured</li> </ul>

\*With the exception of any increase in fees and charges.

This is a summary only. Full terms and conditions are outlined in the current policy document dated 1 December 2009, available at [AIA.COM.AU](http://AIA.COM.AU). Alternatively, for more information about AIA Australia's Priority Protection product range or for a paper copy of the policy document, which will be provided free of charge, please contact AIA Australia on Freecall 1800 333 613.