INCOME PROTECTION

Protection*first* range

Policy document for

MLC Protection – Income Gold
MLC Protection – Income Excell
MLC Protection – Income Daily Living
MLC Protection – Income Business Expenses

2 October 2010

MLC

Contents

A. General Provisions and Conditions

This section explains the general provisions applicable to all types of MLC Protection Income and Business Expenses policies.

A.1 Documents

This Policy Document is evidence of a contract of life insurance which exists between the Policyowner and us. It is an important document and should be kept in a safe place.

The Policy Schedule details the type and amount of cover and the premiums payable in the first year. Please read this Policy Document and the Policy Schedule carefully.

This document is divided into separate sections detailing the conditions and definitions applying to different types of insurance cover. Some or all of these conditions may apply to this Policy. Please check the Policy Schedule to identify those conditions and definitions which are relevant to this Policy.

A.2 Twenty eight day 'cooling off' period

We want the Policyowner to be completely satisfied with the Policy. If the Policyowner is not satisfied, then return the Policy to us with a written request for cancellation within 28 days from the date of receipt and the premium will be promptly refunded in full. If the Policy is returned after 28 days we may not provide a refund of any premiums that have been paid.

If the policy is held within a superannuation fund, the repayment of any monies will be subject to relevant superannuation and taxation laws. If the monies paid in include preserved or restricted non-preserved benefits you must nominate another complying superannuation fund or rollover vehicle to which these amounts are to be rolled over.

A.3 Guarantee of renewability

Regardless of the number of claims made on the Policy, or any changes in your health, occupation, pastimes or place of residence and as long as the Policyowner continues to pay premiums and the Policy if not cancelled, the Policyowner can renew the Policy without any more restrictive conditions being included.

A.4 Changes to the premium

We cannot alter the premium rate for this Policy alone but we can alter the premium rates for all policies of this product series by altering the rates for all policies or the rates of the same sex, occupation class, Waiting Period or Benefit Period if our Actuary decides that this is necessary. If this is going to occur then we will give the Policyowner at least three months advance notice of the change.

A.5 Termination of Policy

The Policy will automatically terminate on the earlier of the following:

a) the Expiry Date as shown on the Policy Schedule;

b) your death;

c) when we receive a written request for cancellation from the Policyowner;

d) when any premium remains unpaid as defined under provision H.3.

A.6 Duty of disclosure

Before you enter into a contract of life insurance with an insurer, you have a duty, under the **Insurance Contracts Act 1984,** to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you extend, vary or reinstate a contract of life insurance.

Your duty however does not require the disclosure of a matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that the insurer knows or, in the ordinary course of the business, ought to know;
- as to which compliance with the duty is waived by the insurer.

Effect of non-disclosure

If you fail to comply with your duty of disclosure and the insurer would not have entered into the contract on any terms if the failure had not occurred, the insurer may avoid the contract within three years of entering into it. If your non-disclosure is fraudulent, the insurer may avoid the contract at any time.

An insurer who is entitled to avoid a contract of life insurance may, within three years of entering into it, elect not to avoid it but to reduce the sum that you have been insured for in accordance with a formula that takes into account the premium that would have been payable if you had disclosed all relevant matters to the insurer.

A. General Provisions and Conditions continued

A.7 Pre existing conditions

As long as you have fully satisfied your Duty of Disclosure as described in your application benefits will be paid for any claim arising from a Pre-existing Condition that is not specifically excluded in the special provisions of the Policy Schedule.

A.8 Surrender value

Premiums paid are used to cover the risks and expenses incurred in managing the Policy and consequently there is no surrender or cash value.

A.9 Interpretation

Headings have been included to assist in the reading of the document but do not change the interpretation of the actual wording of the document. Any wording indicating the singular can also be taken to mean the plural and vice versa.

A.10 Coverage

The Policy provides insurance cover 24 hours a day worldwide.

A.11 Legal interpretation

The Policy will be interpreted under and governed by the laws of the State of Victoria.

A.12 Australian currency

All amounts paid under this Policy shall be in Australian currency in Australia.

A.13 Upgrade guarantee

Should we improve the benefits under this Policy, where such improvements result in no increase in premium rates, we will automatically add these benefit improvements to the Policy.

The benefit improvements will not apply to claims:

a) where the Sickness was diagnosed or investigated, or

b) where the Injury occurred

prior to the effective date of the improvement.

Should a situation arise where a Policyowner is disadvantaged in any way as a result of an improvement, then the previous benefit wording will prevail.

A.14 Non participating Policy

This Policy is issued under MLC's No. 1 Statutory Fund, and is a non-participating Policy. This means it does not participate in any surplus arising within the Statutory Fund.

A.15 Special provisions

Where special provisions are shown in the Policy Schedule or are attached to this document they should be read carefully and understood because they alter the standard provisions elsewhere in this document.

A.16 Complaints assistance

Non Superannuation

Complaints should first be attempted to be resolved through us. We have set up formal internal procedures for dealing with complaints within 45 days. Our Client Services team phone number is 1300 428 482. We may be able to solve the problem over the phone, but if not, we may request that the Policyowner put it in writing.

If the Policyowner is not satisfied with the outcome of any complaint, or the complaint is not resolved within 45 days, the Policyowner may contact the Financial Ombudsman Service ('FOS'). FOS is totally independent of us and is free to consumers. Enquiries can often be answered on the phone but complaints will need to be in writing.

FOS will investigate any complaint within its terms of reference and will help to resolve the problem.

FOS can be contacted in Melbourne toll free on 1300 780 808.

Their postal address is:

GPO Box 3
Melbourne Victoria 3001

Quote member number: 1018
Fax: 03 9613 6399
Website: www.fos.org.au

Superannuation

Complaints in relation to superannuation policies should first be attempted to be resolved through the relevant superannuation fund. For policies held in the MLCS Superannuation Trust, the trustee has set up formal internal procedures for dealing with complaints within 90 days. Our Client Services team phone number is 1300 428 482. We may be able to solve the problem over the phone, but if not, we will ask you to put it in writing.

If you are not satisfied with the outcome of any complaint, or if your complaint is not resolved within 90 days, you may lodge a complaint in writing to the Superannuation Complaints Tribunal ('SCT'). The SCT is an independent body set up by the Commonwealth Government to help resolve complaints about decisions in relation to members (as opposed to decisions related to the management of the fund as a whole).

The SCT can also help you put the complaint in writing if required. A complaint can only be dealt with by the SCT after it has been dealt with by our internal process. The SCT is located in Melbourne and its contact details are:

Locked Bag 3060
GPO Melbourne Victoria 3001
Telephone: 1300 884 114
Fax: 03 9613 7366
Website: www.sct.gov.au

B. MLC Protection – Income Gold & Income Excell Features

This section explains the standard features and options that apply to MLC Protection Income Gold and Income Excell policies.

B.1 Calculation of Monthly Claim

The maximum part of your Monthly Benefit that can be payable at commencement of a claim under the Total Disability or Partial Disability Benefit is determined by calculating the Monthly Claim. The Monthly Claim is:

a) If your Policy is an Indemnity Policy, the lesser of:
   i) your Monthly Benefit at commencement of the Disability; and
   ii) 75% of your Pre-Disability Earnings at commencement of the Disability.

b) If your Policy is an Agreed Value Policy, your Monthly Benefit as at the date of commencement of Disability.

The amount of the Monthly Claim may be reduced at any time, if required, to satisfy the Maximum Benefits Payable in provision B.17 or B.18 (as applicable).

B.2 Concurrent benefits

Only one of the Total Disability Benefit, Partial Disability Benefit, Critical Conditions Benefit, Nursing Care Benefit, Scheduled Injury Benefit or Accident Benefit is payable at any one time. In the event that you are entitled to more than one Benefit the Benefit that results in the greater Benefit amount will be payable.

B.3 Long waiting periods

The following benefits do not apply if a waiting period of 12 months (365 days) or longer has been selected: Emergency Travel Benefit provision C.3, Nursing Care Benefit provision C.4, Rehabilitation Expenses Benefit provision C.6, Scheduled Injury Benefit provision B.11 and Spouse Accommodation Benefit provision C.8.

B.4 Death Benefit

If you die while receiving any benefits from the Policy, the Death Benefit will be paid. The Death Benefit is six times the Monthly Claim up to a maximum of $60,000 in total and is paid upon due proof of death. This will be payable as a lump sum to the Policyowner. Payment of the Death Benefit means that no other benefits will be payable.

This benefit expires on your 65th birthday or the Expiry Date as shown on the Policy Schedule or when this Policy terminates, whichever occurs first.

B.5 Elective surgery benefit

When you are Totally Disabled because of surgery to transplant part of your body to someone else, or elective surgery performed on the advice of a Medical Practitioner, then you will be considered to be Totally Disabled because of a Sickness except if your surgery took place within six months after:

a) Commencement Date on the Policy Schedule; or

b) an increase in the benefit applied for, but only in respect of the increase; or

c) the most recent reinstatement of the Policy.

B.6 Indexation

a) Monthly Benefit

We guarantee to increase the Monthly Benefit on each Annual Renewal Date, but no increases will be allowed after your 64th birthday or the Expiry Date if earlier. Your new benefit is calculated by increasing the previous Monthly Benefit by the percentage increase in the Consumer Price Index during the previous year or 5%, whichever is greater. The maximum initial Daily Living Benefit that can be indexed is $3,000. The Policyowner may refuse an increase or cancel the indexation. However after the cancellation it can only be reinstated with our approval. No increase under this benefit will occur when you are Disabled. The premium for the increased Monthly Benefit will be calculated at the date of the increase and determined in line with provision F.1.

b) Pre-Disability Earnings

Your Indexed Pre-Disability Earnings equal your Pre-Disability Earnings at the commencement of your Total Disability. It will be increased by the Consumer Price Index every twelve months following that date while you continue to receive Total or Partial Disability benefit.

c) Increasing Claim Benefit Option

When you are in receipt of a Disability benefit, and if this Option is shown as applicable in Section 1.21 of the Policy Schedule, then the Monthly Claim will be increased by the percentage increase in the Consumer Price Index (CPI). The CPI increase will be measured over the period for which results were last published. The increase will occur after each 12 month period of continuous Disability commencing from the end of the Waiting Period.

B. MLC Protection – Income Gold & Income Excell Features

continued

B.7 Guaranteed insurability Option

If this option is shown as applicable in Section 1.21 of the Policy Schedule, the Policyowner will have the option to increase the Monthly Benefit on the Benefit Option Dates shown in the Policy Schedule without further medical evidence, subject to the following conditions:

a) Premium

The premium payable for the option stops on the earlier of:

i) the last Benefit Option Date shown in the Policy Schedule; or

ii) the Policyowner notifies us in writing within 30 days of any Annual Renewal Date that they wish to cancel this option.

b) Premium For Option Increases

Premiums will be based on those rates applicable at the time of exercising the option increase and will be based on your then age next birthday.

c) Option Period

The option must be exercised within 30 days prior to and within 30 days after the Benefit Option Date shown in the Policy Schedule.

d) Amount of Option Increase

The Monthly Benefit will increase by up to 15% subject to:

i) our then current rules in respect of maximum benefit for your occupation and income, but shall not be subject to any health evidence; and

ii) the increase not being less than $150.00 per month

If any application for any option increase is declined by us because of (i) above, the annual premium for this option for the three year period ending at that Benefit Option Date will be refunded.

e) Payment if Disabled at Option Date

Any option increase will only be payable for Total or Partial Disability commencing after the option increase has been effected and any increase will not apply where a claim is made under the Recurrent Claim Benefit if the Total Disability occurred prior to effecting the option increase.

f) Option not exercised

If we do not receive a completed application within the Option Period this increase option will not be available. However this will not affect the Policyowner's right to apply for future option increases.

B.8 Accident Benefit Option

If:

a) you become Totally Disabled solely as a result of accidental bodily Injury, occurring while this Policy is in force;

b) this Option is shown as applicable in Section 1.21 of the Policy Schedule; and

c) you remain Totally Disabled for at least three days,

then Accident Benefits are payable during the Waiting Period. Benefits will be calculated as 1/30th of the Monthly Benefit for each day that you are Totally Disabled. No benefits from this option will be payable beyond the Waiting Period, but in any event will not be payable for more than 90 days.

B.9 Partial Disability benefit

When you are Disabled for the duration of the Waiting Period, and are still Partially Disabled at the end of the Waiting Period, we will assess the impact of your Partial Disability on your earning ability.

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

a) 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

b) 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.

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

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

where A is your Indexed Pre-Disability Earnings and B is your Monthly Earnings for the month in which Partial Disability is claimed. If you are Partially Disabled and

(i) unable to work for more than 10 hours per week, and

(ii) unable to generate more than 20% of your Pre Disability Earnings,

we will pay the full Monthly Benefit.

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 or when your Monthly Earnings equal your Pre-Disability Earnings, whichever occurs first.

If the Benefit Period to age 70 has been selected and if you are Partially Disabled on the Annual Renewal Date preceding age 65 years, we will continue to pay the relevant benefit until the Annual Renewal Date preceding age 70 years, or until you are no longer Partially Disabled, whichever occurs first.

B.10 Recurrent claim benefit

If the Benefit Period is to age 60, 65 or 70 and you suffer a Total or Partial Disability within 12 months of the end of a Disability claim from the same or related causes, the Waiting Period will not be applied again and all periods of Disability will be considered part of the same Benefit Period. For all other Benefit Periods this will apply where the related disablement occurs within six months.

B.11 Scheduled injury benefit

When you suffer a scheduled injury as set out in the table following, the Monthly Claim will be paid even if you are working. When more than one of these injuries occurs at the same time, the Policyowner will be paid for the one that gives the greatest benefit. Where a new scheduled injury occurs while the Policyowner is already receiving benefits under this provision then the Policyowner will be paid for the first claim and for any portion of the second claim period which does not overlap. If you are Disabled at the end of the Scheduled Injury Benefit payment period, eligibility to be paid Disability benefits is determined under the appropriate provisions of the Policy. The Scheduled Injury Benefit is payable from the date we received a valid claim form verifying the injury. The Policyowner can choose to receive the Scheduled Injury Benefit as either:

1. a lump sum benefit, calculated by multiplying the Monthly Claim by the payment period in the table following or the number of months until the expiry of the Benefit Period, whichever is less; or
2. a monthly benefit equal to the Monthly Claim, payable for the number of months shown in the table following or until the expiry of the Benefit Period whichever occurs first.

Scheduled Injuries

Total and Permanent Loss of:	Payment Period (months)
Use of your legs or your legs and arms due to Paralysis.	60
Both feet or both 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 one arm	18
One foot or one hand or sight in one eye	12
The thumb and index finger of the same hand	6
Bone fracture of the:	
Thigh	3
Pelvis	3
Skull (except bones of the face and nose)	2
Leg (excluding ankle)	2
Knee cap	2
Upper arm	2
Shoulder bone	2
Jaw	2
Forearm (above the wrist)	1½
Collarbone	1½

'Loss' for the purpose of this Benefit means the full and irrecoverable loss of use of:

- the hand or foot above the wrist or ankle joint; or
- the arm or leg above the elbow or knee joint; or
- thumb or index finger above the first phalange joint; or
- the entire sight, as appropriate.

'Bone fracture' for the purpose of this Benefit means any fracture requiring surgical intervention or the application of a plaster cast or an immobilising device.

This benefit is not available if the Policy is owned by a superannuation fund.

B. MLC Protection – Income Gold & Income Excell Features

continued

B.12 Waiting Period Reduction

If this Policy is held as an addition to an existing group income protection cover which has a two year benefit period and this Policy has a 730 day waiting period, and the Policyowner notifies us that you have that group insurance with a two year benefit period, we will allow the Policyowner to reduce the waiting period without the need to supply further medical evidence in the event that your group income protection cover ceases.

The Policyowner can apply to reduce the waiting period from two years to one of these three options: **90 days, 180 days or 365 days**.

To reduce the waiting period under this feature, the Policyowner must apply in writing within 30 days of your group income protection cover ceasing. The reduced waiting period and applicable premium will take effect from the next premium due date following the change of the waiting period.

This is only available if this Policy has a 730 day waiting period with us, and no benefits are payable under this Policy or the group insurance policy when the Policyowner makes an application to reduce the waiting period.

Upon application to reduce the waiting period, the group income protection policy must be in force and you must be ineligible to exercise any continuation or similar option under that policy and you must not have exercised any such option.

The group income protection policy under which you are insured, must be held by a trustee of a superannuation fund of which you were a standard employer-sponsored member in terms of the Superannuation Industry (Supervision) Act.

B.13 Lump Sum Option

If this option is shown in Section 1.21 of the Policy Schedule, the Policyowner may elect to receive the Disability Benefits as a lump sum amount if you are totally and permanently disabled.

Under this option if you are defined as Total and Permanently Disabled, the Policyowner will have the option to receive a lump sum benefit instead of the Monthly Claim. Payment of the Lump Sum Option means that no other benefits are payable from the Policy.

The benefit payable under the Lump Sum Option will be the lesser of:

- $2,500,000 and
- a multiple of the Monthly Claim, where the multiple is:
  - Under age 40 multiple 180
  - Age 40 to 44 multiple 156
  - Age 45 to 49 multiple 132
  - Age 50 to 55 multiple 108
  - Age 56 and above multiply by number of complete months to benefit expiry

If the Policyowner is eligible to receive a lump sum benefit under the Lump Sum Option, we will use the multiple applicable at the date we determine that you meet the definition of Total and Permanently Disabled and not the date the request was received.

For the purposes of this option Total and Permanent Disability means:

(a) you have suffered total and irrecoverable loss of the:
  i) sight of both eyes, or
  ii) use of two limbs (where a limb is defined as one whole hand or one whole foot), or
  iii) sight of one eye and the use of one limb; or

(b) you have been unable to perform your own occupation for an uninterrupted period of at least three months due to Sickness or Injury and we believe, after consideration of medical and any other evidence, you are so disabled that you are unlikely ever to be able to perform your own occupation or other occupation for which you are suited by education training or experience which would pay remuneration at a rate greater than 25% of your earnings during your last 12 consecutive months of work, or

(c) as a result of Sickness or Injury you are totally and permanently unable to perform at least two of the following five '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

To be eligible to exercise the Lump Sum Option the Policyowner must:

1. Have selected the Lump Sum Option when the Policy was taken out; and
2. Have received monthly Total Disability benefits for a period of at least 24 continuous months since your Total Disability commenced and you must remain eligible for ongoing Total Disability benefits; and
3. Send us a written request to exercise the Lump Sum Option;

and you must meet the definition of Total and Permanent Disability as above.

The Lump Sum Benefit Option, once it has been selected, cannot be cancelled.

This option may only be selected where the Benefit Period selected is to age 65.

Exclusions

The Lump Sum Option will not be payable if, if our opinion, you are diagnosed as terminally ill and likely to die within 12 months. A Medical Practitioner nominated by us will need to provide specified information about the nature of your Sickness or Injury.

B.14 Total Disability Benefit

When you are Disabled for the duration of the Waiting Period, and are still Totally Disabled at the end of the Waiting Period, the Monthly Claim will begin to accrue.

The Total Disability Benefit:

a) begins to accrue from the day after the end of the Waiting Period; and

b) is paid monthly in arrears; and

c) will only stop at the end of the Benefit Period or when you die or cease to be Totally Disabled,

whichever occurs first.

Benefits will be calculated as 1/30th of the Monthly Claim for each day that you are Totally Disabled

If the Benefit Period to age 70 has been selected and if you are Totally or Partially Disabled on the Annual Renewal Date preceding age 65 years, we will continue to pay the relevant benefit until the Annual Renewal Date preceding age 70 years, or until you are no longer Disabled, whichever occurs first.

B.15 Unemployment

When you are unemployed, or on maternity or paternity leave, for more than 12 months immediately before becoming Disabled, you will only be considered to be Totally Disabled while you remain totally unable to perform an occupation for which you are reasonably suited by education, training or experience.

Eligibility to receive Partial Disability Benefit will be determined with the words 'or you are capable of performing all the important income producing activities of your own occupation on a partial basis' in provision F.47 a) iii) being replaced by 'or you are capable of returning to work in an occupation for which you are reasonably suited by education, training or experience, on a partial basis'.

If you are on sabbatical leave or long service leave, this will not be considered as unemployment.

B.16 Waiver of premium

After you have been Disabled for longer than the Waiting Period, we will waive premiums due under the Policy for the Period you continue to be Disabled, and are receiving Benefits under this Policy. The Policy and all its benefits will continue as if the premium was paid by the Policyowner. We will refund any premium that was paid in relation to the Period of Disability which includes the Waiting Period. Premiums become payable again after you are no longer receiving Benefits from the Policy and they will be calculated in line with provision H.1.

B.17 Maximum benefits payable

(applicable for MLC Protection – Income Gold Indemnity & Income Excell Indemnity)

This provision only applies to the Total Disability Benefit provision B.14 and Partial Disability Benefit provision B.9.

a) The Monthly Claim payable may be adjusted where:
   i) you are eligible to receive benefits from a pre-existing disability insurance or salary continuance policy from us or any other insurer which you had not disclosed when applying for this policy; or
   ii) the occupation class shown on your Disability Income Policy Schedule is not AAA, MP or LP and you are eligible to receive any income provided by or arranged by an employer, partnership or business including sick leave; or
   iii) the occupation class shown on your Disability Income Policy Schedule is not AAA, MP or LP and a workers compensation payment or other legislated payment is received in respect of loss of income and in calculating the payment the relevant tribunal or authority did not or could not take into account entitlements under this policy.

b) If paragraph (a) is applicable, then:
   i) your Monthly Claim for Total Disability may be reduced so that it, together with the aggregate of those monies, does not exceed 75% of your Pre-Disability Earnings;
   ii) if a payment referred to in paragraph (a) is a lump sum, it will be converted to income on the basis of 1% of the lump sum for each month that a benefit is paid to you for a maximum of 7 years, and the Monthly Claim will be calculated taking this figure into account;
   iii) your proportionate Monthly Claim for Partial Disability may be reduced so that the total of your Monthly Earnings and your Monthly Claim (as limited by this provision) is not greater than 100% of your Pre-Disability Earnings.

c) your benefit will not be affected by any amounts you receive from:

   i) lump sum or income benefits under other insurance policies, except as described in paragraph (a) above;

   ii) lump sum or income benefits under any retirement or superannuation fund (including government and statutory funds), provided that if these policies or funds existed at the time of the Policy Commencement Date or its reinstatement, all details were fully disclosed.

B.18 Maximum benefits payable

(applicable for MLC Protection – Income Gold Agreed & Income Excell Agreed)

This provision only applies to the Total Disability Benefit provision B.14 and Partial Disability Benefit provision B.9.

a) The Monthly Claim payable may be adjusted where:

   i) you are eligible to receive benefits from a pre-existing disability insurance or salary continuance Policy from MLC or any other insurer that you did not disclose to us at the time of applying for this Policy, or

   ii) the occupation class shown on the Disability Income Policy Schedule is not AAA, MP or LP and a workers compensation payment or other legislated payment is received in respect of loss of income and in calculating the payment the relevant tribunal or authority did not or could not take into account entitlements under this Policy.

b) If paragraph (a) is applicable, then:

   i) your proportionate Monthly Claim for Total Disability may be reduced so that it, together with the aggregate of those monies, does not exceed 75% of your Pre-Disability Earnings.

   ii) if a payment referred to in paragraph (a) is a lump sum, it will be converted to income on the basis of 1% of the lump sum for each month that a benefit is paid to you for a maximum of 7 years, and the maximum benefit will be calculated taking this figure into account;

   iii) your proportionate Monthly Claim for Partial Disability may be reduced so that the total of your Monthly Earnings and your Monthly Claim (as limited by this provision) is not greater than 100% of your Pre-Disability Earnings.

c) Your benefit will not be affected by any amounts you receive from:

   i) lump sum or income benefits under other insurance policies, except as described in paragraph a) above,

   ii) lump sum or income benefits under any retirement or superannuation fund (including government and statutory funds), provided that, if these policies or funds existed at the time of the Policy commencement date or its reinstatement, all details were fully disclosed.

d) When benefits are reduced in accordance with this provision, a proportionate refund of premiums paid will be made. The refund will be: A x B x C where: 'A' is the percentage reduction in Monthly Benefit; and 'B' is your average Monthly premium over the 12 months prior to Total Disability; and 'C' is the lesser of the number of months your Policy was in force before your claim started, and 12.

B.19 Superannuation Maintenance Benefit

If this option is shown in Section 1.21 of the Policy Schedule, we will pay an amount to your nominated superannuation fund as a personal contribution by you during any period for which the following benefits are payable; Total Disability Benefit, Partial Disability Benefit, Scheduled Injury Benefit, Critical Conditions Benefit, Nursing Care Benefit and Accident Benefit option.

If you receive a proportion of your Monthly Claim, then the Superannuation Maintenance Benefit will be reduced in the same proportion as the Monthly Claim.

We will pay the Superannuation Maintenance Benefit directly to your superannuation fund only while you are eligible to make personal contributions to superannuation. The Superannuation Maintenance Benefit will only be payable in circumstances permitted by the superannuation and taxation legislation. The superannuation fund must be a regulated superannuation fund or retirement savings account.

In the event of a claim, details of your superannuation fund or retirement savings account will need to be provided to enable payment of the benefit.

Once selected, should a claim be made, the Superannuation Maintenance Benefit is not convertible by you or by the Policyowner and will be paid while you continue to be entitled to benefits under the Policy. The Superannuation Maintenance Benefit cannot be cancelled or removed while you are receiving benefits under the Policy.

B.20 Child Income Benefit

If your dependant child dies or suffers one of the critical illness conditions listed below this Policy is extended to include three times the monthly Sum Insured up to a maximum of $25,000 on the death or critical illness of all dependant children. This will be paid as a lump sum to the Policyowner.

If your dependant child dies or is correctly diagnosed with one of the following critical illnesses (as defined) at any time up to the Policy anniversary preceding the child's 18th birthday, we will pay the Child Income Benefit to the owner of the Policy. Dependant child means the natural child, stepchild, adopted child or a child under the legal guardianship of the life insured.

The critical illnesses covered are:

Aplastic Anaemia
Benign Intracranial Tumour
Blindness
Cancer
Cardiomyopathy
Coma
Deafness
Encephalitis
Heart Attack
Intensive Care
Liver Disease
Loss of Limbs and/or Sight
Loss of Speech
Major Burns
Major Head Trauma
Major Organ Transplant
Meningitis and/or Meningococcal Disease
Open Heart Surgery
Out of Hospital Cardiac Arrest
Paralysis
Primary Pulmonary Hypertension
Renal Failure
Stroke

Upon payment of the Child Income Benefit the cover for that dependant child will cease and no further benefit will be payable under the Child Income Benefit in respect of that dependant child.

Maximum payable

The maximum level of cover payable under the Child Income Benefit in respect of any one dependant child is three times the Monthly Claim subject to a maximum of $25,000 in aggregate with us and under any similar policy with any other insurer.

Commencement of cover

The Child Income Benefit in respect of each dependant child will commence on the later of the following events:

- The Policy anniversary following the dependant child's 2nd birthday; and
- The commencement of the Policy to which the Child Income Benefit is attached.

Termination of cover

The Child Income Benefit in respect of each dependant child will cease on the earliest of the following events:

- The Policy anniversary preceding the dependant child's 18th birthday;
- Payment of the Child Income Benefit in respect of the dependant child; and
- The Policy to which the Child Income Benefit is attached ends.

Exclusions

No payment will be made if the dependant child dies or the critical illness is diagnosed, or symptoms leading to diagnosis become reasonably apparent, before or within three months of the commencement or reinstatement of the Policy.

No payment will be made if the event causing the critical illness condition (if applicable) was caused by:

- a congenital condition, or
- an intentional act of the dependant child's parent or guardian, or
- an intentional act of someone who lives with or supervises the dependant child, or
- an intentional act of the Policyowner.

This benefit is not available for superannuation policies.

B.21 Continuation of insurance benefit

If at the Policy expiry you are not Disabled, the Policyowner will have the option to continue your insurance cover under the Daily Living Benefit for the lesser of your Monthly Benefit at Policy expiry or $5,000 (or such other amount as advised by us from time to time) without the requirement to provide any medical evidence. The application for the Daily Living Benefit must be received within 60 days of the Policy expiry.

C. Additional Features and Options – MLC Protection – Income Gold Only

The following provisions set out features and options that are only applicable to MLC Protection Income Gold Policies.

C.1 Critical Conditions Benefit

If you are diagnosed as suffering from one of the critical conditions listed below, according to our definitions, the Monthly Claim will be paid for six months even if you are working, provided the critical condition is diagnosed by a Medical Practitioner and is supported by clinical, histological and laboratory evidence, as appropriate, depending on the circumstances.

Critical Conditions

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

You may choose for the Critical Conditions Benefit to be paid monthly in advance for six months or as a lump sum. The Critical Conditions Benefit is only payable once until the expiry date of this Policy for the same type of Critical Condition. It will only be payable 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.

If you are Disabled at the end of the Critical Conditions Benefit Period your eligibility to be paid Disability benefits is determined under the appropriate conditions of your Policy.

The Benefit will not be paid:

a) If Heart Attack, Stroke, Cardiomyopathy, Benign Intracranial Tumour, Cancer, Heart Surgery, Open Heart Surgery, Coronary Artery Disease or Coronary Artery By-Pass Surgery is diagnosed, or if symptoms leading to the diagnosis become reasonably apparent, before or within three months after the commencement date, increase in benefits or reinstatement of the Policy.

   If this occurs within three months of an increase in benefits, it is the increase amount that will not be payable.

OR

b) If it is shown that you do not have the condition which has been diagnosed.

C.2 Debt Replacement Benefit

If this option is shown in Section 1.21 of the Policy Schedule, the Debt Replacement Benefit will be payable in conjunction with the following benefits; Total Disability Benefit, Partial Disability Benefit, Scheduled Injury Benefit, Critical Conditions Benefit, Nursing Care Benefit and Accident Benefit Option

The benefits will be payable for a maximum of 12 months in respect of any one claim and are restricted to a cumulative total of 24 months over life of the Policy.

The benefit payable will be the lesser of the:

- The debt replacement monthly sum insured
- 1/12th of the Allowable Personal Expenses during the past 12 months immediately preceding Disability

If you receive a proportion of your Monthly Claim, then the Debt Replacement Benefit will be reduced in the same proportion as the Monthly Claim.

Allowable Personal Expenses consist of:

- Home Mortgage – the percentage share of the minimum monthly mortgage repayments attributable to your contribution to the household income
- Personal Equity or Overdraft facilities
- Personal residential and commercial property investment linked loans
- Personal Motor Vehicle leases and/or loans
- Private School Tuition fees – the percentage share attributable to your contribution to the household income
- Loans in your name, family trust or company for which you are personally liable

but specifically exclude any expenses for which you are not personally liable or any expenses relating to the running of your business (if applicable).

Cessation of benefits

The payment of the Debt Replacement Benefit ceases on the first to occur of the following:

- 12 months benefits have been paid in respect of any one claim;
- 24 months cumulative benefits have been paid in respect of all claims;

- the date your Disability ceases;
- you die;
- the Expiry Date as shown on your Policy Schedule; and
- the termination of the Policy.

C.3 Emergency Travel Benefit

If, as a result of an Injury or Sickness, you require emergency transportation in an air, sea or land ambulance while you are outside Australia, we may, in our absolute discretion, refund the costs of emergency transportation within the country where the Injury or Sickness occurred.

If you become Totally Disabled while you are outside Australia and remain so for more than 30 days then if Disability continues and you choose to return to Australia we will reimburse you the cost of a single economy airfare by the most direct route to Australia on a recognised airline. At our discretion we may reduce or waive this waiting period. Emergency Travel benefits are not payable on costs for which you are insured, or entitled to seek reimbursement from elsewhere.

This benefit is limited to a maximum of three times the Monthly Claim for any one claim. This benefit may be claimed only once in any 12 month period.

C.4 Nursing Care Benefit

When you are Totally Disabled and confined to bed and certified by a Medical Practitioner as requiring the continuing care of a registered nurse, other than an immediate family member, during the Waiting Period, the Nursing Care Benefit will be paid to the Policyowner. The amount will be:

- For less than three days – Nil
- For three or more days a daily rate will be paid, which is equivalent to 1/30th of the Monthly Claim for each day of confinement, to a maximum of three times the Monthly Claim in total.

The Nursing Care Benefit is paid monthly in arrears and will stop at the end of your Waiting Period or when you are no longer confined to bed or when you no longer require the care of a registered nurse, whichever occurs first.

C.5 Platinum Benefit

If this option is shown in Section 1.21 of the Policy Schedule, any Monthly Claim paid to you as a Critical Condition Benefit or a Nursing Care Benefit will be increased by 1/3rd. If death occurs while you are receiving a Platinum Benefit, the death benefit is determined using this increased Monthly Claim.

C.6 Rehabilitation Expenses Benefit

Should you need to undergo a formal rehabilitation course while Totally Disabled, or require special equipment to assist you to return to work, or live at home, we will pay for such extraordinary expenses that you incur up to an amount equal to six times the Monthly Claim.

Expenses that can be recovered elsewhere will not be included.

C.7 Rehabilitation Income Benefit

When you are Totally Disabled and you choose to engage in Rehabilitative Employment, we will increase the Monthly Claim by 50%. This benefit will be paid while Rehabilitative Employment continues, and for up to 12 Months for any one period of Total Disability.

While this benefit is being paid:

i) Any income generated from engaging in Rehabilitative Employment will be ignored for the purposes of any provision of this Policy; and

ii) you will be deemed to be Totally Disabled not withstanding provision F.61 b).

C.8 Spouse Accommodation Benefit

If your spouse, partner or close relative needs accommodation at a location which is more than 100km from your home, so that he or she can be close to where you are hospitalised during a period of Total Disability lasting more than three days, we will pay you a Spouse Accommodation Benefit.

The amount paid will be the reimbursement of the actual cost of accommodation, less amounts that are reimbursed from another source, to a maximum of 1/30th of the Monthly Claim or $250.00 per day, whichever is less.

The Spouse Accommodation Benefit:

a) begins to accrue when you incur the expenditure, provided no payment has been made under this Benefit in the previous 12 months; and

b) is paid monthly in arrears; and

c) will stop:

   i) when the accommodation is no longer required; or

   ii) when the maximum amount has been paid under this benefit; or

   iii) on the expiry of the Benefit Period; or

   iv) after this benefit has been paid for 30 days

   whichever occurs first.

C.9 Unemployment waiver

After this Policy has been in force for six months, if you involuntarily become unemployed and register with Centrelink or a recognised employment agency, we will waive premiums for the duration of your unemployment up to a cumulative maximum of 12 months during the life of the Policy.

D. MLC Protection – Income Daily Living

The following provisions are applicable to all Income Daily Living policies.

D.1 Indexation

We guarantee to increase the Monthly Benefit on each Annual Renewal Date but no increases will be allowed after your 64th birthday. The new benefit is calculated by increasing the previous Monthly Benefit by the percentage increase in the Consumer Price Index during the previous year or 5% whichever is greater. The Policyowner may refuse an increase, or cancel the indexation. However after the cancellation it can only be reinstated with our approval. No increase under this benefit will occur when you are Substantially Disabled. The premium for the increased Monthly Benefit will be calculated at the date of the increase and determined in line with provision H.1. The maximum initial Monthly Benefit that may be indexed is $3,000.

D.2 Daily Living Benefit

When you are Substantially Disabled for longer than the Waiting Period, the Monthly Benefit will begin to accrue. The Daily Living Benefit:

a) begins to accrue from the day after the end of the Waiting Period;

b) is paid monthly in arrears; and

c) will only stop at the end of the Benefit Period.

D.3 Death Benefit

If you die while receiving any benefits from the Policy, the Death Benefit will be paid. The Death Benefit is six times the Monthly Claim up to a maximum of $30,000 in total and is paid upon due proof of death. This will be payable as a lump sum to the Policyowner. Payment of the Death Benefit means that no other benefits will be payable. This benefit expires on your 65th birthday or the Expiry Date as shown on the Policy Schedule or when this Policy terminates, whichever occurs first.

D.4 Waiver Of Premium

After you have been Substantially Disabled for longer than the Waiting Period we will waive premiums due under the Policy for the Period you continue to be Substantially Disabled and receiving benefits from this Policy. The Policy and all its benefits will continue as if the premium was paid by the Policyowner. We will refund any premium that was paid in relation to the Period of Disability. Premiums become payable again when you are no longer receiving Benefits from this Policy and they will be calculated in line with provision H.1.

D.5 Recurrent Claim Benefit

When you suffer a Substantial Disability within six months of a Disability claim from the same or related causes the Waiting Period will not be applied again and all periods of Disability will be considered part of the same benefit period.

D.6 Critical Conditions Benefit

If you are diagnosed as suffering from one of the critical conditions listed below, according to our definitions, the Daily Living Benefit will be paid for six months even if you are working, provided the critical condition is diagnosed by a Medical Practitioner and is supported by clinical, histological and laboratory evidence, as appropriate, depending on the circumstances.

Critical Conditions

Aplastic Anaemia
Benign Intracranial Tumour
Blindness
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
Loss of Limbs and/or Sight
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 HIV Infection
Open Heart Surgery
Out of Hospital Cardiac Arrest
Paralysis
Parkinson's Disease
Pneumonectomy
Primary Pulmonary Hypertension
Renal Failure
Stroke

The Policyowner may choose for the Daily Living Benefit Claim to be paid monthly in advance for a total of six months or as a lump sum. The Critical Conditions Benefit is only payable once till the expiry date of this Policy for the same type of Critical Condition. It will only be payable 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.

If you are Substantially Disabled at the end of the Critical Conditions Benefit Period your eligibility to be paid Disability benefits is determined under the appropriate conditions of your Policy.

The Benefit will not be paid:

a) If Heart Attack, Stroke, Cardiomyopathy, Benign Intracranial Tumour, Cancer, Heart Surgery, Open Heart Surgery, Coronary Artery Disease or Coronary Artery By-Pass Surgery is diagnosed, or if symptoms leading to the diagnosis become reasonably apparent, before or within three months after the commencement date, increase in benefits or reinstatement of the Policy.

   If this occurs within three months of an increase in benefits, it is the increase amount that will not be payable.

OR

b) If it is shown that you do not have the condition which has been diagnosed.

D.7 Calculation of Daily Living Benefit Claim

The Daily Living Benefit Claim payable under the Policy is the Daily Living Benefit which may be reduced at any time, if required, to satisfy the maximum the Maximum Benefits Payable in provision D.8.

D. 8 Maximum benefits payable offset

The maximum Daily Living Benefit Claim under the policy may be reduced in certain circumstances.

The maximum amount payable under the Daily Living Benefit will be reduced if:

a) i) you are eligible to receive benefits from a pre-existing disability insurance or salary continuance policy from us or any other insurer which you had not disclosed when applying for this Policy; or

   ii) you are eligible to receive any income provided by or arranged by an employer, partnership or business including sick leave; or

   iii) a workers compensation payment or other legislated payment is received in respect of loss of income and in calculating the payment the relevant tribunal or authority did not or could not take into account entitlements under this Policy.

b) If paragraph a) is applicable then:

   i) your Daily Living Benefit Claim may be reduced so that it, together with the aggregate of those monies, does not exceed 75% of your Pre-Disability Earnings; and

   ii) if a payment is a lump sum, it will be converted to income on the basis of 1% of the lump sum for each month that a benefit is paid to you for a maximum of 7 years, and the maximum benefit will be calculated taking this figure into account.

c) your benefit will not be affected by any amounts you receive from:

   i) lump sum or income benefits under other insurance policies, except as described above; or

   ii) lump sum or income benefits under any retirement or superannuation fund (including government and statutory funds), provided that if these policies or funds existed at the time of the Policy Commencement Date or its reinstatement, all details were fully disclosed.

D.9 Child Income Benefit

If your dependant child dies or suffers one of the critical illness conditions listed below your Policy is extended to include three times the Monthly Benefit up to a maximum of $25,000 on the death or critical illness on the life of all dependant children. This will be paid as a lump sum to the Policyowner.

If your dependant child dies or is correctly diagnosed with one of the following critical illnesses (as defined) at any time up to the Policy anniversary preceding the child's 18th birthday, we will pay the Child Income Benefit to the owner of the Policy. Dependant child means the natural child, the stepchild or adopted child of the life insured.

D. MLC Protection – Income Daily Living continued

The critical illnesses covered are:

Aplastic Anaemia
Benign Intracranial Tumour
Blindness
Cancer
Cardiomyopathy
Coma
Deafness
Encephalitis
Heart Attack
Intensive Care
Liver Disease
Loss of Limbs and/or Sight
Loss of Speech
Major Burns
Major Head Trauma
Major Organ Transplant
Meningitis and/or Meningococcal Disease
Open Heart Surgery
Out of Hospital Cardiac Arrest
Paralysis
Primary Pulmonary Hypertension
Renal Failure
Stroke

Upon payment of the Child Income Benefit the cover for that dependant child will cease and no further benefit will be payable under the Child Income Benefit in respect of that dependant child.

Maximum payable

The maximum level of cover payable under the Child Income Benefit in respect of any one dependant child is three times the Monthly Benefit subject to a maximum of $25,000 in aggregate with us and under any similar policy with any other insurer.

Commencement of cover

The Child Income Benefit in respect of each dependant child will commence on the later of the following events:

- The Policy anniversary following the dependant child's 2nd birthday; and
- The commencement of the Policy to which the Child Income Benefit is attached.

Termination of cover

The Child Income Benefit in respect of each dependant child will cease on the earliest of the following events:

- The Policy anniversary preceding the dependant child's 18th birthday;
- Payment of the Child Income Benefit in respect of the dependant child; and
- The Policy to which the Child Income Benefit is attached ends.

Exclusions

No payment will be made if the dependant child dies or the critical illness is diagnosed, or symptoms leading to diagnosis become reasonably apparent, before or within three months of the commencement or reinstatement of the Policy.

No payment will be made if the event causing the critical illness condition (if applicable) was caused by:

- a congenital condition, or
- an intentional act of the dependant child's parent or guardian, or
- an intentional act of someone who lives with or supervises the dependant child, or
- an intentional act of the Policyowner.

This benefit is not available for superannuation policies.

E. MLC Protection – Income Business Expenses Features

The following provisions are applicable to all Business Expenses policies.

E.1 Indexation

We guarantee to increase the Monthly Benefit on each Annual Renewal Date but no increases will be allowed after your 64th birthday. The new benefit is calculated by increasing the previous Monthly Benefit by the percentage increase in the Consumer Price Index during the previous year or 5% whichever is greater. The Policyowner may refuse an increase, or cancel the indexation. However after the cancellation it can only be reinstated with our approval. No increase under this benefit will occur when you are Disabled. The premium for the increased Monthly Benefit will be calculated at the date of the increase and determined in line with provision H.1.

E.2 Total Disability Benefit

When you are Totally Disabled for longer than the Waiting Period, the Monthly Business Expenses Claim will begin to accrue. The Total Disability Benefit:

a) begins to accrue from the day after the end of the Waiting Period;

b) is paid monthly in arrears; and

c) will only stop at the end of the Benefit Period.

E.3 Partial Disability Benefit

If you are Partially Disabled a portion of the Monthly Business Expenses Claim will be payable based upon the following formula:

$$\frac{(A - B)}{A} \times C$$

Where:

A is your Pre-Disability Business Income,

B is your Business Income for the month in which the Partial Disability Benefit is claimed, before any benefit is payable under the Policy to a minimum of zero.

C is the lesser of the Monthly Business Expenses Claim and the Allowable Business Expenses

The Partial Disability Benefit begins to accrue from the day after you are no longer Totally Disabled, or the day after the end of the Waiting Period, whichever is the later. It is paid monthly in arrears, and will stop at the end of the Benefit Period or when you cease to be Partially Disabled or when your Business Income equals or exceeds Your Pre-Disability Business Income, whichever is the first to occur.

E.4 Death Benefit

If you die while receiving any benefits from the Policy, the Death Benefit will be paid. The Death Benefit is 12 times the Monthly Benefit, less any amounts already paid in respect of the current claim, up to a maximum of $60,000 in total and is paid upon due proof of death. This will be payable as a lump sum to the Policyowner. Payment of the Death Benefit means that no other benefits will be payable.

This benefit expires on your 65th birthday or the Expiry Date as shown on the Policy Schedule or when this Policy terminates, whichever occurs first.

E.5 Extension Of Benefit Period

(applicable to Total Disability Benefits only)

If Total Disability Benefits have been paid for a period of 12 months, the Benefit Period may be extended if the total amount paid does not equal 12 times the current Monthly Benefit.

The period of extension will be:

a) for 12 months; or

b) until Total Disability ceases; or

c) until the total amount paid equals 12 times the benefit amount; or

d) until the Expiry Date as shown in the Policy Schedule;

whichever occurs first.

E.6 Waiver Of Premium

After you have been Disabled for longer than the Waiting Period we will waive premiums due under the Policy for the Period you continue to be Disabled and receiving benefits from this Policy. The Policy and all its benefits will continue as if the premium was paid by the Policyowner. We will refund any premium that was paid in relation to the Period of Disability. Premiums become payable again when you are no longer receiving Benefits from this Policy and they will be calculated in line with provision H.1.

E.7 Recurrent Claim Benefit

When you suffer a Total or Partial Disability within six months of a Disability claim from the same or related causes the Waiting Period will not be applied again and all periods of Disability will be considered part of the same benefit period.

E. MLC Protection – Income Business Expenses Features

continued

E.8 Calculation of Monthly Business Expenses Claim

a) The Monthly Business Expenses Claim payable under the Policy is the lesser of:

   i) the Monthly Benefit; or

   ii) 1/12th part of the Allowable Business Expenses actually incurred by you in the operation of your profession, business or occupation during the 12 months immediately preceding your Disability and which continue during that Disability.

b) If the Monthly Business Expenses Claim payable, together with any benefit payable under any other disability policy with MLC or any other insurer deemed by us to be business expenses insurance, exceeds in any month the Allowable Business Expenses which are incurred during that month then the Monthly Business Expenses Claim will be reduced by the excess.

E.9 Elective surgery benefit

When you are Totally Disabled because of surgery to transplant part of your body to someone else, or elective surgery performed on the advice of a Medical Practitioner, then you will be considered to be Totally Disabled because of a Sickness except if your surgery took place within six months after:

a) Commencement Date on the Policy Schedule; or

b) an increase in the benefit applied for, but only in respect of the increase; or

c) the most recent reinstatement of the Policy.

F. Definitions

F.1 Allowable Business Expenses

Means your share of the normal day to day expenses of your business actually incurred by you and include, but are not limited to:

- accounting and audit fees
- bank charges
- equipment hire and motor vehicle leases
- business related insurance (excluding premiums for this Policy)
- rent and regular interest instalment payment on business mortgage or loan
- electricity, gas, water, heating, laundry, telephone, cleaning
- business property rates and taxes
- telephone costs
- regular advertising costs
- subscriptions/fees/dues to professional associations
- salaries of employees who do not generate sales income or billings and costs directly related to salaries (eg superannuation and other such fixed expenses which are normal in the operation of your profession, business or occupation)
- net cost of a locum (a person sourced external to your business and is a direct replacement for you whose gross sales, income or billings are less than the fees incurred for that locum).

The following are specifically excluded.

- your personal salary, fees, drawings or any other remuneration
- cost of remuneration for members of your family (unless they were employed at least 30 days before the date you became disabled) or any person who is not your employee
- the salaries and superannuation contributions of employees who generate sales, income, or billings for your business
- cost of goods or equipment used in your profession, business or occupation
- depreciation
- payment of principal on business mortgages or loans
- premiums for this Policy.

F.2 Annual Renewal Date

Means the annual renewal date of the Policy, as shown on the Policy Schedule.

F.3 Aplastic Anaemia

Means bone marrow failure which results in anaemia, neutropenia and thrombocytopenia requiring as a minimum one of the following treatments:

a) marrow stimulating agents;
b) bone marrow transplantation;
c) blood product transfusions; or
d) immunosuppressive agents.

F.4 Benefit Period

Is the period terminating on the first to occur of:

a) the expiry of the Benefit Period as shown on the Policy Schedule;
b) the date on which your Disability ceases;
c) the Expiry Date as shown on the Policy Schedule;
d) the date of your death; or
e) the termination of the Policy.

F.5 Benign Intracranial 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 impairment as confirmed by a consultant Neurologist. The tumour must result in permanent neurological deficit resulting in either:

a) at least 25% impairment of whole person function as defined by the latest edition of the Guide to the Evaluation of Permanent Impairment, American Medical Association, or
b) the insured person being totally and permanently unable to perform any one 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.

The presence of the underlying tumour must be confirmed by imaging studies such as CT Scan or MRI (Magnetic Resonance Imaging). 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.

F. Definitions continued

F.6 Blindness

Means the total and irrecoverable Loss of Sight of both eyes.

Loss of Sight means the complete and irrecoverable loss of sight from any cause. If the extent of sight loss is such that correction measures can achieve neither visual acuity of 6/60, nor a field of vision 20 degrees of arc or greater, then this will be accepted as Loss of Sight.

F.7 Business Income

Is 1/12th of your share of the gross income generated by the business before expenses and tax.

F.8 Cancer

Means the presence of a malignant tumour, including leukaemia, malignant lymphoma and other haemopoietic malignancies.

The tumour must be confirmed by histological examination and must:

- Require major interventionist therapy including radiotherapy, chemotherapy, biological response modifiers or any other major treatment, or
- Be sufficiently advanced such that major interventionist therapy is no longer recommended, or
- Be diagnosed as Chronic Lymphocytic Leukaemia.

The following cancers are specifically excluded:

- Tumours treated only by endoscopic procedures.
- Carcinoma in situ. Papillary ductal carcinoma in situ of the breast is covered under the Policy. Ductal carcinoma in situ of the breast is covered if it results in the removal of the entire breast. The procedure must be performed specifically to arrest the spread of malignancy, and be considered appropriate and necessary treatment.
- All skin cancers unless they have metastasised to other organs, or the tumour is a malignant melanoma of greater than Clark Level 2 depth, or invasion equal to or greater than 1.5mm thickness.

F.9 Cardiomyopathy

Means a condition of impaired ventricular function resulting in permanent physical impairment to the degree of at least Class 3 on the New York Heart Association Classification of cardiac impairment.

F.10 Chronic Lung Disease

Means end stage lung disease requiring permanent supplementary oxygen, with FEV1 test results of consistently less than one litre.

F.11 Coma

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.

F.12 Commencement Date

Is the date your Policy starts as detailed on your Policy Schedule in Section 1.6.

F.13 Consumer Price Index

Is the Australian National All Groups Consumer Price Index as published by the Australian Bureau of Statistics or any body that succeeds it. If the Consumer Price Index is materially altered we will calculate the Consumer Price Index based upon a retail price index that we consider properly reflects adjustments to the cost of living. If the percentage increase in the Consumer Price Index, or any substitute for it, is negative, we will make this percentage nil.

F.14 Coronary Artery By-Pass Surgery

Means the actual undergoing of coronary artery by-pass surgery considered necessary by a cardiologist to treat coronary artery disease, but not including angioplasty, other intra arterial, or laser procedures.

F.15 Coronary Artery Disease

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 obstruction of three or more coronary arteries is required to confirm the need for this procedure. The procedure must be considered necessary by a cardiologist to correct or treat Coronary Artery Disease.

F.16 Deafness

Means the total, irreversible and irreparable loss of hearing – both natural and assisted, in both ears as a result of disease, illness or injury as measured by audiogram.

F.17 Deemed Disability

Means that while the Policy is in force you have suffered from one of the Scheduled Injuries listed in provision B.11, or if you have a Income Gold Policy, from a Critical Condition listed in provision C.1.

F.18 Dementia

Means a significant loss of brain function causing a permanent defect (eg. Alzheimer's Disease), as diagnosed by a consultant neurologist. There must be deterioration and loss of intellectual capacity on standard testing criteria, and a need for continual care either professionally or as an in-patient.

F.19 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 creatinineless than 28ml/min (CKD stage 4, International Chronic Kidney Disease classification).

F.20 Disability, Disabled

Is Total Disability, Partial Disability, or Substantial Disability according to the context.

F.21 Encephalitis

Means severe inflammation of the brain resulting in permanent neurological deficit, resulting in either

a) at least 25% 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 any one 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.

Encephalitis as a result of HIV infection is excluded.

F.22 Heart Attack

Means a definitive diagnosis of myocardial infarction characterised by the death of a portion of heart muscle as a result of inadequate blood supply to a relevant area. The basis for myocardial infarction must be evidenced by:

a) i) New electrocardiographic changes; and
   ii) Raised cardiac enzymes, troponins or other biochemical markers above generally accepted laboratory levels of normal,

   each of which must be consistent with myocardial infarction.

or

b) i) Raised cardiac enzymes, troponins or other biochemical markers above generally accepted laboratory levels of normal; and
   ii) A reduction in Left Ventricular Ejection Fraction below 50% where measured at least six weeks after the cardiac event,

   each of which must be consistent with myocardial infarction.

Other acute coronary syndromes including unstable angina and acute coronary insufficiency are not covered by this definition.

If the above tests are inconclusive we will consider other appropriate and medically recognised tests.

F.23 Heart Surgery

Means the actual undergoing of any heart surgery that is considered necessary by a cardiologist to replace or correct cardiac valves as a consequence of heart valve defects, or to correct any narrowing, dissection or aneurysm of the thoracic or abdominal aorta, but does not include angioplasty, intra-arterial procedures or other non-surgical techniques.

F.24 Injury

Is an accidental bodily injury you suffer while the Policy is in force.

F.25 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.

F.26 Liver Disease

Means chronic liver failure, together with permanent jaundice, ascites or hepatic encephalopathy.

F.27 Loss Of Independent Existence

Means a condition as a result of a disease, illness or injury whereby you are totally and permanently:

(a) unable to perform at least two of the following five 'Activities of Daily Living':
   i) bathing and showering;
   ii) dressing and undressing;
   iii) eating and drinking;
   iv) using a toilet to maintain personal hygiene; and
   v) moving from place to place by walking, wheelchair or with assistance of a walking aid, or

(b) suffering a cognitive impairment requiring ongoing continuous care and supervision of another adult.

F. Definitions continued

F.28 Loss Of Limbs and/or Sight

Means the total and irrecoverable:

(a) Loss of use of two limbs (where a limb is defined as one whole hand, or one whole foot), or

(b) Loss of Sight of one eye and the loss of use of one limb.

Loss of Sight means the complete and irrecoverable loss of sight from any cause. If the extent of sight loss is such that correction measures can achieve neither visual acuity of 6/60, nor a field of vision 20 degrees of arc or greater, then this will be accepted as Loss of Sight.

F.29 Loss Of Speech

Means total and permanent loss of the ability to produce intelligible speech, as a result of permanent damage to the larynx or its nerve supply or the speech centres of the brain, whether caused by injury, tumour or sickness. The loss must be certified as being total and permanent by an appropriate medical specialist not less than three months after the ability to speak was first lost.

F.30 Major Burns

Means tissue injury caused by thermal, electrical or chemical agents causing third degree burns to:

- 20% or more of the Body Surface Area as measured by the 'rule of 9' of the Lund and Browder Body Surface Chart; or
- the whole of both hands, requiring surgical debridement and/or grafting; or
- the whole of both feet, requiring surgical debridement and/or grafting; or
- the whole of the face, requiring surgical debridement and/or grafting.

F.31 Major Head Trauma

Means a cerebral injury resulting in permanent neurological deficit, resulting in either:

a) at least 25% 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 any one 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.

F.32 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.

F.33 Medically Acquired HIV Infection

Means accidental infection with Human Immunodeficiency Virus (HIV) where the virus was acquired in Australia by you from one of the following necessary events conducted by a recognised and registered Medical Practitioner:

- A blood transfusion;
- Transfusion with blood products;
- Organ transplant to you;
- Assisted reproductive techniques;
- A medical procedure or operation performed by a Medical Practitioner

Any event that potentially may give rise to a claim must be treated in accordance with the relevant infection control guidelines for the relevant state health service or equivalent including, at a minimum, baseline screening with regular screening at six weeks, 12 weeks and six months post event. This screening will require a supporting negative HIV Test performed on material taken after the event date. Blood product will need to be made available for independent testing.

Exclusion

No payment will be made where a Cure has become available prior to the event causing the infection or where you have elected not to take any Vaccine available prior to the event.

'Cure' means any Australian Government approved treatment which renders HIV inactive and non-infectious.

'Vaccine' means any antigenic preparation approved by the Australian Government and recommended by a government authority for prophylactic use to produce immunity to the Human Immunodeficiency Virus.

F.34 Medical Practitioner

Is:

a) a medical practitioner whose qualifications are recognised in Australia and is registered in Australia; or

b) who has qualifications acceptable to us.

But excludes:

1. you; or
2. your business partners; or
3. any of your immediate family.

and includes a medical practitioner appointed by us.

F.35 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.

F.36 Monthly Benefit

Is the amount of benefit as noted in the Policy Schedule.

F.37 Monthly Business Expenses Claim

Is that part of the Monthly Benefit relating to business expenses calculated in accordance with provision E.8.

F.38 Monthly Claim

Is that part of the Monthly Benefit that would be payable for a claim calculated in accordance with provision B.1.

F.39 Monthly Earnings

a) When you do not directly or indirectly own the business or professional practice from which you earn your regular income, Monthly Earnings is the total monthly value of your remuneration in respect of the performance of your regular occupation. It includes salary, fees, commission, bonuses, regular overtime and fringe benefits. It will be determined by calculating the amount you could be expected to receive if your total remuneration was received as a salary or wage (before income tax is deducted), or

b) When you do directly or indirectly own all or part of the business or professional practice from which you earn your regular income, Monthly Earnings is the income earned by your business directly due to your personal exertion or activities less your share of necessarily incurred Business Expenses and costs for that business or professional practice, calculated on a monthly basis.

In this provision Business Expenses means regular or continuing fixed expenses incurred by your business whether you are working or not and which are not a payment of capital or of a capital, private or domestic nature, and could not reasonably be considered to give a private benefit to you, members of your family or any company, trust or other entity from which you or your family derive a benefit. Your share of these payments will be that which is apportionable to you in line with the usual manner that the profits and/or losses of your business are divided.

F.40 Motor Neurone Disease

Means an unequivocal diagnosis of motor neurone disease by a consultant Neurologist, with you not necessarily confined to a wheelchair.

F.41 Multiple Sclerosis

Means the unequivocal diagnosis of multiple sclerosis by a Medical Practitioner who is a consultant neurologist on the basis of confirmatory neurological investigations. There must be more than one episode of well defined neurological deficit with persisting neurological abnormalities.

F.42 Muscular Dystrophy

Means the unequivocal diagnosis of muscular dystrophy by a Medical Practitioner who is a consultant neurologist on the basis of confirmatory neurological investigations.

F.43 Occupationally Acquired Hepatitis B and Hepatitis C

Means Hepatitis B or Hepatitis C where the virus was acquired due to an accident occurring while engaging in your normal occupation and proof of seroconversion from:

- Hepatitis B surface antigen negative to Hepatitis B surface antigen positive; or
- Hepatitis C antibody negative to Hepatitis C antibody positive,

being demonstrated by testing within six months of the accident. Hepatitis B or Hepatitis C acquired in any other manner is excluded.

Any accident that potentially may give rise to a claim must be treated in accordance with the relevant infection control

guidelines for the relevant practice body or state health service, including, at a minimum, baseline screening with regular screening at six weeks, 12 weeks and six months post event. This screening will require a supporting negative Hepatitis B or Hepatitis C test performed on material taken after the accident date. Blood product will need to be made available for independent testing.

Exclusion

No payment will be made where

- the infection is intentionally self inflicted, or
- a Cure has become available prior to the event causing the infection, or
- you have elected not to take any Vaccine available prior to the accident, or
- you have become positive to Hepatitis B surface antigen within six months from the commencement of the benefit or within six months of the reinstatement of the benefit.

'Cure' means any Australian Government approved treatment which renders Hepatitis B or Hepatitis C inactive and non-infectious.

'Vaccine' means any antigenic preparation approved by the Australian Government and recommended by a government authority for prophylactic use to produce immunity to the Hepatitis B or Hepatitis C Virus.

F.44 Occupationally Acquired HIV Infection

Means Human Immunodeficiency Virus contracted where the virus was acquired due to an accident occurring while engaging in your normal occupation and the seroconversion to the HIV infection being demonstrated by testing within six (6) months of the accident. HIV infection acquired in any other manner is excluded.

Any accident that potentially may give rise to a claim must be treated in accordance with the relevant infection control guidelines for the relevant practice body or state health service, including, at a minimum, baseline screening with regular screening at six weeks, 12 weeks and six months post event. This screening will require a supporting negative HIV Test performed on material taken after the accident date. Blood product will need to be made available for independent testing.

Exclusions

No payment will be made where a Cure has become available prior to the accident causing the infection or where you have elected not to take any Vaccine available prior to the accident.

'Cure' means any Australian Government approved treatment which renders the HIV inactive and non-infectious.

'Vaccine' means any antigenic preparation approved by the Australian Government and recommended by a government authority for prophylactic use in your occupation to produce immunity to the Human Immunodeficiency Virus.

F.45 Open Heart Surgery

Means the undergoing of a thoracotomy for treatment of cardiac defect(s), cardiac aneurysm or benign cardiac tumour(s).

F.46 Out Of Hospital Cardiac Arrest

Means cardiac arrest which is not associated with any medical procedure and is documented by an electrocardiogram, occurs out of hospital and is due to:

a) Cardiac asystole; or

b) Ventricular fibrillation with or without ventricular tachycardia

F.47 Paralysis

Means the total and permanent loss of function of two or more limbs due to spinal cord injury or disease or brain injury or disease. This includes but is not limited to diplegia, hemiplegia, paraplegia, quadriplegia and tetraplegia.

F.48 Parkinson's Disease

Means the unequivocal diagnosis of degenerative idiopathic Parkinson's disease as characterised by the clinical manifestation of one or more of:

- rigidity
- tremor
- akinesia from degeneration of the nigrostriatal system

All other types of parkinsonism, including secondary parkinsonism due to medication, are excluded.

F.49 Partial Disability And Partially Disabled

Means that:

a) Solely because of Sickness or Injury:
   i) you are working in your regular occupation on a partial basis, or
   ii) you are working in another occupation, or
   iii) you are not working in any gainful occupation even though you are capable of undertaking all the important income producing duties of your regular occupation at least on a partial basis; and

b) your Monthly Earnings are less than your Pre-Disability Earnings; and

c) you are following the advice of a Medical Practitioner.

If you were unemployed for more than 12 months immediately before becoming Disabled, then 'your regular occupation' in part a)(iii) will be replaced by

'an occupation for which you are reasonably suited by education, training or experience.'

F.50 Pneumonectomy

Means the excision of an entire lung when deemed medically necessary by an appropriate medical specialist.

F.51 Policy

Means the legal contract between the Policyowner and Us made up of the Policy document, including the Policy Schedule.

F.52 Policyowner

Is the owner of the Policy as identified on the Policy Schedule.

F.53 Policy Schedule

Means the Policy Schedule sent with this Policy document for Income Protection or Business Expenses Cover (as the context requires).

F.54 Pre-Disability Business Income

Is 1/12th of Your share of the gross income generated by the business before expenses and tax in the 12 months immediately prior to you becoming disabled.

F.55 Pre-Disability Earnings

If your Policy is an MLC Protection – Income Gold Agreed or Income Excell Agreed

Is your highest average Monthly Earnings for any period of 12 consecutive months between the period one year prior to the Commencement Date and the date of your Disability.

When you are Disabled, this figure will be increased every 12 months following the date of commencement of Disability by the Consumer Price Index.

If your Policy is an MLC Protection – Income Gold Indemnity or Income Excell Indemnity

Is the greater of:

a) your average Monthly Earnings for the 12 month immediately prior to the date of your Disability; or

b) your average Monthly Earnings over the three years immediately preceding the date of your Disability.

When you are Disabled, this figure will be increased every 12 months following the date of commencement of Disability by the percentage change in the Consumer Price Index.

F.56 Pre-Existing Condition

Is a sickness, disease, or physical condition for which symptoms existed, that would cause a reasonable person to seek diagnosis, care or treatment from a Medical Practitioner, before the Commencement Date, date of reinstatement or the date an improvement is offered in accordance with provision A.7. For any pre-existing sickness, disease or physical condition to be covered under the Policy you must have told us about it in accordance with your Duty of Disclosure.

F.57 Primary Pulmonary Hypertension

Means primary pulmonary hypertension associated with right ventricular enlargement established by cardiac catheterisation resulting in significant permanent physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment.

Secondary pulmonary hypertension due to chronic lung disease is excluded.

F.58 Rehabilitative Employment

Means a recognised program of rehabilitation, for the ultimate purpose of being able to engage in gainful employment, undertaken in a government recognised or government approved institution. Subject to our written approval, we may agree to other programs of rehabilitation.

F.59 Renal Failure

Means end stage renal failure presenting as chronic irreversible failure of both kidneys to function, requiring permanent regular renal dialysis.

F.60 Sickness

Is a sickness, disorder or disease you suffer and which becomes apparent after the Commencement Date, or which is disclosed in accordance with provision A.7.

F.61 Substantially Disabled or Substantial Disability

Means, as certified by a Medical Practitioner, that solely because of Injury or Sickness:

a) you are totally unable to perform at least two of the following five 'Activities of Daily Living' without the assistance of another adult:
   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, or

b) you are suffering from a significant cognitive impairment requiring ongoing continuous care and supervision of another adult.

F.62 Stroke

Means any cerebrovascular accident or incident producing neurological sequelae. Evidence of infarction of brain tissue, intracranial and/or subarachnoid haemorrhage or embolisation from an extracranial source is required. Transient ischaemic attacks, reversible ischaemic neurological

deficit, cerebral symptoms due to migraine and any intracranial bleeding caused by a trauma are each excluded.

F.63 Total Disability And Totally Disabled

Means that solely because of Injury or Sickness:

(a) you are:

(i) not capable of doing at least one of the important income producing duties of your regular occupation, or

(ii) unable to perform the important income producing duties of your regular occupation for more than 10 hours per week, or

(iii) unable to generate at least 80% of your Pre-Disability Earning, and

(b) you are not working in any gainful occupation, and

(c) you are following the advice of a Medical Practitioner.

F.64 Waiting Period

Is the number of days you must wait before we will pay Disability benefits.

You decide the length of the Waiting Period by selecting a set number of days when you complete the application form for the Policy. This period is shown on the Policy Schedule.

The Waiting Period commences on the date when a Medical Practitioner advises you that you are Disabled.

If you provide us with certification from a Medical Practitioner that Disability commenced before the date of advice of Disability, we will back date the commencement date of the Waiting Period to the actual date of Disability, subject to a maximum back dating of seven days.

If your Policy is an MLC Protection – Income Gold or MLC Protection – Income Excell or MLC Protection – Income Business Expenses

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 twenty 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.

F.65 War, Or any Act Of War

Includes but is not limited to, declared war, and armed aggression by one or more countries resisted on orders by any other country, combination of countries or international organisations.

Disability occurring while you are a prisoner of war or while missing in action will be considered a result of an act of war.

F.66 We, us, our and MLC

Is MLC Limited ABN 90 000 000 402, Australian Financial Services Licence Number 230694.

F.67 You and your

Is the Life Insured as shown on the Policy Schedule.

G. Exclusions

This section explains the exclusions applicable to all types of MLC Protection Income and Business Expenses policies.

The Policyowner will not receive any benefits from the Policy if Disability arises out of or in connection with:

a) War, or an act of war; or

b) Intentional self-injury or attempted suicide; or

c) Pregnancy, childbirth or miscarriage unless Disability continues for more than three months after the end of the pregnancy. When this occurs, the date of commencement of Disability will be taken as being the date of the end of the pregnancy.

d) your participation in a criminal activity or your incarceration.

IN ADDITION, regardless of whether or not there is a connection between your Disability and your incarceration, benefits will not be paid in relation to any period during which you are incarcerated.

Criminal activity means an activity giving rise to your conviction and incarceration. Incarceration means confinement in a jail of any description (including a prison farm or a remand centre).

H. Premium & Reinstatement

This section explains the general provisions applicable to all types of MLC Protection Income and Business Expenses policies.

H.1 Premium determination

a) When the Policy is on a stepped premium basis the premiums are based upon your age next birthday at each Annual Renewal Date.

b) When the Policy is on a level premium basis the premiums are based upon your age next birthday at the Commencement Date. The premium for any subsequent increase in Monthly Benefit will be based upon your age next birthday at the time of the increase.

c) Premiums are calculated having regard to any premium loading we advise either:

   i) on our acceptance of your application for your Policy;

   ii) on any subsequent underwritten increase and then only in respect of the amount of the increase; or

   iii) when the Policy was most recently reinstated.

H.2 Premium Payments

The premium is payable in advance on the Premium Due Date. (For information about Unpaid Premiums please see below.)

If the Policyowner wants to change the method or frequency of the premium payments, the Policyowner will need to contact us so that another payment method and frequency acceptable to both the Policyowner and us can be arranged.

H.3 Unpaid Premiums

Once the Policy is in force, the Policyowner must pay the premium on or before the Premium Due Date.

If the premium has not been received by us on the Premium Due Date we have the right to cancel your Policy. We will forward you a notice in writing advising you of our right to cancel your Policy and advising you that you have 30 days in which to pay any unpaid premiums or your Policy will be cancelled.

If payment of the unpaid premiums is not received within the 30 day period referred to above, your Policy will be cancelled. If this occurs, we will issue a notice to you confirming that your Policy has been cancelled, as of the Premium Due Date, and that you are no longer insured.

If a claim arises during the 30 day period referred to above, your claim will be considered, however all unpaid premiums will be deducted from any benefit paid.

We may allow you to reinstate your Policy, without a health declaration, if payment is received within 14 days of the cancellation of this Policy. However, any requests for reinstatement made after this 14 day period must be accompanied by a health declaration and reinstatement will be at our discretion.

Premium Due Date – Is the Renewal Date as shown in 1.7 in the Policy Schedule or a date otherwise agreed to by the Policyowner and us.

H.4 Policy fee

The Policy fee can be periodically amended but never at a greater rate than the rate of increase in the Consumer Price Index since any previous amendment in the Policy fee for equivalent policies.

H.5 Government charges

These will be implemented in line with government requirements and added to your premium. We may also increase the premium rates as a result of changes to or the introduction of Government charges.

I. Claims

This section explains the general provisions applicable to all types of MLC Protection Income and Business Expenses policies.

I.1 Written advice of claim

The Policyowner must let us know in writing of the claim within 30 days of you being Disabled, or as soon as it is reasonably possible for you to do so, whichever is the earlier. Once we have been advised of a claim, we will send the Policyowner our claim forms within 30 days. If you do not do this, benefits will not accrue any earlier than 30 days before you advise us.

I.2 Claim information

The Policyowner must provide full evidence of the claim that meets our requirements. You and your doctor must complete the claim form and return it to us within 60 days of the beginning of a period of Disability for which benefits are being claimed. You will be responsible for any costs incurred in completing the claim form.

No Monthly Benefit will be payable in respect of any period more than 60 days prior to us receiving the claim form or any progress claim form we may issue, unless your Disability is such as to prevent you from informing us within the 60 day period.

I.3 Mis-statement of age

We may require you to submit proof of your age before a claim benefit is paid. If your age has been understated, we will reduce the Monthly Benefit to that which would have been payable had the premium been based on the correct age. If your age has been overstated, any overpayments in the premiums paid will be refunded to you.

I.4 Medical examination

Payment of benefits is conditional upon you being examined by a Medical Practitioner we nominate as often as is reasonably required. If you are examined in this way, we will pay for it.

I.5 Payment of claim

When the Policyowner is not legally competent we will pay benefits (other than a death benefit) to the person we reasonably consider should receive them. If we do this in good faith the Policyowner will not be able to hold us liable for any amounts paid.

I.6 Cessation of claims

When a claim ceases prior to the Expiry Date of the Policy, premiums cease to be waived and become payable from the date of cessation of the claim.

Premiums will be calculated in accordance with provision H.1.

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GPO Box 2567 Melbourne Victoria 3001
Telephone Client Services on 1300 428 482 Fax 03 9820 1534
mlc.com.au