

# Zurich Life Risk Zurich Income Protector / Plus

Adviser use only



# Summary

These tables outline the in-built benefits, optional extras and product parameters for Zurich Income Protector. They show which features differ if the Plus cover is selected.

In-built benefits	Outside of super		Super ownership	
	Income Protector	Income Protector Plus	Income Protector	Income Protector Plus
Total disability benefit	✓ <sup>#</sup>	✓	✓ <sup>#</sup>	✓
Partial disability benefit	✓ <sup>#</sup>	✓	✓ <sup>#</sup>	✓
Specified injury benefit	✓	✓		
Rehabilitation benefit	✓	✓		
Funeral benefit	✓	✓	✓	✓
Confined to bed benefit		✓		✓

In-built provisions	Income Protector	Income Protector Plus	Income Protector	Income Protector Plus
Interim cover	✓	✓	✓	✓
Inflation protection	✓	✓	✓	✓
Waiver of premium	✓	✓	✓	✓
Recurrent disability	✓	✓	✓	✓
Concurrent disability	✓	✓	✓	✓
Premium holiday	✓	✓	✓	✓

# life insured must totally stop work for the duration of the waiting period.

Optional extras	Income Protector	Income Protector Plus	Income Protector	Income Protector Plus
Increasing claims option	✓	✓	✓	✓
Super contributions option	✓	✓	✓	✓
Day 4 accident option	✓	✓	✓	✓
Business expenses option	✓	✓		
Family care option	✓	✓		
Home support option	✓	✓		
Future insurability option*		✓		✓
Lump sum accident option*		✓		
Trauma option*		✓		
Needlestick cover option*		✓		

\* these options are not available for occupations categorized as Special Risk (SR).

**Please read the Zurich Wealth Protection PDS for all terms and conditions, including relevant exclusions.**

These two pages set out the Total and Partial disability benefit for Zurich Income Protector (this page) and Zurich Income Protector Plus (next page), so that you can easily compare the two.

### Zurich Income Protector

**Total disability benefit** – to qualify, the life insured must be totally disabled for the duration of the waiting period and remain totally disabled after the waiting period ends.

Totally disabled means that solely as a result of a sickness or injury, the life insured:

- is not working in gainful employment and
- is unable to perform one or more of the important income producing duties of his/her usual occupation.

The life insured must also be under the regular care of, and following the advice of a medical practitioner.

The benefit payable depends on the cover selected:

- if the policy is agreed value, we will pay the insured monthly benefit, less any applicable offsets
- if the policy is indemnity, we will pay the lower of:
  - the insured monthly benefit, and
  - 75 per cent of the life insured's pre-disability income less any applicable offsets.

'Usual occupation' means the occupation predominantly performed in the 12 months prior to the sickness or injury, unless:

- the Total disability benefit and/or Partial disability benefit has been paid for a period of 24 months, or
- the life insured has been unemployed or on long service, maternity or paternity leave for more than 12 consecutive months immediately prior to the sickness or injury causing disability

in which case his/her usual occupation is any occupation to which he/she is reasonably qualified by education, training or experience.

**Partial disability benefit** – to qualify, the life insured must be totally disabled for the duration of the waiting period and remain partially disabled after the waiting period ends.

Partially disabled means that the life insured is working or is capable of working but solely due to sickness or injury he/she:

- has a reduction of 20 per cent or more in the ability to perform important income producing duties in his/her usual occupation and
- is under the regular care of, and following the advice of a medical practitioner.

The Partial disability benefit amount is proportionate to the income loss and calculated on a monthly basis using the following formula:

$$\frac{\text{pre-disability income} - \text{post-disability income}}{\text{pre-disability income}} \times \frac{\text{the applicable Total disability amount}}{\text{pre-disability income}}$$

### Total and Partial disability payments

The Total or Partial disability benefit is payable 15 days after the waiting period ends, and monthly thereafter. Benefits are payable until:

- the life insured is no longer totally disabled or partially disabled
- the benefit period ends
- the cover expires
- the life insured's death.

**Superannuation ownership** - if the policy is held in super, the life insured must meet the conditions of release under superannuation law, eg. 'temporary incapacity'.

## Zurich Income Protector Plus

**Total disability benefit** - to qualify, the life insured must be totally disabled or partially disabled for the duration of the waiting period and remain totally disabled after the waiting period ends.

Totally disabled means that solely as a result of a sickness or injury, the life insured:

- is not working in gainful employment and
  - is unable to perform one or more of the important income producing duties of his/her usual occupation
- or
- is not working in gainful employment and
  - has a reduction of 80 per cent or more in the ability to generate pre-tax income in his/her usual occupation
- or
- is not working in gainful employment for more than 10 hours per week and
  - is unable to perform his/her important income producing duties for more than 10 hours per week.

The life insured must also be under the regular care of, and following the advice of a medical practitioner.

If the life insured is working less than 26 hours per week when he/she becomes totally disabled, '10 hours' becomes 'five hours' for the purpose of determining eligibility.

The benefit payable depends on the cover selected:

- if the policy is agreed value, we will pay the insured monthly benefit, less any applicable offsets
- if the policy is indemnity, we will pay the lower of:
  - the insured monthly benefit, and
  - 75 per cent of the life insured's pre-disability income less any applicable offsets.

The life insured can work for up to 10 hours per week and still claim the Total disability benefit, which could allow him/her to check on his/her business while suffering from sickness or injury.

'Usual occupation' means the occupation predominantly performed in the 12 months prior to the sickness or injury, unless the life insured has been unemployed or on long service, maternity or paternity leave for more than 12 consecutive months immediately prior to the sickness or injury causing disability in which case his/her usual occupation is any occupation to which he/she is reasonably qualified by education, training or experience.

**Partial disability benefit** – to qualify, the life insured must be totally disabled or partially disabled for the duration of the waiting period and remain partially disabled after the waiting period ends.

Partially disabled means that the life insured is working or is capable of working but solely due to sickness or injury he/she:

- has a reduction of 20 per cent or more in the ability to:
  - perform important income producing duties or
  - generate pre-tax income or
  - maintain the number of hours worked in his/her usual occupation and
- is under the regular care of, and following the advice of a medical practitioner.

The Partial disability benefit amount is proportionate to the income loss and calculated on a monthly basis using the following formula:

$$\frac{\text{pre-disability income} - \text{post-disability income}}{\text{pre-disability income}} \times \frac{\text{the applicable}}{\text{Total disability amount}}$$

### Total and Partial disability payments

The Total or Partial disability benefit is payable 15 days after the waiting period ends, and monthly thereafter. Benefits are payable until:

- the life insured is no longer totally disabled or partially disabled
- the benefit period ends
- the cover expires
- the life insured's death.

**Superannuation ownership** - if the policy is held in super, the life insured must meet the conditions of release under superannuation law, eg. 'temporary incapacity'.

This page provides a summary of the in-built and optional extra benefits available in both Zurich Income Protector and Zurich Income Protector Plus.

### In-built benefits

**Specified injury benefit** – the waiting period is waived and the benefit is paid immediately for a fixed period if the life insured suffers from a specified injury (whether or not the life insured meets the definition of totally or partially disabled). The benefit covers specific conditions and injuries.

### Rehabilitation benefit

- Workplace modification – Zurich will pay up to three times the monthly Total or Partial disability benefit for approved expenses incurred in carrying out workplace modifications
- Rehabilitation program – Zurich will provide an additional 20 per cent of the monthly Total or Partial disability benefit each month towards the expenses of an approved rehabilitation program for a maximum of 12 months
- Rehabilitation costs – Zurich will reimburse up to twelve times the monthly Total or Partial disability benefit to cover approved rehabilitation expenses.

**Funeral benefit** – three times the insured monthly benefit will be paid if the life insured dies while we are paying a monthly benefit.

**Confined to bed benefit (Plus only)** – if the life insured is confined to bed because of sickness or injury for more than two days in a row and during that period requires the full time care of a nurse or personal attendant, Zurich will pay one thirtieth of the monthly benefit for each day the life insured is disabled during the waiting period, to a maximum of 180 days.

**Tailored super structuring** – two related Zurich policies can be set up, where one of the policies is owned by the trustee of a superannuation fund. This allows a mixture of super and ordinary benefits to be linked for a cost-effective package of cover overall. Related policies remain as two separate policies but behave as if all linked benefits are combined on one policy, which means that a claim on one policy may impact the other. More information about how this works can be found in the Zurich Wealth Protection PDS.

### Optional extras

**Increasing claims option** – the Total or Partial disability benefit will be increased each year to keep up with inflation while on claim.

**Superannuation contributions option** – Zurich will cover up to 100 per cent of the life insured's superannuation contributions should they qualify for a Total or Partial disability benefit, Specified injury benefit, Confined to bed benefit or Day 4 accident benefit.

**Day 4 accident option** (with waiting periods of 30 days or less) – if the life insured is disabled due to injury for more than three consecutive days then benefits will be paid during the waiting period on a daily basis (one thirtieth of the monthly benefit). The benefit payable is backdated to day one.

**Business expenses option** – if the life insured is totally or partially disabled, Zurich will pay up to 100 per cent of the fixed costs of running the business.

**Family care option** – if a monthly benefit is being paid and the life insured dies before the policy expiry, Zurich will continue to pay the spouse a benefit for up to five years after the life insured's death.

**Home support option** – recognises the contribution of a spouse who is not in paid work or is working part time. It pays a monthly living expenses benefit, benefits to reimburse domestic assistance and child care costs as well as a package of rehabilitation benefits.

**Future insurability option (Plus only)** – the insured monthly benefit can be increased by up to 15 per cent every policy anniversary up to age 55 without further underwriting (provided no claims have been made). The increase must reflect an increase in income and cover cannot exceed 75 per cent of income.

**Lump sum accident option (Plus only)** – a lump sum is payable if the life insured is involved in an accident which causes their death or a listed injury within 180 days of the accident and before the policy anniversary following the life insured's 65th birthday or the benefit expiry date (whichever is earliest).

**Trauma option (Plus only)** – if the life insured suffers one of four specified traumas while claiming a monthly benefit, Zurich will double the benefit payable for up to six months. If the life insured dies, a lump sum of three times the insured monthly benefit will be paid.

**Needlestick cover option (Plus only)** – eligible clients can opt to cover occupationally acquired HIV, Hep B or Hep C. A lump sum of up to \$1,000,000 can be applied for.

## Other in-built provisions

**Interim cover** – while Zurich is assessing the application, we will provide interim cover for up to 90 days against accidental injury which results in the life insured being unable to work and earn any income.

**Inflation protection** – Zurich will offer to index the insured monthly benefit each year in line with inflation without further assessment of health.

**Waiver of premium** – Zurich will waive premiums when benefits are payable. If the claim form is lodged within 30 days, premiums paid in the waiting period are also refunded.

**Recurrent disability** – if disability recurs within 12 months of the life insured returning to work, a further waiting period will not apply. Zurich will start paying benefits again immediately.

**Concurrent disability** – if more than one separate and distinct sickness or injury results in a disability, payments will be based on the policy condition that provides the highest benefit.

**Premium holiday** – the policy owner may request a 3, 6, 9 or 12 month break in cover (maximum 12 months over the life of the policy). No cover is provided for any insured event apparent or occurring during a premium holiday.

**Unemployment and employment breaks** (non SR occupations) – if the life insured is involuntarily unemployed Zurich will waive the premiums for up to three months at a time (12 months over the life of the policy) provided the life insured registers with an approved employment agency. The policy must first have been in place (without any periods of waived premium) for at least 12 months.

**Worldwide cover** – if the life insured is outside Australia during a claim the life insured must undergo an annual medical every 12 months for the claim to continue.

**Exclusions** – Zurich will not pay a benefit for sickness or injury resulting from:

- intentional self-inflicted act
- attempted suicide
- uncomplicated pregnancy or childbirth
- elective surgery or donor transplant surgery within six months of the cover start date
- an act of war (whether declared or not)
- any event or medical condition specified as an exclusion in the Policy schedule.

Parameters	Income Protector	Income Protector Plus
<b>Occupation eligibility</b>	Available to all occupation categories (Restrictions apply to the cover available to SR occupations)	Available to all occupation categories, except SR
<b>Eligible ages</b>	19 – 59 The maximum entry age for SR occupations is 53	19 – 59
<b>Waiting periods</b>	All occupations can select from 30, 60 or 90 days All occupations except SR may also select: <ul style="list-style-type: none"> <li>• 14 or 180 days, or</li> <li>• 1 or 2 years</li> </ul>	<ul style="list-style-type: none"> <li>• 14, 30, 60, 90 or 180 days, or</li> <li>• 1 or 2 years</li> </ul>
<b>Benefit periods</b>	All occupations can select 1, 2 or 5 years All occupations except SR may also select benefits payable to age 65 A1, A1M, A2 and A3 occupations can also select benefits to age 70.	All occupations can select: <ul style="list-style-type: none"> <li>• 1, 2 or 5 years, or</li> <li>• benefits payable to age 65</li> </ul> A1, A1M, A2 and A3 occupations can also select benefits to age 70.

This publication is dated 20 November 2015 and does not take into account your personal objectives, financial situation or needs. Therefore you should consider these factors, the appropriateness of the information provided, the Zurich Wealth Protection Product Disclosure Statement (PDS) (available on [www.zurich.com.au](http://www.zurich.com.au) or by calling us on 131 551) before making a decision. The information in this publication is a summary only and there are relevant exclusions and conditions. Zurich Australia Limited ABN 92 000 010 195 AFSLN 232510 is the issuer of Zurich Income Protector and Zurich Income Protector Plus.

Zurich Australia Limited  
ABN 92 000 010 195, AFSLN 232510

5 Blue Street North Sydney NSW 2060  
Zurich Customer Care: 131 551  
Email: [client.service@zurich.com.au](mailto:client.service@zurich.com.au)  
[www.zurich.com.au](http://www.zurich.com.au)



**ZURICH**®