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ZURICH®

Zurich Wealth Protection

Product Disclosure Statement including policy conditions

This PDS

This PDS contains information about the Zurich Wealth Protection policies, as well as the policy conditions. The Zurich Wealth Protection policies are:

- Zurich Protection Plus
- Zurich Child Cover
- Zurich Income Protector and
- Zurich Business Expenses.

Defined terms

In this PDS, all terms appearing in italics are defined terms with special meanings which are explained in the Definitions section of the PDS. Policy features are capitalised for ease of identification.

'Zurich', 'us', 'our', and 'we' means Zurich Australia Limited. Unless specified, 'You' means the person making the insurance decisions and applying for cover ie. generally the policy owner (including trustees of a self-managed superannuation fund). Where you are taking out insurance as a member of any other superannuation fund, 'you' will be the life insured. See the section 'Policy ownership' on page 2.

A reference to 'Zurich Income Protector' refers to both levels of cover: Zurich Income Protector and Zurich Income Protector Plus, except where separate provisions are specifically stated as only applying to Zurich Income Protector Plus.

Policy conditions

This PDS includes the policy conditions which will apply to your cover once your application has been accepted. It is important that you read them carefully and keep this document in a safe place.

Important notes

The Zurich worldwide group of companies has obligations under various Australian and foreign laws. Despite anything to the contrary in this PDS or any other document related to the policies described in this PDS, the policies' terms will operate subject to all laws with which a Zurich worldwide company considers it must comply.

This offer is available only to persons receiving it (including electronically) within Australia. We cannot accept cash or applications signed and mailed from outside Australia.

Cover is available to Australian residents (including people who are in the process of applying for permanent residency) who are living in Australia. All parties to any policy issued must be Australian residents, including policy owners, lives insured, payors and beneficiaries nominated. The policies are designed for Australian residents, and their operation and your rights may be restricted if you or the life insured become a resident of another country.

General information only

The information contained in this PDS is general information only. It does not take into account your individual objectives, financial situation or particular needs. You should consider the appropriateness of each policy having regard to your objectives, financial situation and needs.

We recommend you seek professional financial and taxation advice before making any decisions regarding these policies.

Up to date information

The information in this PDS is up to date at the date it is prepared. Certain information in this PDS may change from time to time. Where the change is not materially adverse, we will update such information on our website, www.zurich.com.au. A paper copy of the updated information will be available free of charge upon request by contacting us (see the inside back cover of this PDS for details).

Issuer information

This PDS and the life insurance products described in it are issued by Zurich Australia Limited ABN 92 000 010 195, AFSL 232510. Our contact details appear on the inside back cover of this PDS.

If you take out Zurich Wealth Protection policies via a superannuation fund, Zurich issues life insurance policies to the trustee.

Preparation date: 20 April 2017

Contents

Introduction

Zurich Wealth Protection allows you to select a combination of life insurances and ownership structures to meet your needs as determined by you and your adviser.

The primary benefits provided under these insurances are summarised in this table. You will find the terms and conditions applying to each type of insurance in the next sections of this PDS.

Zurich Protection Plus

Death cover	Death cover provides a lump sum payment if the life insured dies or is diagnosed with a *terminal illness*.
Total and permanent disablement (TPD) cover	TPD cover provides a lump sum payment if the life insured suffers *total and permanent disablement* in accordance with the TPD definition provided by your policy. It can also provide partial payments at earlier stages of disablement and for less severe conditions via the Partial impairment benefit, if Platinum TPD is selected.
Trauma cover	Trauma cover provides a lump sum payment if the life insured suffers a specified trauma condition for which he/she is covered.

Zurich Child Cover

Child cover	Child cover provides a lump sum payment if the insured child suffers one of the insured trauma conditions. It also includes death, terminal illness and carer benefits.

Zurich Income Protector

Income protection cover	Income protection provides a monthly benefit that contributes towards a replacement income if the life insured is unable to work and is disabled, in most cases, for longer than the specified waiting period.

Zurich Business Expenses

Business expenses cover	Business expenses cover provides a monthly benefit that reimburses either *allowable business expenses* or *key person replacement costs* if the life insured is disabled, in most cases, for longer than the specified waiting period.

Cooling off period

After we send you a policy schedule, you have 21 days to check that your policy meets your needs. Within this time you may cancel the policy and receive a full refund of any premiums paid, provided you have not exercised any rights under it. Your request can be in writing or by phone (see the section 'How to contact us' on the inside back cover of this PDS).

If your policy has superannuation ownership, any refund is subject to preservation requirements. You may be required to nominate a complying superannuation fund for any refund.

If you exercise any rights in relation to your policy (for example, you make a claim) before the 21 day period has elapsed, your option to cancel your policy and receive a refund will be forfeited.

Worldwide cover

You are covered under any Zurich Wealth Protection policy 24 hours a day, seven days a week, worldwide.

If you are claiming income protection benefits while overseas, we will require you to have a medical examination every 12 months for benefits to continue.

Guaranteed upgrade of benefits

We may improve the terms of the benefits described in this PDS. If we do so, without any change in the standard premium rates, we will incorporate the improvement in your policy. Any medical condition existing at the time the improvement is offered or any injuries sustained prior will be excluded from being eligible for payment under the improved terms.

Guaranteed renewable

Provided you pay premiums as required, these policies are guaranteed to be renewable up until the expiry date of the benefit(s) you have chosen regardless of any changes in your health or pastimes.

Cover that keeps up with you

These policies have been designed with long-term, flexible cover in mind, and include automatic yearly increases in sums insured to protect cover against the impact of inflation.

Significant risks

There are certain risks associated with holding a Zurich Wealth Protection policy:

- the insurance you have chosen might be inadequate to fully protect your financial needs based on your circumstances now or in the future
- if premiums are not paid when due, the policy will lapse, the life insured will no longer be covered and you cannot make a claim
- if you do not comply with your duty of disclosure, we may not pay your claim, pay only a portion of your claim, vary your cover or cancel your cover.

The duty of disclosure is explained on page 47.

Life insurance code of practice

As a member of the Financial Services Council of Australia (the FSC), we will be bound by the Life Insurance Code of Practice with effect from 1 July 2017. The code outlines the standards that we are committed to in providing life insurance services to you. The Code can be found at www.fsc.org.au.

Policy ownership

To maximise the efficiency of your insurance cover, you can tailor a Zurich Wealth Protection policy to suit your individual needs.

Two important considerations are policy ownership and whether or not to structure ownership of any of your insurance cover in superannuation – through your own self-managed superannuation fund (SMSF) or as a member of an *eligible superannuation fund*. Some benefits are not available or are restricted when cover is held in superannuation but this structure allows premiums to be funded by superannuation investments and contributions.

Zurich allows a number of ownership structures to suit individual circumstances, as summarised in the table below.

If you wish to hold as much of your cover as possible in super, but still wish to access benefits which cannot be held in superannuation, Zurich's superannuation optimiser could be the solution. More information about superannuation optimiser can be found on page 52.

Your financial adviser can provide you with more information on policy structures for your individual situation.

	Policy owner	Policies available	Life insured	Benefits payable to
Outside of super	**You** as an individual (can be via a platform)	Zurich Protection Plus Zurich Child Cover Zurich Income Protector/Plus Zurich Business Expenses	**You** or another individual	**You** or Nominated beneficiary (for death benefits if you are the sole policy owner and life insured)
	You as a corporation		Individual	Policy owner
In super (superannuation ownership)	**You** as SMSF trustee/s (individual or corporation) (can be via a platform)	Zurich Protection Plus Zurich Income Protector/Plus (benefits adjusted to comply with superannuation laws)	SMSF member	SMSF trustee/s
	Trustee of an eligible superannuation fund (can be via a platform)	Zurich Protection Plus Zurich Income Protector/Plus (benefits adjusted to comply with superannuation laws)	**You** (applying for cover through your superannuation fund)	Policy owner

Benefits under Zurich Wealth Protection policies are usually payable on an event (eg. death or injury) happening to the life insured but payable to the policy owner. You can have a single policy owner or joint policy owners (eg. husband and wife, family trust trustees, business partners or individual SMSF trustees).

With superannuation ownership, the trustee may release benefits to you upon meeting a superannuation condition of release under superannuation law and in accordance with the trust deed.

Zurich Wealth Protection at a glance

Zurich Protection Plus

Death cover
Provides a lump sum payment if the life insured dies or is diagnosed with a *terminal illness*

Entry ages	10 – 70	
Expiry age	99	
Minimum sum insured	$50,000	
Maximum sum insured	No maximum (depends on individual needs)	
Increasing cover after the policy begins (in addition to Inflation protection increases)	Cover can be increased until the policy anniversary following the life insured's 69th birthday. The minimum increase amount is $50,000.	
Included benefits	• Death & terminal illness benefit • Advancement for funeral expenses • Accidental injury benefit • Future insurability business benefit*	page 12 page 12 page 12 page 13

Total and Permanent Disablement (TPD) cover
Provides a lump sum payment if the life insured suffers *total and permanent disablement*

Entry ages	15 – 60 15 – 65 (modified TPD)	
Expiry age	99 65 if linked to trauma Limited cover applies from age 65 (the definition changes to *modified TPD*, the sum insured is capped at $3,000,000, and Double TPD becomes standard TPD)	
Minimum sum insured	$50,000	
Maximum sum insured	• $5 million • $2 million modified TPD • $2 million domestic duties TPD	
Increasing cover after the policy begins (in addition to Inflation protection increases)	Cover can be increased until the policy anniversary following the life insured's 59th birthday. The minimum increase amount is $50,000.	
Choice of cover	• Platinum TPD* • Essential TPD	page 7 page 7
Available definitions	• Own occupation TPD • Any occupation TPD • Domestic duties TPD • Modified TPD	page 8 page 8 page 8 page 8
Included benefits	• TPD benefit • TPD advancement benefit* • Partial impairment benefit (Platinum TPD only)*	page 14 page 14 page 14
Optional benefits	• Double TPD option • Buy back death option	page 19 page 21

Trauma cover*
Provides a lump sum payment if the life insured suffers a specified trauma condition

Entry ages	15 – 59	
Expiry age	99 if linked to Death cover 75 in all other cases Limited cover applies from age 75 (only *loss of independence* and *loss of limbs or sight*)	
Minimum sum insured	$50,000	
Maximum sum insured	• $2 million • $1 million domestic duties	
Increasing cover after the policy begins (in addition to Inflation protection increases)	Cover can be increased until the policy anniversary following the life insured's 59th birthday. The minimum increase amount is $50,000.	
Choice of cover	• Platinum trauma • Extended trauma	page 10 page 10
Included benefits	• Trauma benefit • Partial trauma benefit • Paralysis booster benefit • Funeral benefit	page 15 page 15 page 16 page 16
Optional benefits	• Trauma reinstatement option • Double trauma option • Buy back TPD option • Buy back death option	page 20 page 20 page 20 page 21

With all Death, TPD & Trauma cover

Structure	TPD and Trauma cover can be linked or stand-alone. A 'linked' cover usually offers a cost saving because a claim on one cover will reduce the other/s. This PDS assumes covers are linked, as this is the most common way to set up a policy. However, your financial adviser will help you to determine the most appropriate structure for your situation, and we will set up your policy accordingly.	
Included features	• Inflation protection • Future insurability • Financial planning advice • Interim cover • Premium holiday#	page 17 page 17 page 17 page 48 page 59
Optional benefits	• Premium waiver option • Business future cover option • Needlestick cover option^*	page 18 page 18 page 19

* These covers, in-built benefits and optional benefits are not available in superannuation, but may be accessed via superannuation optimiser.

Premium holiday is not available on policies set up in a platform arrangement.

^ The Needlestick cover option can be applied for up to age 65 and expires at age 75. The maximum sum insured for Needlestick cover under all Zurich policies is $1,000,000. The Needlestick cover sum insured does not increase under Inflation protection.

Zurich Child Cover

Child cover
Provides death, *terminal illness* and limited trauma benefits for children, as well as a carer benefit for parents

Entry ages	2 – 17	
Expiry age	18	
Minimum sum insured	$10,000	
Maximum sum insured	$500,000 Maximum applies to all child trauma cover combined across all insurers. Death & terminal illness benefit is capped at $200,000.	
Increasing cover after the policy begins (in addition to Inflation protection increases)	Cover can be increased until the policy anniversary following the life insured's 17th birthday. The minimum increase amount is $10,000.	
Included benefits	• Trauma benefit • Injury advancement benefit • Carer benefit • Death & terminal illness benefit	page 23 page 23 page 23 page 23
Included features	• Inflation protection • Cover increase provision • Continuation of cover • Interim cover • Premium holiday#	page 23 page 24 page 24 page 48 page 59

Premium holiday is not available on policies set up in a platform arrangement.

Zurich Income Protector

Income protection cover
Provides a monthly benefit if the life insured is unable to work due to a *sickness* or *injury* and is *totally disabled* or *partially disabled*, in most cases, for longer than the specified waiting period

Entry ages	19 – 60	
Expiry age	65 70 (with age 70 benefit period)	
Eligibility	The life insured must be working in *full-time paid employment*	
Minimum insured amount	$1,500 per month	
Maximum insured amount	$30,000 per month, plus an additional $30,000 per month restricted to a one or two year benefit period.	
Increasing cover after the policy begins (in addition to Inflation protection increases)	Cover can be increased until the policy ends. The minimum increase amount is $500 per month.	
Choice of cover	• Zurich Income Protector Plus • Zurich Income Protector	
Benefit type	• Indemnity • Agreed value • Endorsed agreed value	
Waiting periods available	• 14, 30, 60, 90, 180 days • 1 or 2 years	
Benefit periods available	• 1 year • 2 years • 5 years • to age 65 • to age 70 (A1, A1L, A1M, A2, A3)	
Included benefits	• Total disability benefit • Partial disability benefit • Specified injury benefit* • Rehabilitation benefit* • Funeral benefit • Confined to bed benefit (Plus only)	page 29 page 30 page 31 page 32 page 32 page 32
Included features	• Inflation protection • Waiver of premium • Medical professionals feature • Waiting period reduction feature • Involuntary unemployment • Interim cover • Premium holiday#	page 33 page 33 page 34 page 34 page 35 page 48 page 59
Optional benefits	• Increasing claims option • Super contributions option • Day 4 accident option • Family care option* • Home support option* • Future insurability option • Lump sum accident option* • Trauma advancement option* • Needlestick cover option^*	page 35 page 35 page 36 page 36 page 36 page 37 page 37 page 38 page 38

* These in-built benefits and optional benefits are not available in superannuation, but can be accessed via superannuation optimiser.

Premium holiday is not available on policies set up in a platform arrangement.

^ The Needlestick cover option can be applied for up to age 65 and expires at age 75. The maximum sum insured for Needlestick cover under all Zurich policies is $1,000,000. The Needlestick cover sum insured does not increase under Inflation protection.

Zurich Business Expenses

Business expenses cover
Provides a monthly benefit that reimburses either *allowable business expenses* or *key person replacement costs* if the life insured is *disabled*, in most cases, for longer than the specified waiting period

Entry ages	19 – 60	
Expiry age	65	
Eligibility	The life insured must be working in *full-time paid employment*	
Minimum insured amount	$1,000 per month	
Maximum insured amount	$60,000 per month	
Increasing cover after the policy begins (in addition to Inflation protection increases)	Cover can be increased until the policy ends. The minimum increase amount is $500 per month.	
Benefit type	• Ongoing fixed expenses • Key person replacement	
Waiting periods available	• 14, 30, 60, 90 days	
Benefit period	• 12 times the *insured monthly benefit* over a period of 24 months	
Included benefits	• Total disability benefit • Partial disability benefit • Funeral benefit • Future insurability	page 41 page 41 page 42 page 42
Included features	• Inflation protection • Waiver of premium • Interim cover • Premium holiday#	page 42 page 42 page 48 page 59
Optional benefit	• Day 4 accident option	page 43

* These in-built benefits and optional benefits are not available in superannuation, but can be accessed via superannuation optimiser.

Premium holiday is not available on policies set up in a platform arrangement.

Income protection & Business expenses cover restrictions for SR occupations
Some restrictions apply to occupations which we classify as 'special risk', as follows:

Entry ages	19 – 53	
Expiry age	60	
Unemployment (income protection)	Cover terminates after the life insured is no longer in *full-time paid employment* for 12 months	
Choice of cover (income protection)	Zurich Income Protector Plus is not available	
Waiting periods available	• 30, 60, 90 days	
Benefit periods available (income protection)	• 1, 2, 5 years	
Maximum insured amount	$10,000 per month	
Optional benefits (income protection)	• Increasing claims option • Family care option* • Home support option* • Needlestick cover option^*	page 35 page 36 page 36 page 38

Zurich Protection Plus

The Zurich Protection Plus policy pays a lump sum on the life insured's death, terminal illness, total and permanent disablement (TPD) or if the life insured suffers a specified trauma condition, depending on the covers you select. You can select any combination of Death cover, TPD cover and Trauma cover.

Death cover

Death cover provides a lump sum payment to your estate or nominated beneficiary if the life insured dies or is diagnosed with a *terminal illness*. The payment could be used by family to pay down debts like your mortgage or credit cards, provide funds for children's future education, or to help maintain current lifestyle in the absence of income.

In-built benefits

Benefit name	Description
Death & terminal illness benefit	A lump sum payment on death or diagnosis of *terminal illness*.
Advancement for funeral expenses	An advance payment of $15,000 towards funeral expenses.
Accidental injury benefit	An advance payment of part or all of the Death benefit if the life insured suffers a specified accidental injury eg. loss of use of a hand or foot. If superannuation ownership applies, the life insured must also meet the definition of *permanent incapacity.*
Future insurability business benefit	Allows an increase in cover without underwriting if certain business events occur. This benefit is not available in superannuation.

In-built policy provisions

Benefit name	Description
Inflation protection	Cover will increase every year, unless declined by you, without health assessment.
Future insurability	Allows an increase in cover without underwriting on certain life events eg. marriage or birth of a child.
Financial planning advice	Reimburses the cost of advice up to $3,000.
Interim cover	Puts some accident cover in place as soon as cover is applied for, as set out in the Interim cover terms on page 48.
Premium holiday (not available under platform)	Allows a break in cover (max 12 months over the life of the policy) to ease financial pressure.

Optional benefits

Optional benefits can be added after policy commencement but they then cannot be exercised if an insured event occurs or is apparent within 90 days after the option is added.

Option name	Description
Premium waiver option	No premiums are payable if the life insured is disabled and cannot work.
Business future cover option	Allows increases in cover without health evidence each year if certain events occur. Useful for key person insurance, loan/guarantor protection, buy-sell/shareholder or partnership protection or for a combination of purposes.
Needlestick cover option	A lump sum payable on *occupationally acquired HIV* or *occupationally acquired hepatitis B or C* as a result of an occupational accident (for people who work in exposure-prone occupations). This option is not available in superannuation, but can be accessed via superannuation optimiser.

The terms and conditions which apply to Death cover under Zurich Protection Plus are set out on page 12.

Total and permanent disablement (TPD) cover

TPD cover provides a lump sum payment if the life insured suffers a permanent disability that meets the TPD definition provided by your policy. The payment could be used to cover the extra expenses associated with being disabled or help family to maintain current lifestyle in the absence of income.

Choice of cover

Cover type	Description
Platinum TPD	Allows the selection of own occupation, any occupation or domestic duties TPD definitions. Includes the TPD advancement benefit, for specific events. In addition, it provides terms that allow for partial payments at earlier stages of disablement and for less severe conditions via the Partial impairment benefit. This cover type is not available in superannuation, but can be accessed via superannuation optimiser.
Essential TPD	Allows the selection of own occupation, any occupation, domestic duties or modified TPD definitions. Includes the TPD advancement benefit, for specific events.

In-built benefits

Benefit name	Description
TPD benefit	Pays the TPD sum insured if the life insured suffers a permanent disability that meets the TPD definition provided by your policy as shown on the policy schedule. For cover held within superannuation, additional terms must be met for a benefit to be payable. There are qualifying periods that apply in order to meet a TPD definition. See the Definitions on page 70 for more detail
TPD advancement benefit	Advances a small portion of the TPD sum insured if the life insured suffers *partial loss of limbs* or *partial loss of sight*. This benefit is not available in superannuation, but can be accessed via superannuation optimiser.
Partial impairment benefit (Platinum only)	Pays part of the TPD sum insured if the life insured suffers *functional impairment* of two or three *extended activities of daily living (extended ADLs)*. This benefit is not available in superannuation, but can be accessed via superannuation optimiser.

In-built policy provisions

Benefit name	Description
Inflation protection	Cover will increase every year, unless declined by you, without health assessment.
Future insurability	Allows an increase in cover without underwriting on certain life events eg. marriage or birth of a child.
Financial planning advice	Reimburses the cost of advice up to $3,000.
Interim cover	Puts some accident cover in place as soon as cover is applied for, as set out in the Interim cover terms on page 48.
Premium holiday (not available under platform)	Allows a break in cover (max 12 months over the life of the policy) to ease financial pressure.

Optional benefits

Optional benefits can be added after policy commencement but they then cannot be exercised if an insured event occurs or is apparent within 90 days after the option is added.

Option name	Description
Double TPD option	Allows the reinstatement of the Death cover amount 14 days after it was reduced due to the payment of the full TPD cover amount. The premium for the reinstated Death cover amount is then waived for the remaining life of the policy.
Buy back death option (TPD)	Death cover can be reinstated on the anniversary of the payment of a TPD benefit.
Premium waiver option	No premiums are payable if the life insured is disabled and cannot work.
Business future cover option	Allows increases in cover without health evidence each year if certain events occur. Useful for key person insurance, loan/guarantor protection, buy-sell/shareholder or partnership protection or for a combination of purposes.
Needlestick cover option	A lump sum payable on *occupationally acquired HIV* or *occupationally acquired hepatitis B or C* as a result of an occupational accident (for people who work in exposure-prone occupations). This option is not available in superannuation, but can be accessed via superannuation optimiser.

TPD definitions

The TPD definition selected will determine the criteria against which the life insured's disability is assessed at the time of claim. The requirements of the TPD definitions vary and are summarised below. In all cases the disability must be permanent and irreversible.

Definition	Description	
Own occupation	Requires the life insured to be permanently unable to perform the occupation he/she was working in prior to his/her disability. If he/she was not working when he/she became disabled, assessment is made against his/her most recent occupation. This TPD definition is not available in superannuation, but can be accessed via superannuation optimiser. Available to people who are *gainfully employed* (minimum 16 hours per week).	Under these three definitions, we will also consider the life insured to have met the TPD definition requirements if they: 1. suffer *functional impairment* of at least four *extended ADLs* 2. suffer permanent and irreversible *whole person impairment* of at least 60%, or 3. meet the modified TPD definition.
Any occupation	Requires the life insured to be permanently unable to perform *any occupation* that is suitable to him/her based on education, training, or experience. This means that even if he/she cannot perform his/her most recent occupation, a payment may not be available if he/she can work in another suitable occupation. Available to people who are *gainfully employed* (minimum 16 hours per week).	
Domestic duties	Requires the life insured to meet the requirements of the any occupation definition and also to be unable to perform *domestic duties* ever again. Available to those people whose main occupation is to maintain the family home. If the life insured was *gainfully employed* for more than 16 hours a week prior to becoming disabled, only the any occupation requirements need to be met.	
Modified TPD	Requires the life insured to have suffered any one of the following severe disabilities: 1. *loss of limbs* (loss of any two limbs) 2. *loss of sight* (loss of sight in both eyes) 3. both the *partial loss of limbs* and the *partial loss of sight* (loss of one limb and sight in one eye) 4. *loss of independent existence* (the permanent inability to perform two of the *activities of daily living*) or 5. *cognitive loss* (a permanent loss of intellectual capacity).	

At the policy anniversary following the life insured's 65th birthday, all definitions will revert to modified TPD.

An additional restriction will be applied to TPD if it is held entirely within superannuation that requires the life insured to satisfy the definition of *permanent incapacity* in order for the benefit to be payable.

The terms and conditions which apply to TPD cover under Zurich Protection Plus are set out on page 14.

For full details of the TPD definitions, see the Definitions section of this PDS.

TPD cover in superannuation

Your TPD cover can be set up so that it is owned by the trustee of a superannuation fund of which you are a member.

Your adviser will be able to recommend an appropriate ownership structure based on your personal circumstances.

If you choose to hold your TPD cover within superannuation we will set it up in one of two ways to meet the requirements of superannuation law – either with a structure known as superannuation optimiser or with a permanent incapacity restriction applied to your cover.

The TPD type and TPD definition selected will determine the structure that will apply to your policy, as detailed in the table below and the structure that applies will be indicated on your policy schedule.

TPD definition	Superannuation structure	
	Essential TPD	**Platinum TPD**
Own occupation	superannuation optimiser	superannuation optimiser
Any occupation	permanent incapacity restriction	superannuation optimiser
Domestic duties	permanent incapacity restriction	superannuation optimiser
Modified TPD	permanent incapacity restriction	not available

Superannuation optimiser

If superannuation optimiser applies to your TPD, the cover can be held across two related policies:

- one held within superannuation (providing the part of the TPD definition that also meets the definition of *permanent incapacity*), and
- one outside of superannuation (providing the part of the TPD definition that does not meet the definition of *permanent incapacity*).

Although both policies will have the same TPD benefit amount, only one TPD benefit will ever be payable, see the section 'Superannuation optimiser – TPD cover' on page 52 for full details.

Permanent incapacity restriction

If a permanent incapacity restriction applies to your TPD it means that in addition to the requirements of the TPD definition you have selected, you must also meet the definition of *permanent incapacity* before a payment can be made.

This means that if you do not meet the *permanent incapacity* definition then no payment will be available even if you have met the other requirements of the TPD definition applicable to your policy.

Trauma cover

Trauma cover provides a lump sum payment if the life insured suffers one of the trauma conditions covered by your policy. The payment could be used to pay for additional unexpected expenses as a result of a serious health event or provide funds to allow the life insured to take additional time off work.

Choice of cover

Benefit name	Description
Platinum trauma	Provides a full payment of the Trauma benefit amount for 42 conditions, partial payments of 25% for 12 conditions (depending on the sum insured), and boosted payment for paralysis. The covered conditions are set out on the next page.
Extended trauma	Provides a full payment of the Trauma benefit amount for 42 conditions, partial payments of 10% for 12 conditions (depending on the sum insured), and boosted payment for paralysis. The covered conditions are set out on the next page.

In-built benefits

Benefit name	Description
Trauma benefit	A lump sum payment on diagnosis/occurrence of a range of covered conditions.
Partial trauma benefit	A partial advance payment for 12 conditions (only if the trauma sum insured is $100,000 or more). If Platinum trauma is selected, this benefit pays 25% up to $200,000. If Extended trauma is selected, this benefit pays 10% up to $25,000.
Paralysis booster benefit	Doubles the benefit payable for paralysis (to a maximum of $2,000,000).
Funeral benefit	A $5,000 payment on death (only if Death cover is not selected on the policy).

In-built policy provisions

Benefit name	Description
Inflation protection	Cover will increase every year, unless declined by you, without health assessment.
Future insurability	Allows an increase in cover without underwriting on certain life events eg. marriage or birth of a child.
Financial planning advice	Reimburses the cost of advice up to $3,000.
Interim cover	Puts some accident cover in place as soon as cover is applied for, as set out in the Interim cover terms on page 48.
Premium holiday (not available under platform)	Allows a break in cover (max 12 months over the life of the policy) to ease financial pressure.

Optional benefits

Optional benefits can be added after policy commencement but they then cannot be exercised if an insured event occurs or is apparent within 90 days after the option is added.

Option name	Description
Trauma reinstatement option	Trauma cover can be reinstated (for unrelated conditions) on the anniversary of the payment of a Trauma benefit.
Double trauma option	Allows the reinstatement of the Death cover amount 14 days after it was reduced due to the payment of the full Trauma cover amount. The premium for the reinstated Death cover amount is then waived for the remaining life of the policy.
Buy back TPD option	TPD cover can be reinstated over three years, starting on the first anniversary of the payment of a Trauma benefit.
Buy back death option (Trauma)	Death cover can be reinstated on the anniversary of the payment of a Trauma benefit.
Premium waiver option	No premiums are payable if the life insured is disabled and cannot work.
Business future cover option	Allows increases in cover without health evidence each year if certain events occur. Useful for key person insurance, loan/guarantor protection, buy-sell/shareholder or partnership protection or for a combination of purposes.
Needlestick cover option	A lump sum payable on *occupationally acquired HIV* or *occupationally acquired hepatitis B or C* as a result of an occupational accident (for people who work in exposure-prone occupations).

Trauma conditions

The trauma conditions that are covered under Platinum and Extended trauma are set out in the table below, which also shows the amount of sum insured payable for each condition. Our insurance definition for each covered condition can be found in the Specified trauma condition definitions section of this PDS, starting on page 72.

From the policy anniversary following the life insured's 75th birthday, the only insured trauma conditions are *loss of independence* and *loss of limbs or sight*.

Trauma benefit – insured trauma conditions	Trauma benefit amount payable
	Extended & Platinum trauma
advanced diabetes	100%
aorta repair	100%
aplastic anaemia	100%
bacterial meningitis	100%
benign tumour of the brain/spinal cord	100%
blindness	100%
cardiomyopathy	100%
chronic kidney failure	100%
chronic liver disease	100%
chronic lung disease	100%
coma	100%
*coronary artery bypass surgery**	100%
deafness	100%
dementia (including alzheimer's disease)	100%
encephalitis	100%
*heart attack**	100%
heart valve surgery	100%
idiopathic pulmonary arterial hypertension	100%
loss of independence	100%
loss of limbs or sight	100%
loss of speech	100%
major head trauma	100%
major organ transplant	100%
*malignant cancer**	100%
medically acquired HIV	100%
motor neurone disease	100%
multiple sclerosis	100%
muscular dystrophy	100%
occupationally acquired hepatitis B or C	100%
occupationally acquired HIV	100%
out of hospital cardiac arrest	100%
parkinson's disease	100%

Trauma benefit – insured trauma conditions (continued)	Trauma benefit amount payable
	Extended & Platinum trauma
pneumonectomy	100%
severe accident or illness requiring intensive care	100%
severe burns	100%
severe rheumatoid arthritis with permanent daily life impact	100%
*stroke**	100%
triple vessel coronary artery angioplasty	100%

Paralysis booster benefit – insured trauma conditions	Trauma benefit amount payable
	Extended & Platinum trauma
diplegia	200%
hemiplegia	200%
paraplegia	200%
quadriplegia	200%

Partial trauma benefit – insured trauma conditions	Trauma benefit amount payable	
	Extended trauma	Platinum trauma
*carcinoma in situ**	10%	25%
*colostomy or ileostomy**	10%	25%
*diabetes (type 1)**	10%	25%
*early stage chronic lymphocytic leukaemia**	10%	25%
*early stage melanoma**	10%	25%
*early stage prostate cancer**	10%	25%
facial reconstructive surgery and skin grafting	10%	25%
*guillain barre syndrome**	10%	25%
loss of hearing in one ear	10%	25%
*minimally invasive cardiac surgery – including coronary artery angioplasty**	10%	25%
severe rheumatoid arthritis that fails to respond to treatment	10%	25%
single loss of limb or eye	10%	25%

Benefits are not payable for covered conditions marked with an asterisk (*) if they arise in the first 90 days after cover is applied for or is reinstated.

The terms and conditions which apply to Trauma cover under Zurich Protection Plus are set out on page 15.

Zurich Protection Plus terms and conditions

The information provided below forms part of the Zurich Protection Plus terms and conditions. Words or expressions shown in *italics* have their meaning explained in the Definitions sections at the end of this PDS.

Upon acceptance of your application, we will issue you with a policy schedule. The policy schedule shows the life insured covered under this policy and shows the Death benefit amount (if applicable), the TPD benefit amount (if applicable) and the Trauma benefit amount (if applicable) and the expiry date/s. It also shows any optional benefits provided.

If the policy is one of two related policies issued under superannuation optimiser, it will show whether the policy is the superannuation policy or the non-superannuation policy. If the superannuation optimiser applies, see the sections 'Superannuation optimiser – TPD cover' on page 52 and 'Superannuation optimiser – Trauma cover' on page 53 for important information and terms, including how payments are made from the two related policies under which the benefits are provided.

The life insured is only covered for the benefits and for the amounts as shown on the policy schedule until the applicable benefit expiry dates. Benefits are only 'in force' from the applicable start date until the applicable benefit is terminated.

You have the option to make changes to your policy. Additional optional benefits or increases to the benefit amounts may be applied for after policy commencement, but will be effective only if we accept the application after considering the life insured's personal circumstances including health, occupation and pastimes.

These policy conditions for Zurich Protection Plus are set out in the following order:

- Death cover
- Total and Permanent Disablement (TPD) cover
- Trauma cover
- standard in-built benefits (which apply to Death cover, TPD cover and Trauma cover)
- Optional benefits.

Some benefits do not form part of the policy if the policy is issued to the trustee of a superannuation fund – these are clearly indicated.

Death cover

Death benefit

The Death benefit is payable if the life insured is covered for this benefit and dies:

- while this benefit and policy is in force and
- before termination of the Death benefit.

Terminal illness benefit

An advance payment of the Death benefit is payable if the life insured is covered for the Death benefit and is diagnosed as *terminally ill*:

- while this benefit and policy is in force and
- before termination of the Death benefit.

Advancement for funeral expenses

While a claim for the Death benefit is being settled, we may advance up to $15,000 of the benefit towards payment of funeral expenses.

Accidental injury benefit

The benefit amount specified below in either paragraph (a) or paragraph (b) (but not both) is payable if the life insured is covered for the Death benefit and suffers an *accidental injury*:

- while this benefit and policy is in force and
- before termination of the Death benefit

which causes a condition specified.

For policies that are issued to the trustee of a superannuation fund, the life insured must also meet the definition of *permanent incapacity*.

(a) In the case of an *accidental injury* which causes the entire and irrevocable loss of:

- the use of one hand
- the use of one foot or
- the sight of one eye

a benefit amount of the lesser of 25% of the Death benefit amount and $500,000 is payable.

(b) In the case of an *accidental injury* which causes the entire and irrevocable loss of:

- the use of both hands
- the use of both feet or
- the sight of both eyes

or any combination of two of the following:

- the use of one hand
- the use of one foot
- the sight of one eye

a benefit amount of the lesser of 100% of the Death benefit amount and $2,000,000 is payable.

The Accidental injury benefit will not be payable if:

- a benefit is paid for the same *injury* under the TPD benefit, the TPD advancement benefit, Partial impairment benefit or Trauma cover or
- the *injury* is the result of war (whether declared or not) or
- the *injury* is a result of intentional self-inflicted injuries or attempted suicide.

Future insurability business benefit

Under this benefit any Death benefit amount applying to the life insured may be increased, up to the policy anniversary following his/her 54th birthday without our reassessment of his/her health circumstances. This benefit can be exercised within 30 days of the policy anniversary following the end of each financial year of the business, with proof of the event which is satisfactory to us, after the following business events:

- where the life insured is a key person in the business, the Death benefit amount may be increased by an increase in the life insured's value to the business
- where the life insured is a partner, shareholder or part owner in the business and this policy supports a buy/sell, share purchase or business succession agreement, the Death benefit amount may be increased by an increase in the value of the life insured's interest/share in the business, or
- where the life insured has an interest in the business or is a key person for the business, the Death benefit amount may be increased by an increase in the size of a business loan.

This benefit does not form part of the policy if the policy is issued to the trustee of a superannuation fund and does not apply if the Business future cover option is selected.

If any special conditions or exclusions apply to the existing cover, as shown on the policy schedule, then those special conditions or exclusions will automatically apply to the increased cover.

Restrictions and limitations

The sum of all increases under this benefit cannot exceed the lower of the cover amount applying on the Death benefit start date and $1,000,000.

In any 12 month period increases are limited to 50% of the cover amount on the Death benefit start date.

For a period of six months after an increase is exercised, the increase in the benefit amount is only payable on *accidental death*.

The provisions of this benefit do not apply to any cover which is bought back or reinstated under another policy benefit or option.

Exclusions – Death cover

No claim is paid if the life insured's death is caused directly or indirectly by an event or condition specified as an exclusion on the policy schedule. No claim is paid if the life insured's death is caused by suicide within 13 months of:

- the Death benefit start date
- the benefit start date of any increase in the Death benefit applied for (but only in respect of the increase) or
- the latest reinstatement of the policy.

We will waive the suicide exclusion if, immediately prior to the commencement of this benefit, the life insured was covered for death under a policy which was in force for at least 13 consecutive months (without lapsing and/or reinstatement) with us or another insurer, and we agreed to replace this cover. The waiver will only apply up to the amount that we agreed to replace.

Benefit adjustments – Death cover

The Death benefit amount applying to the life insured is reduced by the amount paid or advanced, under any of the following:

- Terminal illness benefit
- Advancement for funeral expenses
- Accidental injury benefit
- TPD benefit
- TPD advancement benefit
- Partial impairment benefit
- Trauma benefit
- Partial trauma benefit
- Paralysis booster benefit.

The premium will be based on the reduced levels of cover from the next premium due date after payment of the relevant benefit.

Benefit adjustments apply across two policies where one policy replaces the other or where the policies are related through superannuation optimiser.

Termination of the Death cover

The benefits set out in this section of the policy terminate on the first to occur of:

- the payment of the total Death benefit amount
- the death of the life insured
- our receipt of written notification to terminate this benefit
- the Death benefit expiry date shown on the policy schedule and
- termination of the policy (see 'Termination of the policy' on page 57).

TPD cover

TPD benefit

The TPD benefit is payable if the life insured is covered for this benefit and meets the definition of *total and permanent disablement*:

- while this benefit and policy is in force and
- before termination of the TPD benefit.

The policy schedule details whether the cover type is Essential TPD or Platinum TPD and will show the definition of *total and permanent disablement* that applies.

Where the policy schedule indicates that superannuation optimiser applies, TPD cover will be held over two related policies with a payment available under only one of these policies in the event of the life insured suffering *total and permanent disablement*. See the section 'Superannuation optimiser – TPD cover' on page 52 for further information regarding the policy from which the benefit will be paid.

TPD advancement benefit

This benefit does not form part of the policy if the policy is issued to the trustee of a superannuation fund.

Under this benefit, part of the TPD benefit amount will be advanced if the life insured suffers *partial loss of limbs* or *partial loss of sight*.

The amount payable is the lesser of 25% of the TPD benefit amount and $500,000. The TPD advancement benefit is only payable once and the maximum amount we will pay under the TPD advancement benefit is $500,000 across all cover held with us for the life insured.

The TPD advancement benefit will be reduced by the amount of any Trauma benefit paid for *partial loss of limbs* or *partial loss of sight*.

The TPD benefit amount will be reduced by the amount paid under the TPD advancement benefit.

Partial impairment benefit

This benefit is only provided if Platinum TPD applies, as shown on the policy schedule.

Under this benefit, up until the policy anniversary following the life insured's 65th birthday, part of the TPD benefit amount will be paid if the life insured suffers *functional impairment* of a specified number of *extended ADLs* as set out in the following table:

Partial impairment level	Amount of TPD benefit amount payable
Functional impairment of at least 3 *extended ADL* categories	65%
Functional impairment of at least 2 *extended ADL* categories	40%

A benefit is only payable once at each Partial impairment level.

The TPD benefit amount will be reduced by the amount paid under the Partial impairment benefit.

If Platinum TPD is held through superannuation, superannuation optimiser will apply and the Partial impairment benefit will be held under the non-superannuation policy. See the section 'Superannuation optimiser – TPD cover' on page 52 for more information.

Exclusions – TPD cover

No claim is paid if the life insured's *total and permanent disablement*, *partial loss of limbs* and *partial loss of sight* or *functional impairment* is caused directly or indirectly by:

- an intentional self-inflicted act or attempted suicide, or
- any event or medical condition specified as an exclusion on the policy schedule.

If the life insured is covered for both Trauma cover and TPD cover and a claim for the same insured event can be made under both covers, we will only pay under the Trauma cover unless the TPD sum insured is higher, in which case we will also pay a TPD benefit of the difference in the sums insured.

Benefit adjustments – TPD cover

The TPD benefit amount is reduced by any amount paid or advanced under any of the following:

- Terminal illness benefit
- Accidental injury benefit
- TPD advancement benefit
- Partial impairment benefit
- Trauma benefit
- Partial trauma benefit
- Paralysis booster benefit.

The premium will be based on the reduced levels of cover from the next premium due date after payment of the relevant benefit. If the policy has more than one TPD cover, where such a reduction applies, the reduction in cover will be proportional across all TPD benefits.

Benefit adjustments apply across two policies where one policy replaces the other or where the policies are related through superannuation optimiser.

When TPD changes

From the policy anniversary following the life insured's 65th birthday, the applicable TPD definition will be modified TPD so that the TPD benefit amount will only be payable if the life insured meets the *modified TPD* definition before the TPD cover ends.

At the same time, the TPD benefit amount is reduced to $3,000,000 across all policies issued by us on the life insured. Where multiple policies are issued by us providing TPD cover for the same life insured we will apply any reduction to the sum insured based on the commencement date of each policy (or the commencement date of any increases, other than indexation increases), reducing the most recently commenced policy (or approved increase) first.

Termination of the TPD cover

The benefits set out in this section of the policy terminate on the first to occur of:

- the payment of the total TPD benefit amount
- the death of the life insured
- our receipt of written notification to terminate this cover
- the TPD benefit expiry date shown on the policy schedule and
- termination of the policy (see 'Termination of the policy' on page 57).

Trauma cover

Trauma benefit

The Trauma benefit is payable if the life insured is covered for this benefit and is diagnosed with a condition listed in the 'Trauma benefit – insured trauma conditions' table on page 11:

- while this benefit and policy is in force and
- before termination of the Trauma benefit.

The amount payable is 100% of the trauma benefit amount. Each condition has an insurance definition which is set out in the Definitions section at the end of this PDS, see page 72.

No benefit is payable if the life insured's condition does not meet the specific definition set out in these policy conditions.

Some trauma conditions in the list are marked with an asterisk (*) to indicate that an exclusion period applies (see 'Exclusions – Trauma cover' on the next page).

If Trauma cover is the only cover selected or if Trauma cover exceeds Death cover then, in respect of the cover which exceeds Death cover, no payment will be made unless the life insured survives for at least 14 days after the date of occurrence of an insured event.

If the life insured is covered under both Trauma cover and TPD cover and a claim for the same insured event can be made under both covers, only the Trauma benefit is payable, unless the TPD benefit amount is higher, in which case we will also pay a TPD benefit of the difference in the benefit amounts.

From the policy anniversary following the life insured's 75th birthday the only insured conditions are *loss of independence* and *loss of limbs or sight*.

Partial trauma benefit

The Partial trauma benefit only applies to the life insured where the Trauma benefit equals or exceeds $100,000.

The Partial trauma benefit is payable if the life insured is covered for this benefit and is diagnosed with a condition listed in the 'Partial trauma benefit – insured trauma conditions' table on page 11:

- while this benefit and policy is in force and
- before termination of the Trauma benefit.

The amount payable is shown in the table. The policy schedule shows whether Extended trauma or Platinum trauma has been selected. Each condition has an insurance definition which is set out in the Definitions section at the end of this PDS, see page 72.

Some trauma conditions in the list are marked with an asterisk (*) to indicate that an exclusion period applies (see 'Exclusions – Trauma cover' on the next page).

If Platinum trauma has been selected, we will pay a maximum benefit amount of $50,000 for *minimally invasive cardiac surgery – including coronary artery angioplasty* and a maximum of $200,000 for all other covered conditions.

If Extended trauma has been selected, we will pay a maximum benefit amount of $25,000 for all covered conditions.

A Partial trauma benefit will only be paid once for each event, except for *minimally invasive cardiac surgery – including coronary artery angioplasty* which may be claimed on more than one occasion (subject to the exclusions below). In this event, the amount payable will be calculated as above, but will not be less than the amount paid for the first claim.

The Partial trauma benefit expires on the policy anniversary following the life insured's 75th birthday.

Paralysis booster benefit

The Paralysis booster benefit is payable in lieu of the Trauma benefit if the life insured is covered for this benefit and is diagnosed with a condition listed in the 'Paralysis booster benefit – insured trauma conditions' table on page 11:

- while this benefit and policy is in force and
- before termination of the Trauma benefit.

The amount payable is 200% of the trauma benefit amount. Each condition has an insurance definition which is set out in the Definitions section at the end of this PDS, see page 72.

The Paralysis booster benefit expires on the policy anniversary following the life insured's 75th birthday.

Funeral benefit

This benefit only applies if Trauma cover is selected and Death cover is not.

A benefit of $5,000 is payable on the death of the life insured:

- while this benefit and policy is in force and
- before termination of the Trauma benefit

but only if there is no entitlement to be paid a Trauma benefit for one of the insured trauma conditions.

We will not pay this Funeral benefit if:

- the life insured's death was caused, directly or indirectly by suicide within 13 months of the Trauma benefit start date or the latest reinstatement of the policy or
- we have paid a Trauma benefit other than a Partial trauma benefit.

Exclusions – Trauma cover

No claim is paid if the insured event is caused directly or indirectly by:

- an intentional self-inflicted act or attempted suicide or
- any event or medical condition specified as an exclusion on the policy schedule in relation to the life insured.

In the case of insured events on page 11 which are marked with an asterisk (*), no claim will ever be paid if the condition occurred, is first diagnosed or the circumstances leading to diagnosis became apparent or a recommendation of the need to have surgery occurs, within 90 days of:

- the date an application for Trauma cover (including a fully completed Life Insured's Statement) is lodged with us
- the benefit start date of any increase in Trauma benefit applied for (but only in respect of the increase).

We will waive this 90 day elimination period if the Trauma benefit under this policy replaces cover for the same insured event with us or another insurer, but only to the extent of the benefit amount replaced, and only if the life insured is not within our or the other insurer's 90 day elimination period. This waiver can also apply to any increase in the Trauma benefit which meets the same criteria.

In the case of insured events marked with an asterisk (*), no claim will ever be paid if the condition occurred, is first diagnosed or the circumstances leading to diagnosis became apparent or a recommendation of the need to have surgery occurs, within 90 days of:

- the latest reinstatement of the policy or
- the latest premium holiday end date.

We will not pay a benefit for *minimally invasive cardiac surgery – including coronary artery angioplasty* where the procedure occurs within six months after a prior *minimally invasive cardiac surgery – including coronary artery angioplasty* procedure for which a benefit was paid.

Benefit adjustments – Trauma cover

The Trauma benefit amount is reduced by the amount paid or advanced under any of the following:

- Terminal illness benefit
- Accidental injury benefit
- TPD benefit
- TPD advancement benefit
- Partial impairment benefit
- Partial trauma benefit
- Paralysis booster benefit.

The premium will be based on the reduced cover from the next premium due date after payment of the relevant benefit.

Benefit adjustments apply across two policies where one policy replaces the other or where the policies are related through superannuation optimiser.

Termination of the Trauma cover

The benefits set out in this section of the policy terminate on the first to occur of:

- the payment of the total Trauma benefit amount
- the death of the life insured
- our receipt of written notification to terminate this cover
- the Trauma benefit expiry date shown on the policy schedule and
- termination of the policy (see 'Termination of the policy' on page 57).

Standard in-built benefits

The following benefits are built into the Zurich Protection Plus policy, and apply regardless of the covers selected.

Inflation protection

The value of the insurance cover is protected against the impact of inflation by automatically increasing the benefit amounts each year.

This benefit applies to the Death benefit amount, TPD benefit amount and Trauma benefit amount (as applicable).

The benefit amount is increased on each policy anniversary by the greater of:

- 5% and
- the percentage increase in the *consumer price index* published for the quarter ending immediately prior to three months before the policy anniversary over that published for the quarter ending immediately prior to 15 months before that policy anniversary.

The increase can be rejected if it is not required. To reject the increase, contact us within 30 days of receiving the offer.

Future insurability

Any Death benefit amount, TPD benefit amount or Trauma benefit amount applying to the life insured may be increased, up to the policy anniversary following his/her 54th birthday without our reassessment of his/her personal circumstances, as long as:

- we have not paid a benefit and there is no entitlement to a benefit under any Zurich policy in relation to the life insured
- we or any other life insurer have not waived or are not waiving, premiums in relation to the life insured.

The option can be exercised within 30 days of the policy anniversary following any of the events set out below with proof of the event which is satisfactory to us, on the terms specified:

(a) If the life insured:

- marries or registers a *partnership*
- divorces or de-registers a *partnership*
- becomes a parent (through the birth or adoption of a child)
- becomes a full-time *carer*
- becomes a widow or widower (through the death of a *partner*)

the benefit amount can be increased by a minimum of $10,000 and a maximum of the lesser of:

- 25% of the Death benefit or TPD benefit or Trauma benefit amount on the applicable benefit start date and
- $200,000.

(b) If the life insured takes out for the first time or increases, his/her mortgage on his/her principal place of residence or if the life insured takes out a new investment property loan, the increase to the benefit amount can be for the lesser of:

- the amount of the new mortgage or investment property loan or the increase in the mortgage and
- 25% of the Death benefit or TPD benefit or Trauma benefit amount on the applicable benefit start date and
- $200,000.

(c) If a dependent child of the life insured starts secondary school, the increase to the benefit amount can be for a minimum of $10,000 and a maximum of the lesser of:

- 25% of the Death benefit or TPD benefit or Trauma benefit amount on the applicable benefit start date and
- $200,000.

(d) If the life insured experiences a significant increase in salary (minimum 15%), the increase to the benefit amount can be for a minimum of $10,000 and a maximum of the lesser of:

- 25% of the Death benefit or TPD benefit or Trauma benefit amount on the applicable benefit start date and
- $200,000.

If any special conditions or exclusions apply to the existing cover, as shown on the policy schedule, then those special conditions or exclusions will automatically apply to the increased cover.

Restrictions and limitations

The accumulative sum of all increases under this benefit cannot exceed the lower of the benefit amount on the applicable benefit start date and $1,000,000.

In any 12 month period increases are limited to 50% of the cover amount on the applicable benefit start date.

The TPD benefit amount and Trauma benefit amount cannot be increased to an amount exceeding our maximum sum insured.

We retain the right to confirm the life insured's occupation in relation to any increase in the TPD cover amount and eligibility and premiums in relation to the increased amount will be based on the life insured's occupation at the time of increase.

For the first six months after an increase under this benefit:

- any increased Death benefit amount is only payable in the event of the life insured's *accidental death*
- any increased TPD benefit amount is only payable in the event his/her *total and permanent disablement* is caused by an *accidental injury*
- any increased Trauma benefit amount is only payable in the event of a Trauma suffered as a result of *accidental injury*.

The provisions of this benefit do not apply to any cover which is bought back or reinstated under another policy benefit or option.

Financial planning advice

We will reimburse up to $3,000 towards the cost of financial planning advice required as a result of a benefit paid under this policy. We require a copy of the Statement of Advice and invoice as proof of the expense.

Optional benefits

The policy schedule shows the optional benefits applying under the policy and, if applicable, the benefit amount(s). The policy schedule also shows the expiry date applying to each optional benefit. Each optional benefit only applies if specified on the policy schedule.

Premium waiver option

We will waive the premiums for all benefits under this policy, if the life insured is totally disabled prior to age 70. We will continue to waive the premium while he/she remains totally disabled.

'Totally disabled' means the life insured, due to *sickness* or *injury*:

(a) has been unable to perform his/her usual occupation for a period of three consecutive months and has been throughout the three month period, and continues to be, under the regular care and treatment of or following the advice of, a *medical practitioner* and is not engaged in any occupation for wage or profit during the three month period or

(b) is unable to perform at least two *activities of daily living* for a period of three consecutive months.

Under this option, '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.

To qualify for this waiver, premiums must be paid for the three month period. For policies not issued to the trustee of a superannuation fund, we will refund any premiums paid in those three months, if the life insured subsequently meets the definition of totally disabled.

In addition, if the life insured is involuntarily unemployed other than as a direct result of a *sickness* or *injury*, the policy has been in force for the previous 12 months at the time we receive a claim and he/she is registered with an employment agency approved by us, we will waive the premium for up to three months. A total of three months premium may be waived because of unemployment during the life of the policy.

Exclusions

Premiums will not be waived where *sickness* or *injury* occurs as a direct result of:

- an intentional self-inflicted act or
- attempted suicide or
- *uncomplicated pregnancy or childbirth* or
- an act of war (whether declared or not).

Premiums will not be waived if the *sickness* or *injury* causing the life insured to be totally disabled occurs or is apparent within 90 days of the date the option is added to the policy, as shown on the policy schedule (if the option is added to the policy after the policy commencement date).

The Premium waiver option terminates on the first to occur of:

- the death of the life insured
- our receipt of written notification to terminate this option
- the policy anniversary following the 69th birthday of the life insured and
- termination of the policy (see 'Termination of the policy' on page 57).

Business future cover option

When you apply for this option, you nominate a specific business insurance arrangement for which you may want to increase your cover in the future and the current value associated with this arrangement. Business insurance arrangements we may approve include key person insurance, loan/guarantor protection, buy-sell/shareholder or partnership protection. Approved arrangements are shown on the policy schedule.

This option allows increases in the Death benefit amount, TPD benefit amount or Trauma benefit amount on an event ('trigger event') that results in an increase in the value associated with the business arrangement referred to on the policy schedule, without the need to provide further health evidence, as long as:

- we have not paid a benefit and there is no entitlement to a benefit under this policy and
- we or any other life insurer have not waived or are not waiving premiums.

The option can only be exercised once in any policy year within 30 days of a trigger event.

If any special conditions or exclusions apply to the existing cover, as shown on the policy schedule, then those special conditions or exclusions will automatically apply to the increased cover.

Applying for an increase

An application for increase must be made within 30 days of the trigger event, with proof of the event which is satisfactory to us.

The valuation method used to evidence an increase must be the same method of valuation used when applying for this option. If the policy is a combination of key person insurance, loan/guarantor protection and/or buy-sell, we will need proof of each relevant event.

If an application is made to increase the Death benefit amount, the TPD benefit amount and/or Trauma benefit amount (as applicable) does not have to be increased at the same time. However, if an application is made to increase the TPD benefit amount or Trauma benefit amount, then the Death benefit amount must be increased by at least the same amount at the same time. Any increase in the benefit must be approved by us.

Restrictions and limitations
The maximum amount up to which cover can be increased under this option is the lower of three times the cover at the benefit start date or:

- $15,000,000 for the Death benefit
- $5,000,000 for the TPD benefit
- $2,000,000 for the Trauma benefit.

The Death benefit or TPD benefit or Trauma benefit amount can only be increased under this option to an equivalent percentage increase in the value associated with the business arrangement.

The provisions of this option do not apply to any cover which is bought back or reinstated under another policy benefit or option.

If the Death benefit or TPD benefit or Trauma benefit amount was for multiple purposes then any increases under this option must be proportionate to the different purposes that formed the basis of this policy.

If this option is added after policy commencement, it cannot be exercised if a trigger event occurs within 90 days after the option is added.

Expiry of the option
If the Business future cover option is not used in three consecutive policy years, then further increases cannot be made under this option unless it can be demonstrated to our satisfaction that financial evidence relating to the business and the purpose identified, in respect of that period, did not support an increase in the cover.

This option can only be used to increase the Death benefit amount up until the policy anniversary following the life insured's 65th birthday or to increase the TPD or Trauma benefit amount up until the policy anniversary following the life insured's 60th birthday.

Needlestick cover option

The Needlestick benefit is payable if the life insured becomes infected with HIV (Human Immunodeficiency Virus), hepatitis B or hepatitis C as a result of an accident occurring during the course of his/her normal occupation.

Any accident giving rise to a potential claim must be reported to us within seven days of the accident.

In the event of a claim all of the following must be provided to us:

- proof of the occupational accident that gave rise to the infection including the incident report and the names of any witnesses to the accident
- proof that the accident involved a definite source of the relevant infection
- proof that a new infection with either HIV, hepatitis B or hepatitis C has occurred within six months of the documented accident, demonstrating sero-conversion from:
  - HIV antibody negative to HIV antibody positive
  - hepatitis C antibody negative to hepatitis C antibody positive
  - hepatitis B surface antigen negative to hepatitis B surface antigen positive
- access to test independently all the blood samples used.

Restrictions and limitations
The maximum combined amount we will pay for either:

- *occupationally acquired HIV* or
- *occupationally acquired hepatitis B or C*

under all policies issued by us is $2,000,000. This does not include any TPD benefits or benefits under an income protection policy.

Exclusions
A benefit will not be payable if:

- HIV, hepatitis B or hepatitis C is contracted by any other means
- a medical cure is found for Acquired Immune Deficiency Syndrome (AIDS) or the effects of the HIV virus, hepatitis B or hepatitis C (as applicable) or in the event of a treatment being developed and approved which makes these viruses inactive and non-infectious
- the life insured elects not to take an available medical treatment which results in the prevention of hepatitis B or C prior to making a claim.

Termination of the option
The Needlestick cover option terminates on the first to occur of:

- the payment of the Needlestick benefit amount
- the death of the life insured
- our receipt of written notification to terminate this option
- the Needlestick benefit expiry date shown on the policy schedule and
- termination of the policy (see 'Termination of the policy' on page 57).

Double TPD option

If the life insured is covered for Double TPD (as shown on the policy schedule) the amount by which the Death benefit is reduced as a result of the payment of the TPD benefit is reinstated if:

- the life insured survives for 14 days after the date the TPD benefit is paid
- this occurs before the policy anniversary following the life insured's 65th birthday and
- the TPD benefit is not payable within 90 days after the Double TPD option start date shown on the policy schedule (if the option is added to the policy after the policy commencement date).

The premium in respect of the Death benefit amount reinstated is waived until the Death benefit expiry date.

Restrictions and limitations
On the policy anniversary following the life insured's 65th birthday, the Double TPD cover will automatically convert to standard TPD cover.

Trauma reinstatement option

(allowing Trauma cover to be reinstated after a Trauma claim)

The Trauma benefit amount which is reduced as a result of the payment of the Trauma benefit, Partial trauma benefit or Paralysis booster benefit is reinstated without providing any evidence of the life insured's personal circumstances on the date 12 months after the Trauma benefit is paid, provided the date is before the policy anniversary following the life insured's 74th birthday.

Future insurability benefit does not apply to any reinstated Trauma benefit.

The premium applying to the Trauma benefit amount reinstated will be based on our then current rates for your policy and the life insured's age, gender, smoking status and any premium loadings which applied to the Trauma benefit amount which was reduced. Any exclusions which applied to the cover reduced will also apply to the cover reinstated.

The Trauma reinstatement option will automatically be actioned on the relevant date, unless you ask us not to reinstate cover.

The Trauma reinstatement option does not apply to any Trauma benefit which has already been reinstated using this option.

Limitations

If the life insured is subsequently diagnosed with a specified Trauma, we will only pay a claim under the reinstated cover if the specified Trauma occurred or was diagnosed, or the circumstances or symptoms leading to diagnosis became apparent after the Trauma cover was reinstated.

We will not pay a claim under the reinstated Trauma cover if the specified Trauma:

- is the same condition as the original specified Trauma
- is directly or indirectly caused by or related to the original specified Trauma or symptoms or condition(s) which caused the original specified Trauma
- is a *loss of independence*
- is a 'heart condition' if the original claim was for a 'heart condition' or
- is a *stroke* or paralysis (directly or indirectly resulting from a *stroke*) and the original specified Trauma was a heart condition.

Under this option, 'heart condition' means any of the following specified Traumas: *aorta repair*, *coronary artery bypass surgery*, *heart attack*, *heart valve surgery*, *cardiomyopathy*, *triple vessel coronary artery angioplasty*, *idiopathic pulmonary arterial hypertension*.

Trauma cover will not be reinstated if the life insured met the definition of a covered condition under the original Trauma benefit within 90 days of the option start date shown on the policy schedule (if the option is added to the policy after the policy commencement date).

Double trauma option

The amount by which the Death benefit amount is reduced as a result of the payment of the Trauma benefit, is reinstated if:

- the life insured survives for 14 days after the date the Trauma benefit is paid
- this occurs before the policy anniversary following the life insured's 64th birthday and
- the Trauma benefit is not payable within 90 days of the Double trauma option start date shown on the policy schedule (if the option is added to the policy after the policy commencement date).

The Death benefit cannot be reinstated where it is reduced as a result of a Partial trauma benefit payment.

The premium in respect of the Death benefit amount reinstated is waived until the Death benefit expiry date.

Any exclusions which applied to the cover reduced will also apply to the cover reinstated.

On the policy anniversary following the life insured's 64th birthday, the Double trauma option will end and cover will automatically convert from Double Platinum trauma or Double Extended trauma to Platinum trauma or Extended trauma.

Restrictions and limitations

If the Trauma reinstatement option and Double trauma option applies to the life insured, the Trauma cover that will be reinstated after a Trauma claim will be standard Platinum trauma or Extended trauma (ie. not Double trauma).

Buy back TPD option

(allowing TPD cover to be reinstated after a Trauma claim)

If the life insured is covered for TPD cover and Trauma cover (as shown on the policy schedule), the TPD benefit amount which is reduced as a result of the payment of the Trauma benefit can be repurchased without providing any evidence of the life insured's personal circumstances, as follows:

- up to one third of the Trauma benefit amount paid (excluding any Paralysis booster benefit) can be bought back on the date 12 months after the Trauma benefit was paid, if the life insured has returned to full-time work in his/her usual occupation for at least six continuous months
- up to a further one third of the Trauma benefit amount paid (excluding any Paralysis booster benefit) can be bought back on the date 24 months after the Trauma benefit was paid, if the life insured has returned to full-time work in his/her usual occupation for at least 18 continuous months
- up to a further one third of the Trauma benefit amount paid (excluding any Paralysis booster benefit) can be bought back on the date 36 months after the Trauma benefit was paid, if the life insured has returned to full-time work in his/her usual occupation for at least 30 continuous months.

Under this benefit, '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.

The premium applying to the TPD benefit repurchased will be based on our then current rates for your policy and the life insured's age, gender, smoking status, occupation and any premium loadings which applied to the TPD cover which was reduced. Any exclusions which applied to the cover reduced will also apply to the cover repurchased.

The Buy back TPD option can be exercised by accepting our offer in writing.

Limitations

A claim for a repurchased TPD benefit cannot be made for the same or related cause for which the Trauma benefit was paid. Future insurability does not apply to any repurchased TPD cover.

This option cannot be used to buy back a TPD benefit amount which is reduced as a result of the payment of the Partial trauma benefit.

The Buy back TPD option opportunity can only be exercised:

- up to the policy anniversary following the life insured's 65th birthday
- within 30 days of the applicable opportunity date and
- if the life insured had not met the definition of a trauma condition under the Trauma benefit within 90 days of the option start date shown on the policy schedule (if the option is added to the policy after the policy commencement date).

Buy back death option (TPD)

(allowing Death cover to be reinstated after a TPD claim)

If the life insured is covered for Death and TPD (as shown on the policy schedule), the Death cover amount which is reduced as a result of the payment of the TPD benefit is repurchased without providing any evidence of the life insured's personal circumstances, on the date 12 months after the TPD benefit is paid, provided this date is before the policy anniversary following the life insured's 74th birthday.

Future insurability benefit does not apply to any repurchased Death benefit.

This option does not buy back a TPD benefit amount which is reduced as a result of the payment of the TPD advancement benefit or Partial impairment benefit.

The premium applying to the Death cover repurchased will be based on our then current rates for your policy and the life insured's age, gender, smoking status and any premium loadings which applied to the Death cover which was reduced. Any exclusions which applied to the cover reduced will also apply to the cover repurchased.

The Buy back death benefit will automatically be actioned on the relevant date, unless you ask us not to reinstate cover.

Death cover will not be reinstated if the life insured met the definition for a benefit under TPD cover within 90 days of the start date of this option shown on the policy schedule (if the option is added to the policy after the policy commencement date).

Buy back death option (trauma)

(allowing Death cover to be reinstated after a Trauma claim)

If the life insured is covered for Death and Trauma (as shown on the policy schedule), the Death cover which is reduced as a result of the payment of the Trauma benefit is repurchased without providing any evidence of the life insured's personal circumstances, on the date 12 months after the Trauma benefit is paid, provided this date is before the policy anniversary following the life insured's 74th birthday.

Future insurability benefit does not apply to any repurchased Death benefit.

This option does not buy back a Trauma benefit amount which is reduced as a result of the payment of the Partial trauma benefit.

The premium applying to the Death cover repurchased will be based on our then current rates for your policy and the life insured's age, gender, smoking status and any premium loadings which applied to the Death cover which was reduced. Any exclusions which applied to the cover reduced will also apply to the cover repurchased.

The Buy back death benefit will automatically be actioned on the relevant date, unless you ask us not to reinstate cover.

Death cover will not be reinstated if the life insured met the definition of a covered condition under the original Trauma benefit within 90 days of the start date for this option shown on the policy schedule (if the option is added to the policy after the policy commencement date).

Zurich Child Cover

The Zurich Child Cover policy pays a range of benefits on the serious illness of an insured child. Multiple children can be covered under the one policy. Zurich Child Cover can be selected in combination with any of the other policies described in this PDS.

Child cover

Child cover provides a lump sum payment if an insured child suffers one of the insured trauma conditions covered by your policy. The payment could be used to cover additional unexpected expenses as a result of the sickness or injury, or provide funds to allow you or your *partner* to take time off work to care for your child while they are unwell.

In-built benefits

Benefit name	Description
Trauma benefit	Pays the Child cover benefit amount if an insured child suffers one of the 18 insured trauma conditions.
Injury advancement benefit	An advance payment of $10,000 is payable if an insured child suffers *single loss of limb or eye* or *severe accident* or *illness requiring intensive care*.
Carer benefit	A monthly carer benefit of $5,000 is payable if the Child cover benefit amount is $200,000 or more and the policy owner or the policy owner's *partner* has to stop *full-time paid employment* to care for an insured child at home (unless a Trauma benefit is payable).
Death & terminal illness benefit	Pays up to $200,000 on the death or *terminal illness* of an insured child.

In-built policy provisions

Benefit name	Description
Inflation protection	Cover will increase every year, unless declined by you, without health assessment.
Cover increase provision	The sum insured can be increased by $10,000 on each insured child's 6th, 10th and 14th birthdays, without our reassessment of his/her health within 30 days of any of the specified birthdays.
Continuation of cover	Allows the insured child to convert the Child cover policy to an adult policy without the need for medical underwriting once they reach the age of 15.
Interim cover	Puts some accident cover in place as soon as cover is applied for, as set out in the Interim cover terms on page 48.
Premium holiday	Allows a break in cover (max 12 months over the life of the policy) to ease financial pressure.

Trauma conditions

The trauma conditions that are covered under Zurich Child Cover are set out in the table below. Our insurance definition for each covered condition can be found in the Specified trauma condition definitions section of this PDS, starting on page 72.

Insured trauma conditions
bacterial meningitis
benign tumour of the brain or spinal cord
blindness
cardiomyopathy
chronic kidney failure
deafness
diplegia
encephalitis
hemiplegia
loss of limbs or sight

Insured trauma conditions
loss of speech
major head trauma
major organ transplant
*malignant cancer**
paraplegia
quadriplegia
severe burns
*stroke**

Benefits are not payable for covered conditions marked with an asterisk (*) if they arise in the first 90 days after cover is applied for or is reinstated.

Zurich Child Cover terms and conditions

The information provided below forms part of the Zurich Child Cover terms and conditions. Words or expressions shown in *italics* have their meaning explained in the Definitions section at the end of this PDS.

Upon acceptance of your application, we will issue you a policy schedule. The policy schedule shows each insured child covered under this policy and shows the Child cover benefit amount that applies to each insured child.

Each insured child is only covered for the amounts as shown on the policy schedule until the applicable benefit expiry dates. The benefit is only 'in force' from the start date until the benefit is terminated.

Increases to the benefit amounts may be applied for after policy commencement, but only if we accept the application after considering the insured child's health.

Cover is automatically increased in line with inflation each year under the Inflation protection benefit unless we receive a request not to make these increases.

Trauma benefit

The Child cover benefit amount is payable if the insured child is diagnosed with a trauma condition while this benefit and policy is in force. The policy schedule shows the benefit expiry date applying to the Child cover benefit for each insured child covered under the policy.

The insured trauma conditions are set out on page 22. Each condition has an insurance definition which is set out in the Definitions section at the end of this PDS, see page 72. No benefit is payable if the insured child's condition does not meet the specific definition set out in these policy conditions.

Some trauma conditions in the list are marked with an asterisk (*) to indicate that an exclusion period applies (see 'Exclusions' on the next page).

If the Child cover benefit exceeds $200,000, the portion of cover which exceeds $200,000 is only payable if the insured child survives for at least 14 days after the date of occurrence of the insured trauma condition.

Limitation

If an insured child suffers more than one insured trauma condition, the Child cover benefit is only payable in respect of one insured trauma condition.

Injury advancement benefit

An advance payment of $10,000 is payable if an insured child suffers one of the following additional insured events:

- *single loss of limb or eye*
- *severe accident or illness requiring intensive care.*

We will only pay this $10,000 benefit once in respect of each insured event for each insured child. The Child cover benefit amount applying to an insured child is reduced by the amount advanced following one of the two additional insured events.

Carer benefit

A monthly Carer benefit of $5,000 is payable if the Child cover benefit amount is $200,000 or more and the policy owner or the policy owner's *partner* has to stop *full-time paid employment* to care for an insured child at home, while this policy is in force.

The insured child must be confined to bed for a minimum of five consecutive days and must be under the regular care of, and following the advice of, a *medical practitioner.*

This benefit is not payable if the Trauma benefit has been paid or is payable, but may be paid in addition to an Injury advancement benefit payment for the same insured child.

The Carer benefit is paid for each complete month or 1/30th of the carer benefit is paid for each day this benefit is payable. The Carer benefit is not payable twice if both policy owner and his/her *partner* have to stop *full-time paid employment*.

A *medical practitioner* must confirm the insured child is confined to bed and requires full-time care. We will require this certification every month that the claim continues. The carer benefit is paid for a maximum of three months over the life of the policy.

Death & terminal illness benefit

We will pay the lesser of:

- the Child cover benefit amount and
- $200,000

if an insured child is diagnosed as *terminally ill*, or upon the death of the insured child while this policy is in force. The policy schedule shows the benefit expiry date applying to the Child cover benefit for each insured child covered under the policy.

Inflation protection

The value of the insurance cover is protected against the impact of inflation by automatically increasing the benefit amount each year.

The benefit amount is increased on each policy anniversary by the greater of:

- 5% and
- the percentage increase in the *consumer price index* published for the quarter ending immediately prior to three months before the policy anniversary over that published for the quarter ending immediately prior to 15 months before that policy anniversary.

The increase can be rejected if it is not required. To reject the increase, contact us within 30 days of receiving the offer.

The Child cover benefit amount will only be increased up to a maximum amount of $500,000.

Cover increase provision

The Insured child benefit amount applying to an insured child can be increased by $10,000 on his/her 6th, 10th and 14th birthdays, without our reassessment of his/her health, as long as:

- cover for the insured child will not exceed the maximum of $500,000
- we have not paid a benefit and there is no entitlement to a benefit under this policy in relation to the insured child.

The option can only be exercised within 30 days of any of the specified birthdays.

Continuation of cover

Within 30 days of any policy anniversary following the insured child's 15th birthday, he/she may apply to us in writing for a new death and trauma cover policy for the same benefit amount. We will issue the new policy subject to standard policy issue requirements including an assessment of smoker status but we will not reassess any other aspects of his/her health.

The policy provided will be that which provides the most comparable cover, in Zurich's opinion, available at the time of the conversion. The premiums for the new policy will be based on the rates applying to that policy at that time (which may depend on factors including smoker status). Any exclusions or loadings that applied to the original policy may also apply to the new policy.

Conversion is only available if we have not paid a benefit under this policy for the insured child.

Exclusions

No claim is paid if the insured event is caused directly or indirectly by:

- an intentional self-inflicted act or attempted suicide (in the first 13 months) or
- the intentional act of the policy owner or person who will otherwise be entitled to the benefit payable.

In the case of insured events marked with an asterisk (*), no claim will ever be paid if the condition occurred, is first diagnosed or the circumstances leading to diagnosis became apparent or a recommendation of the need to have surgery occurs, within 90 days of:

- the date a fully completed application for Zurich Child Cover is lodged with us, in respect of the applicable insured child
- the benefit start date of any increase in the Child cover benefit applied for in respect of the applicable insured child (but only in respect of the increase).

We will waive this 90 day elimination period if the child cover under this policy replaces cover for the same insured event for an insured child with us or another insurer, but only to the extent of the benefit amount replaced, and only if the insured child is not within our or the other insurer's 90 day elimination period.

In the case of insured events marked with an asterisk (*), no claim will ever be paid if the condition occurred, is first diagnosed or the circumstances leading to diagnosis became apparent or a recommendation of the need to have surgery occurs, within 90 days of:

- the latest reinstatement of the policy or
- the latest premium holiday end date.

Termination of the Child cover benefits

Zurich Child Cover terminates in relation to an insured child on the first to occur of:

- the payment of the Child cover benefit amount
- the death of the insured child
- the insured child being diagnosed as *terminally ill*
- our receipt of written notification to terminate this option
- the Child cover benefit expiry date shown on the policy schedule
- the policy anniversary following the insured child's 18th birthday or
- termination of the policy (see 'Termination of the policy' on page 57).

Zurich Income Protector

The Zurich Income Protector policy pays a monthly benefit if the life insured is unable to work due to sickness or injury. Two levels of cover are available, Zurich Income Protector Plus and Zurich Income Protector.

Income protection cover

Income protection insurance provides a *monthly benefit* if the life insured is unable to work due to a *sickness* or *injury* and is *totally disabled* or *partially disabled* for longer than the waiting period. It contributes towards a replacement income so that the life insured can concentrate on his or her recovery without having to worry about how to pay ongoing expenses.

Choice of cover

Level of cover	Description
Zurich Income Protector Plus	A fully featured level of cover, including: • three tier definition of *totally disabled* (ie. three ways to qualify for a benefit) • day one partial, meaning it is possible to claim a Partial disability benefit without ever being *totally disabled* (when held outside of super, refer to page 27) • full suite of in-built benefits, including Confined to bed benefit • selection of optional benefits to add.
Zurich Income Protector	A cost-effective level of cover which provides all the essentials of income protection. The cost of cover is reduced because: • the life insured must be *totally disabled* for at least five consecutive days during the waiting period to qualify for a Total or Partial disability benefit • the definition of totally disabled is 'unable to perform one or more *important income producing duties*' • after the Total disability benefit and/or Partial disability benefit has been paid for a period of 24 months, the ability to work is no longer based on a specific occupation • the Confined to bed benefit does not form part of the policy.

Choice of benefit type

The *insured monthly benefit* is the maximum amount payable per month. The amount payable may also depend on the benefit type.

Benefit type	Description
Indemnity	Indemnity means that the benefits we pay at claim time are capped at the life insured's income immediately prior to claim. Total disability benefits payable under the policy will be capped at 75% of *claimable income* (indemnity),* which is generally the income the life insured is earning at the time of the claim (the best consecutive 12 months in the previous two years can be used).
Agreed value	Agreed value means that the benefits we pay at claim time are not restricted by the life insured's income immediately prior to claim. Total disability benefits payable under the policy will be capped at 75% of *claimable income* (agreed value),* which allows benefits to be calculated with reference to the life insured's income at application. We don't ask for full financial information as part of the application (we rely on the information you provide in the Life Insured's Statement in relation to the life insured's income at that time). We may need to verify this at claim time and if you cannot substantiate the insured amount, we may adjust the benefit we pay accordingly. This benefit type is not available in superannuation, but can be accessed via superannuation optimiser.
Endorsed agreed value	Agreed value cover can be endorsed by us if full financial information is provided when you apply, which means we won't need any financial information to reassess or adjust the Total disability benefit we pay in the event of a claim. This benefit type is not available in superannuation, but can be accessed via superannuation optimiser.

*75% of annualised *claimable income* can be insured up to $320,000. After that a sliding scale applies, ie. 50% of the next $240,000 of annualised *claimable income* and 25% of any balance.

In-built benefits

Benefit name	Description
Total disability benefit	Pays a benefit if the life insured is *totally disabled* after the waiting period.
Partial disability benefit	Pays a proportion of the Total disability benefit if the life insured is *partially disabled* after the waiting period, based on the life insured's *pre-disability income* and *post-disability income.*
Specified injury benefit	Fixed period of benefits in lieu of the Total or Partial disability benefit if the life insured suffers a specified injury from a range of covered events including *quadriplegia*, loss of limbs or sight and certain *fractures*. This benefit does not apply if a 1 or 2 year waiting period is selected. This benefit is not available in superannuation, but can be accessed via superannuation optimiser.
Rehabilitation benefit	Extra benefits to help the life insured get back to work sooner including: reimbursement for approved workplace modifications, *rehabilitation programs* and other approved expenses. It does not cover health costs typically covered by Medicare or private health insurance. This benefit is not available in superannuation, but can be accessed via superannuation optimiser.
Funeral benefit	A lump sum of four times the *insured monthly benefit* to help with immediate expenses is payable on death during claim.
Confined to bed benefit (Plus only)	Benefits are payable right away during the waiting period (max 180 days) if the life insured is disabled and confined to bed for more than 2 days and unable to earn any income.

In-built policy provisions

Benefit name	Description
Inflation protection	Cover will increase every year, unless declined by you, without health assessment.
Waiver of premium	Premiums are waived while we are paying a claim.
Recurrent disability	No waiting period applies if disability recurs from a related cause within 12 months (six months for SR occupations).
Concurrent disability	If the life insured has more than one *sickness* or *injury*, the one which pays the most benefit will apply (we won't pay the benefit twice).
Medical professionals feature	Provides special terms for medical professionals who contract HIV, hepatitis B, or C and as a result have their occupational duties restricted.
Waiting period reduction feature	Allows for a one year or two year waiting period to be reduced to a one year or 90 day waiting period if the life insured leaves an employer and their salary continuance cover ends as a result.
Involuntary unemployment*	Premiums are waived for up to three months if the life insured is involuntarily unemployed.
Interim cover	Puts some accident cover in place as soon as cover is applied for, as set out in the Interim cover terms on page 48.
Premium holiday (not available under platform)	Allows a break in cover (max 12 months over the life of the policy) to ease financial pressure.

* not available for occupations categorised as Special Risk (SR)

Optional benefits

Optional benefits can be added after policy commencement but they then cannot be exercised if an insured event occurs or is apparent within 90 days after the option is added.

Option name	Description
Increasing claims option	Benefits can increase annually with CPI while on claim.
Super contributions option*	Cover is available for regular superannuation contributions in addition to the Total or Partial disability benefit, so that superannuation savings can continue during a claim. See page 35 for details of how this benefit works.
Day 4 accident option*	Benefits during the waiting period if the life insured is disabled due to accident. This option is only available with waiting periods of 30 days or less.
Family care option	Benefits can continue being paid to a surviving *partner* for up to five years if the life insured dies while on claim. This option is not available in superannuation, but can be accessed via superannuation optimiser.
Home support option	Cover for the life insured's *partner* carrying out *home duties* full-time up to age 55, see page 36. This option is not available in superannuation, but can be accessed via superannuation optimiser.
Future insurability option*	Allows an increase in cover without underwriting every year subject to conditions set out on page 37.
Lump sum accident option*	Lump sum payable once if the life insured suffers an *injury* which causes (within 180 days) *accidental death* or a specified loss, eg. loss of limbs or sight. This option is not available in superannuation, but can be accessed via superannuation optimiser.
Trauma advancement option*	An advance benefit payment if the life insured suffers a specified Trauma. No cover is provided for any condition which occurs or is apparent in the first 90 days after cover is applied for or reinstated and only one claim can be made on each event. This option is not available in superannuation, but can be accessed via superannuation optimiser.
Needlestick cover option	A lump sum payable on *occupationally acquired HIV* or *occupationally acquired hepatitis B or C* as a result of an occupational accident (for people who work in exposure-prone occupations). This option is not available in superannuation, but can be accessed via superannuation optimiser.

* not available for occupations categorised as Special Risk (SR)

The terms and conditions which apply to Zurich Income Protector are set out on page 29.

Income protection cover in superannuation

If you choose to hold your income protection cover within superannuation, benefits are only payable where the life insured satisfies a condition of release under superannuation law. The total benefit may also be capped if benefits and any ongoing income exceed what the life insured was earning before the disability.

Superannuation optimiser

If superannuation optimiser applies to your income protection, the cover is held across two policies which are connected via related policies:

- one held within superannuation (providing the part of the cover that also meets the definition of *temporary incapacity*), and
- one outside of superannuation (providing the part of the cover that does not meet the definition of *temporary incapacity*).

Although both policies will have the same *insured monthly benefit*, the insured amount set out on each policy schedule represents the total insured amount across both related policies. See the section 'Superannuation optimiser – income protection' on page 53 for full details

Benefit examples

The following examples are provided to show how the monthly Total disability benefit and Partial disability benefit is calculated, and to illustrate how the amount payable will differ under endorsed agreed value, agreed value and indemnity benefit types.

Claimable income is a defined term we use to set the maximum amount of monthly benefit, and it is determined differently for agreed value and indemnity benefit types. Refer to the definition of *claimable income* which is set out on page 64.

Assumptions:

- the *insured monthly benefit* at the time of claim is $6,000
- as the life insured is earning less than $320,000 per year, the examples reflect 75% of annualised *claimable income*
- the life insured is not eligible for any other benefits for the disability, so no offsets apply.

When the life insured is *totally disabled*	**Regular *income*** (*income* in the 2 years prior to claim is $8,000 per month)	**Fluctuating *income*** (*income* in the 2 years prior to claim is $6,000 per month)
Endorsed agreed value the *insured monthly benefit*, less any applicable offsets	Total disability benefit = $6,000	Total disability benefit = $6,000
Agreed value the lower of: • the *insured monthly benefit* and • 75% of *claimable income* less any applicable offsets	*Claimable income* is $8,000 Total disability benefit is the lower of: • $6,000 and • 75% of $8,000 = $6,000	*Claimable income* is $7,500 (based on *pre-application income*) Total disability benefit is the lower of: • $6,000 and • 75% of $7,500 = $5,625
Indemnity the lower of: • the *insured monthly benefit* and • 75% of *claimable income* less any applicable offsets	*Claimable income* is $8,000 Total disability benefit is the lower of: • $6,000 and • 75% of $8,000 = $6,000	*Claimable income* is $6,000 Total disability benefit is the lower of: • $6,000 and • 75% of $6,000 = $4,500

When the life insured is *partially disabled* life insured is working three days per week (down from five)	**Regular *income*** *post-disability income* is $4,800 per month *pre-disability income* is $8,000	**Fluctuating *income*** *post-disability income* is $3,600 per month *pre-disability income* is $6,000
Endorsed agreed value	$\frac{\$8,000 - \$4,800}{\$8,000} \times \$6,000$ Partial disability benefit is $2,400	$\frac{\$6,000 - \$3,600}{\$6,000} \times \$6,000$ Partial disability benefit is $2,400
Agreed value		$\frac{\$6,000 - \$3,600}{\$6,000} \times \$5,625$ Partial disability benefit is $2,250
Indemnity		$\frac{\$6,000 - \$3,600}{\$6,000} \times \$4,500$ Partial disability benefit is $1,800

Zurich Income Protector terms and conditions

The information provided below forms part of the Zurich Income Protector or Zurich Income Protector Plus terms and conditions. Words or expressions shown in *italics* have their meaning explained in the Definitions section at the end of this PDS.

Upon acceptance of your application, we will issue you a policy schedule. The policy schedule shows whether the cover is Zurich Income Protector or Zurich Income Protector Plus, the life insured covered under the policy, the *insured monthly benefit*, whether the policy is 'endorsed agreed value', 'agreed value' or 'indemnity', the benefit period, the waiting period, the premium structure and any optional benefits provided.

If the policy is one of two related policies issued under superannuation optimiser, it will show whether the policy is the superannuation policy or the non-superannuation policy. If the superannuation optimiser applies, please also refer to the section 'Superannuation optimiser – income protection' on page 53 for important information regarding how payments are made from the two related policies under which benefits are provided.

The policy schedule also shows the benefit expiry date applying to each insured benefit. Benefits are only payable if a covered event occurs while the policy is in force. Benefits are only 'in force' from the applicable start date until the applicable benefit is terminated.

You have the option to make changes to your policy. Additional optional benefits or increases to the benefit amounts may be applied for after policy commencement, but will be effective only if we accept the application after considering the life insured's personal circumstances including health, occupation and pastimes.

The benefits provided by the Zurich Income Protector and Zurich Income Protector Plus policy are set out below. Optional benefits are described in the Optional benefits section starting on page 35.

Some benefits do not form part of the policy if the policy is issued to the trustee of a superannuation fund – these are clearly indicated.

The waiting period and benefit period

Two important aspects of this policy are the selected waiting period and benefit period. Both are shown on the policy schedule.

The waiting period is the period of time the life insured must be disabled before being eligible for the relevant benefit. The waiting period for a claim begins on the date of disability, which is the day the life insured is *totally disabled* or *partially disabled* due to *sickness* or *injury* and has consulted a *medical practitioner* in relation to their disability. Under Zurich Income Protector, the life insured must additionally be *totally disabled* for at least five consecutive days during that period.

The benefit period is the maximum length of time that we will pay the Total or Partial disability benefit when the life insured suffers from the same or related *sickness* or *injury* during the life of the policy. All benefits cease, if not earlier, at the policy anniversary following the life insured's 65th birthday unless the 'to age 70' benefit period is selected, in which case all benefits cease on the policy anniversary following the life insured's 70th birthday.

Total disability benefit

Qualifying criteria

- **Zurich Income Protector**
  We will pay the Total disability benefit if the life insured is:
  - *totally disabled* or *partially disabled* for the duration of the waiting period
  - *totally disabled* for at least five consecutive days during the waiting period and
  - remains *totally disabled* after the waiting period ends.
- **Zurich Income Protector Plus**
  We will pay the Total disability benefit if the life insured is *totally disabled* or *partially disabled* for the duration of the waiting period and remains *totally disabled* after the waiting period ends.

Benefit payment

Under endorsed agreed value cover, the Total disability benefit amount will be the *insured monthly benefit*, less any applicable offsets.

Under agreed value or indemnity cover, the Total disability benefit amount will be the lower of the *insured monthly benefit*, and the monthly equivalent of:

- 75% of the first $320,000 of annualised *claimable income*
- 50% of the next $240,000 of annualised *claimable income*
- 25% of the balance of annualised *claimable income*

less any applicable offsets.

The Total disability benefit is payable 15 days after the waiting period ends, provided claim requirements are met, and monthly

thereafter. Benefits are generally paid two weeks in arrears and two weeks in advance. If eligibility to receive the benefit ends before the next monthly payment due date, we will pay 1/30th of the Total disability benefit for each day (less than 15 days) that the life insured is eligible for the benefit.

The Total disability benefit is payable until any one of the following events occurs:

- the life insured is no longer *totally disabled*
- the benefit period ends
- the *insured monthly benefit* expiry date shown on the policy schedule
- the policy is terminated
- the death of the life insured.

If a claim is made while the life insured is outside Australia, we will only continue to pay the Total disability benefit if, in addition to meeting all of the benefit requirements, the life insured has a medical examination every 12 months. The *medical practitioner* performing the examination must be approved by us. We will pay for this medical examination, but not for transport to attend it.

Additional conditions under superannuation ownership

If the policy is issued to the trustee of a superannuation fund, the Total disability benefit is subject to the superannuation restrictions and limitations described on page 34.

Partial disability benefit

Qualifying criteria

- **Zurich Income Protector**
  We will pay the Partial disability benefit if the life insured is:
  - *totally disabled* or *partially disabled* for the duration of the waiting period
  - *totally disabled* for at least five consecutive days during waiting period and
  - remains *partially disabled* after the waiting period ends.
- **Zurich Income Protector Plus**
  We will pay the Partial disability benefit if the life insured is *totally disabled* or *partially disabled* for the duration of the waiting period and remains *partially disabled* after the waiting period ends.

Benefit payment

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

$$\frac{\textit{pre-disability income} - \textit{post-disability income}}{\textit{pre-disability income}} \times \text{the monthly amount we would pay if the life insured was claiming for a Total disability benefit}$$

The Partial disability benefit is payable 15 days after the waiting period ends, provided claim requirements are met, and monthly thereafter, in arrears. If eligibility to receive the benefit ends before the next monthly payment due date, we will pay 1/30th of the Partial disability benefit for each day (less than 15 days) that the life insured is eligible for the benefit.

The Partial disability benefit is payable until any one of the following events occurs:

- the life insured is no longer *partially disabled*
- the benefit period ends
- the *insured monthly benefit* expiry date shown on the policy schedule
- the policy is terminated
- the death of the life insured.

You will need to provide evidence of any *post-disability income* before the Partial disability benefit can be paid.

If a claim is made while the life insured is outside Australia, we will only continue to pay the Partial disability benefit if, in addition to meeting all of the benefit requirements, the life insured has a medical examination every 12 months. The *medical practitioner* performing the examination must be approved by us. We will pay for this medical examination, but not for transport to attend it.

Additional conditions under superannuation ownership

If the policy is issued to the trustee of a superannuation fund, the Partial disability benefit is subject to the superannuation restrictions and limitations described on page 34.

Offsets

The Total disability benefit, Specified injury benefit and Confined to bed benefit amounts will be reduced by other benefits received during the relevant month from the following sources as a result of the life insured's *sickness* or *injury*:

- sick leave entitlements paid
- other disability income policies
- workers' compensation or other legislated benefits.

However, if the policy is held outside of superannuation (not issued to the trustee of a superannuation fund):

- sick leave entitlements will not be offset
- other disability income policies disclosed to us in your application will not be offset
- workers' compensation or other legislated benefits will not be offset if the life insured's occupation category is A1, A1M, A1L or A2, as shown on the policy schedule.

If the benefit received is:

- a lump sum or part of a lump sum paid as compensation for pain and suffering or as compensation for loss of use of a limb or
- a lump sum total and permanent disablement or trauma benefit

the payment received will not be offset or included as *post-disability income*.

For the purposes of these offsets:

- a disability income policy is any individual or group disability insurance policy, including cover under a mortgage repayment policy or credit insurance policy, which pays a regular benefit due to the life insured's *sickness* or *injury* and
- where these amounts are paid or payable in a lump sum and cannot be allocated to specific months, then 1/60th of the lump sum shall be taken into account each month for a maximum period of five years.

Specified injury benefit

This benefit does not form part of the policy if the policy is issued to the trustee of a superannuation fund or if the policy is issued with a 1 year or 2 year waiting period.

The Specified injury benefit is payable as a monthly benefit for the duration of the specified injury benefit period if any one of the specified injuries happen to the life insured:

- while the policy is in force and
- before termination of the policy.

Specified injury	Specified injury benefit period (months)
quadriplegia	60
paraplegia	60
hemiplegia	60
diplegia	60
Loss of both feet, both hands or sight in both eyes	24
Loss of a foot and a hand	24
Loss of a foot and sight in one eye	24
Loss of a hand and sight in one eye	24
Loss of a leg or arm	18
Loss of a foot or hand or sight in one eye	12
Loss of the thumb and index finger of the same hand	6
fracture of a thigh or pelvis	3
fracture of a leg (between the knee and foot), kneecap, skull (excluding bones of the face or nose), upper arm between elbow and shoulder (shaft) or shoulder blade	2
fracture of a forearm (including wrist but excluding elbow or hand), jaw or collar bone	1.5

Under this benefit, 'loss' means that the life insured cannot use and will never be able to use that body part again. In the case of the eye, it means that the life insured will never be able to see again from that eye.

The waiting period is waived and the Specified injury benefit is paid (even if the life insured is still earning an income) until:

- the end of the Specified injury benefit period shown in the table
- the end of the benefit period shown on the policy schedule
- the death of the life insured

whichever happens first.

We will not pay for more than one specified injury per claim.

Under endorsed agreed value cover, the Specified injury benefit will be the *insured monthly benefit*, less any applicable offsets.

Under agreed value or indemnity cover, the Specified injury benefit will be the amount we would pay under the Total disability benefit.

We will not pay any other benefit under this policy while the Specified injury benefit is being paid. If at the end of the Specified injury benefit period the life insured is *totally disabled* or *partially disabled* because of the same specified injury, we will pay the Total or Partial disability benefit (as applicable) from the later of:

- the end of the Specified injury benefit period for the specified injury and
- the end of the waiting period.

Rehabilitation benefit

This benefit does not form part of the policy if the policy is issued to the trustee of a superannuation fund.

The Rehabilitation benefit is payable when the life insured has qualified for the Total disability benefit, Partial disability benefit or Specified injury benefit after expiry of the waiting period or within the waiting period if the life insured would otherwise qualify for the Total disability benefit or Partial disability benefit.

The Rehabilitation benefit is payable as follows:

Workplace modification

This benefit provides assistance if the life insured's workplace needs modification to allow the life insured to return to *gainful employment*. We will pay up to three times the monthly Total disability benefit or Partial disability benefit (as applicable) for expenses incurred in modifying the life insured's workplace.

Rehabilitation program

While the life insured takes part in a *rehabilitation program*, we will pay an additional 20% of the monthly Total disability benefit or Partial disability benefit (as applicable) each month for a maximum period of 12 months.

Rehabilitation costs

We will pay up to 12 times the monthly Total disability benefit or Partial disability benefit (as applicable) for the expenses of rehabilitating the life insured. These expenses include the costs of special equipment designed to assist the life insured to re-enter the workforce. We will not cover health costs which are typically covered by Medicare or private health insurance.

To receive the Rehabilitation benefit, our written approval must be obtained before expenses are incurred.

Funeral benefit

The Funeral benefit is payable if the life insured dies while the Total disability benefit, Partial disability benefit, Specified injury benefit, Day 4 accident benefit or Confined to bed benefit is payable.

We will pay a lump sum of four times the *insured monthly benefit*.

If the life insured is also covered under another Zurich income policy, we will only pay this benefit once.

Confined to bed benefit

This benefit only applies to Zurich Income Protector Plus.

The Confined to bed benefit is payable if, while the policy is in force and before termination of the policy, the life insured is confined to bed because of *sickness* or *injury* for more than two days in a row and during that period, is totally dependent on the full-time care of a nurse or a personal care attendant and unable to earn any income from personal exertion.

Under this benefit, 'Confined to bed' means that a *medical practitioner* states (in writing) that the life insured is confined to bed and he/ she needs the full-time care of a nurse or personal care attendant for more than two days in a row.

'Nurse' means a nurse legally registered to practice in Australia or, if we approve, a nurse legally registered to practice in another country. Nurse does not include:

- the policy owner, his/her relative or his/her business partner or employee
- the life insured, his/her relative or his/her business partner or employee.

'Personal care attendant' means a person upon whose care the life insured is totally dependent and cannot be:

- the life insured's *immediate family member*
- an employee of the life insured or an employee of the life insured's *immediate family member*
- the life insured's employer

unless they have ceased full-time work or taken leave specifically to care for the life insured.

We will pay the Confined to bed benefit for each complete month or 1/30th of the Confined to bed benefit for each day that this benefit is payable. This benefit is only payable during the waiting period to a maximum of 180 days.

Under endorsed agreed value cover, the Confined to bed benefit will be the *insured monthly benefit*, less any applicable offsets.

Under agreed value or indemnity cover, the Confined to bed benefit will be the amount we would pay under the Total disability benefit.

Other policy features, exclusions and conditions

Inflation protection

The Inflation protection benefit protects the value of the insurance cover against the impact of inflation by offering the opportunity to adjust for this with indexation increases.

Each policy anniversary prior to the life insured's 65th birthday, the *insured monthly benefit* can be increased by the percentage increase in the *consumer price index* published for the quarter falling immediately prior to three months before the policy anniversary over that published for the quarter falling immediately prior to 15 months before that policy anniversary.

The increase may be rejected if not required. To reject the increase, simply contact us within 30 days of receiving the offer.

Indexation increases will apply automatically while there is an entitlement to make a claim if a policy anniversary falls during a period of claim. This ensures that after the claim, the *insured monthly benefit* will be the same amount as it would have been if the claim had not occurred. The increase will be applied to the *insured monthly benefit* after the claim is finalised, but will not apply to the calculation of benefits during a claim.

Under indemnity cover, if the indexation increase would mean that the *insured monthly benefit* is greater than 75% of the life insured's average monthly *income* or if the life insured is not in *full-time paid employment*, the increase may be rejected to avoid paying unnecessary premium.

Indexation increases will cease on the policy anniversary following the life insured's 65th birthday.

Waiver of premium

We will waive the premium for any period during which a *monthly benefit* is payable. If we receive the completed claim form within 30 days from the start of the life insured's *sickness* or *injury*, we will also refund the portion of the premium paid for the waiting period if we subsequently pay a *monthly benefit*.

Recurrent disability

If the life insured's disability recurs from the same or related cause within 12 months of his/her returning to work, the claim will be considered to be a continuation of the same claim and a further waiting period will not apply.

If the life insured's disability recurs from the same or related cause later than 12 months after he/she returns to work, the claim will be considered to be a continuation of the same claim, but further Total disability benefits or Partial disability benefits will only be payable after expiry of a further waiting period.

Where a 'continuation of the same claim' applies, the policy terms and conditions which apply to the claim will be those that applied at the original claim commencement date.

Employment related salary continuance

If the policy is taken out with a two year waiting period, and the life insured is also covered by employment related salary continuance which has a two year benefit period, we will use the original start date of the claim when we assess the waiting period, excluding any periods where he/she has returned to work under recurrent disability provisions in that policy.

For Special Risk (SR) occupations

If the life insured's disability recurs from the same or related cause within six months of his/her returning to work, the claim will be considered to be a continuation of the same claim and a further waiting period will not apply.

If the life insured's disability recurs from the same or related cause later than six months after he/she returns to work, the claim will be considered to be a continuation of the same claim, but further Total disability benefits or Partial disability benefits will only be payable after expiry of a further waiting period.

Where a 'continuation of the same claim' applies, the policy terms and conditions which apply to the claim will be those that applied at the original claim commencement date.

Concurrent disability

If more than one separate and distinct *sickness* or *injury* resulted in the disability, payments will be based on the *sickness* or *injury* that provides the highest benefit.

More than one benefit at a time

We will only pay one benefit, being the highest, for the same period where it would otherwise be possible to qualify for the following combinations of benefits:

- Total disability benefit and Partial disability benefit
- Total or Partial disability benefit and Specified injury benefit
- Total or Partial disability benefit and Trauma advancement benefit
- Confined to bed benefit and Specified injury benefit
- Confined to bed benefit and Trauma advancement benefit
- Confined to bed benefit and Day 4 accident benefit
- Trauma advancement benefit and Specified injury benefit
- Day 4 accident benefit and Specified injury benefit
- Day 4 accident benefit and Trauma advancement benefit.

Medical professionals feature

If a medical professional contracts HIV, hepatitis B or hepatitis C, professional guidelines may restrict his/her ability to perform certain procedures and result in a reduction of income, well before the *sickness* results in a physical inability to perform the duties of his/her occupation.

If you have Zurich Income Protector Plus as shown on your policy schedule, and the life insured is a medical professional, we will consider that the life insured is unable to perform his/her *important income producing duties* when assessing whether the life insured meets the definition of *totally disabled* or *partially disabled*, if the following apply:

- the occupation class shown on the policy schedule is A1M
- the life insured becomes infected with HIV, hepatitis B or hepatitis C as confirmed by documented proof of the infection
- at the time of infection, exposure-prone procedures, as defined by the relevant professional governing body, are at least one of the duties of the life insured's usual occupation necessary to produce income, and
- due to the life insured's HIV, hepatitis B or hepatitis C status, he/she is required to cease performing exposure prone procedures as a result of the guidelines of the professional governing body in the applicable state.

The other components of the Total disability benefit and Partial disability benefit, as applicable, must also be satisfied in order for a claim to be admitted.

The Medical professionals feature will not apply if:

- a treatment is available which renders the HIV or hepatitis B or hepatitis C virus (as applicable) inactive and non-infectious, or
- the life insured has elected not to take an approved vaccine that is recommended by the relevant professional governing body for use in the life insured's occupation and which is available prior to the event which causes infection.

Waiting period reduction feature

If you have a Zurich Income Protector or Zurich Income Protector Plus policy and the waiting period is '1 year' or '2 years' as shown on your policy schedule, the waiting period can be reduced without medical underwriting to '1 year' or '90 days' if the life insured also has salary continuance cover provided through their employer and that cover terminates because they leave their employer. This is not available if the life insured:

- elects to take up any continuation of cover option on the salary continuance cover
- is on claim or eligible to claim (on either policy) at the time of applying to reduce the waiting period, or
- is not engaged in *full-time paid employment* with a new employer.

You must apply to change the waiting period within 30 days of the life insured ceasing employment with the employer through which the salary continuance cover was provided. Evidence of the cover, cessation of employment and other information necessary to assess eligibility is required at the time of applying to reduce the waiting period.

The premium will be adjusted accordingly for any change made to the waiting period under this feature.

Exclusions

No amount will be payable for *sickness* or *injury* occurring as a direct or indirect result of any one or more of the following:

- an intentional self-inflicted act
- attempted suicide
- *uncomplicated pregnancy or childbirth*
- an act of war (whether declared or not)
- any event or medical condition specified as an exclusion on the policy schedule.

We will not pay a benefit for a disability due to elective or donor transplant surgery unless the elective or transplant surgery occurred at least six months after:

- the start of the policy
- if the policy is ever reinstated, the date of reinstatement
- in respect of an increase in the *insured monthly benefit*, the date of the increase.

We will not pay for any period while the life insured is in jail.

Superannuation restrictions and limitations

If the policy is issued to a superannuation trustee, the payment of benefits is conditional upon the trustee's ability to pay the benefit in accordance with relevant superannuation legislation, as amended from time to time.

Benefits are only payable if the life insured:

- meets the definition of *temporary incapacity* and the amount is capped at the *superannuation payment limit* or
- meets the definition of *permanent incapacity* where superannuation optimiser does not apply.

To age 70 benefit period

The following conditions and limitations apply if the age 70 benefit period is selected.

After the policy anniversary following the life insured's 65th birthday:

- we will not pay a benefit under any optional benefit selected (as shown on the policy schedule) and
- the total amount we pay will be the applicable percentage (shown in the table below) of total benefits otherwise payable under the policy. The applicable percentage at the commencement of a claim will apply for the duration of the claim.

Age at policy anniversary prior to claim commencing	Percentage of total benefit payable
65	100%
66	80%
67	60%
68	40%
69	20%

Involuntary unemployment

For all occupation categories, except Special Risk (SR), we will waive the premium for up to three months if the life insured is involuntarily unemployed, other than as a direct result of *sickness* or *injury* and if:

- the life insured is registered with an employment agency approved by us
- unemployment started at least 12 months after the start of the policy or, if the policy is ever reinstated, the date of reinstatement and
- each request to waive premium occurs at least 12 months after the end of any previous period of waived premium.

Under this provision, 'involuntary unemployment' means that the life insured becomes unemployed due to retrenchment, redundancy or employer insolvency. It does not mean retirement, unpaid leave, the end of a fixed term contract or dismissal from employment.

A total of twelve months premium may be waived during the life of the policy.

Optional benefits

The policy schedule shows the optional benefits applying under the policy and, if applicable, the benefit amount(s).

Each optional benefit terminates on the first to occur of:

- our receipt of written notification to terminate the benefit
- the optional benefit expiry date
- termination of the policy (see 'Termination of the policy' on page 57).

Where any optional benefit does not have an expiry date specified on the policy schedule, the optional benefit expiry date is equal to that of the main policy.

Each optional benefit only applies if specified on the policy schedule.

Increasing claims option

After each twelve continuous months of Total or Partial disability benefit payments, the benefit will be increased by the percentage increase in the *consumer price index* for the previous year.

If the benefit is added to the policy after the policy commencement date, as shown on the policy schedule, benefits will not be increased for a *sickness* or *injury* which occurs or is apparent within 90 days after the date the Increasing claims option is added to the policy.

Super contributions option

The super contributions monthly benefit (or a proportion thereof) is payable at any time a Total disability benefit, Partial disability benefit, Specified injury benefit, Confined to bed benefit or Day 4 accident benefit is being paid.

The amount payable will be the super contributions monthly benefit multiplied by the proportion of the *insured monthly benefit* we are paying as a Total disability benefit, Partial disability benefit, Specified injury benefit, Confined to bed benefit or Day 4 accident benefit.

Under indemnity cover, this is subject to a maximum of the actual average monthly superannuation contributions the life insured or the life insured's employer made in the 12 months preceding the claim.

Inflation protection, the Increasing claims benefit and the Future insurability option apply to the Super contributions option.

In selecting this benefit we are deemed to be directed to pay any super contributions monthly benefit payable to a nominated complying superannuation fund.

If this benefit is added to the policy after the policy commencement date, as shown on the policy schedule, no super contributions monthly benefit is payable for any *sickness* or *injury* that occurs or is apparent within 90 days after the date the Super contributions option is added to the policy.

Day 4 accident option

The Day 4 accident benefit is payable if the life insured is *totally disabled* due to an *injury* for more than three consecutive days during the waiting period. We will pay 1/30th of the Total disability benefit for each day of the waiting period for as long as the life insured continues to be *totally disabled* solely due to his/her *injury*.

No claim is payable for any *injury* occurring before or within 90 days after the date the benefit is added to the policy, as shown on the policy schedule (if the Day 4 accident option is added to the policy after the policy commencement date).

Family care option

This benefit only applies where the policy owner is also the life insured.

The Family care benefit is payable if the life insures dies while a *monthly benefit* is being paid, and leaves a surviving *partner*. We will continue to pay the *partner* a *monthly benefit* for up to five years after death while the *partner* remains alive, but not beyond the balance of the benefit period or the expiry date shown on the policy schedule, if earlier.

The amount payable will be adjusted in the same manner that would have occurred had the life insured continued living.

This benefit is not payable if death occurs within 90 days after the date the benefit is added to the policy, as shown on the policy schedule (if the Family care option is added to the policy after the policy commencement date).

Home support option

This benefit only applies for the covered *partner* named on the policy schedule. Only one person can be covered under this benefit and each person can only be covered under one Zurich income policy.

The Home support benefit is payable if:

- the covered *partner* is unable, because of *sickness* or *injury*, to perform each and every daily *domestic duty* and
- a *medical practitioner* confirms the need for home help for the covered *partner*

during the 60 day waiting period, but only while this continues after the end of the waiting period.

We will pay the Home support benefit to the policy owner (or directly to the *partner*, with written instructions to do so) from the end of the waiting period, but not beyond the earlier of the expiry date shown on the policy schedule or the policy anniversary following the *partner's* 55th birthday.

The Home support benefit payable is:

- a monthly amount to reimburse fees paid for home duties such as cooking and cleaning, up to $1,000
- a monthly amount to reimburse child care costs for children under 12 years, up to $1,500
- a monthly amount of $2,000 to help with additional living expenses.

Restrictions and limitations

No cover is provided under the policy for any insured event which is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) before the Home support benefit start date.

We will not pay a benefit if the covered *partner* is disabled due to any one or more of the following:

- intentional self-inflicted act
- attempted suicide
- *uncomplicated pregnancy or childbirth*
- an act of war (whether declared or not)
- a *mental health condition*
- any event specified as an exclusion on the policy schedule.

We will not pay for any period while the covered *partner* is in jail.

A Rehabilitation benefit is also payable if the Home support benefit is payable, as follows:

Home modification

This benefit provides assistance if the covered *partner's* home needs modification to allow the covered *partner* to return to carrying out the home duties. We will pay up to $6,000 for expenses incurred in carrying out the modification.

Rehabilitation program

If the covered *partner* takes part in a *rehabilitation program*, we will pay up to an additional $1,000 each month after the waiting period for up to 12 months.

Rehabilitation costs

We will pay up to $12,000 for the expenses of rehabilitating the covered *partner*. We will not cover health costs which are typically covered by Medicare or private health insurance.

The expenses must be incurred while the Home support benefit is payable and, to receive the benefit, our written approval must be obtained before expenses are incurred.

The Rehabilitation benefit is payable only once in relation to the same or related cause.

All Home support benefits, including the Rehabilitation benefit, are payable for a maximum period of two years over the life of the benefit.

Future insurability option

The Future insurability benefit allows increases to the *insured monthly benefit* (and any super contributions monthly benefit) by up to 15% on every policy anniversary after this benefit begins, to reflect an increase in income without reassessment of the life insured's health. We must receive notification in writing within 30 days of the relevant policy anniversary for the increase to apply and evidence of an increase in income may be required, as determined by us.

The increase cannot be made:

- if the policy anniversary following the life insured's 54th birthday has already passed
- if we are currently paying benefits or have ever paid benefits under the policy
- to the extent that after the increase, the *insured monthly benefit* will be more than:
  - 75% of the first $320,000 of annualised *claimable income*
  - 50% of the next $240,000 if annualised *claimable income*
  - 25% of the balance of annualised *claimable income*

  at that date
- to the extent that after the increase, the super contributions monthly benefit will be more than the actual average monthly superannuation contributions the life insured or the life insured's employer made in the preceding 12 months (indemnity only).

If any special conditions or exclusions apply to the existing cover, as shown on the policy schedule, then those special conditions or exclusions will automatically apply to the increased cover.

Restrictions and limitations

This benefit is not available to the life insured if the *insured monthly benefit* has been issued with a medical loading (shown on the policy schedule).

The sum of all increases under this benefit cannot exceed the *insured monthly benefit* amount applying to the life insured on the benefit start date.

Any increase under this benefit cannot cause the *insured monthly benefit* amount applying to the life insured to exceed $30,000.

If this benefit is added to the policy after the policy commencement date, as shown on the policy schedule, the *insured monthly benefit* cannot be increased for any income changes occurring within 90 days after the date the Future insurability option is added to the policy.

Lump sum accident option

The Lump sum accident benefit is payable if the life insured suffers an *injury*, while the policy is in force and before the expiry date shown on the policy schedule, which causes, within 180 days of the accident, one of the events set out below. The lump sum payable will be the percentage set out below of the Lump sum accident benefit amount shown on the policy schedule.

Under this benefit, 'loss' means that the life insured cannot use and will never be able to use that body part again. In the case of the eye, it means that the life insured will never be able to see again from that eye.

Restrictions and limitations

We will only pay an amount under this benefit once during the life of the policy.

Event	Percentage of Lump sum accident benefit amount
accidental death	100%
Total and permanent loss of:	
both hands or both feet or sight in both eyes	100%
one hand and sight in one eye	100%
one foot and sight in one eye	100%
one hand and one foot	100%
one arm or one leg	75%
one hand or one foot or sight in one eye	50%
thumb and index finger from same hand	25%
thumb or index finger	15%
two or more fingers	15%
one finger	5%

No claim is payable for any *injury* occurring before or within 90 days after the date the benefit is added to the policy, as shown on the policy schedule (if the Lump sum accident option is added to the policy after the policy commencement date).

Trauma advancement option

If the life insured suffers one of the trauma conditions listed below while the policy is in force and before the expiry date shown on the policy schedule, we will pay a benefit for six months, regardless of whether the life insured is disabled. The Trauma advancement benefit will be paid in advance as a lump sum during the waiting period.

Under endorsed agreed value cover, the Trauma advancement benefit will be the *insured monthly benefit* for a period of six months.

Under agreed value or indemnity cover, the Trauma advancement benefit will be the lesser of:

- the *insured monthly benefit* and
- the amount we would pay under the Total disability benefit

for a period of six months.

The benefit is payable if the life insured survives for at least 14 days after suffering any of the following four trauma conditions:

- *coronary artery bypass surgery*
- *heart attack*
- *malignant cancer*
- *stroke*.

We will not pay a benefit for any trauma condition which occurs or becomes apparent within 90 days of the date an application for Zurich Income Protector or Zurich Income Protector Plus (including a fully completed Life Insured's Statement) is lodged with us.

We will waive this 90 day elimination period if the Trauma benefit under this policy replaces cover for the same insured event with us or another insurer, but only to the extent of the benefit amount replaced, and only if the life insured is not within our or the other insurer's 90 day elimination period. This waiver can also apply to any increase in the Trauma advancement benefit which meets the same criteria.

We will not pay a benefit for any trauma condition which occurs or becomes apparent within 90 days of:

- the latest reinstatement of the policy
- the latest premium holiday end date.

No other *monthly benefit* is payable in respect of the same six month period that the Trauma advancement benefit is being paid. Eligibility to receive a Total or Partial disability benefit for the remaining balance of the benefit period will be determined in the normal way after the end of the six month period.

A Trauma advancement benefit will only be paid once for each insured event and no benefit will be payable after the benefit expiry date shown on the policy schedule.

The occurrence of the trauma must be confirmed by our medical advisers and, for this purpose, we reserve the right to require the insured to undergo an examination or other reasonable tests, at our expense.

Needlestick cover option

We will pay a lump sum equal to the amount insured under this benefit if the life insured becomes infected with HIV (Human Immunodeficiency Virus), hepatitis B or hepatitis C as a result of an accident occurring during the course of the life insured's normal occupation.

Any accident giving rise to a potential claim must be reported to us within seven days of the accident.

In the event of a claim we must be provided with all of the following:

- proof of the occupational accident that gave rise to the infection including the incident report and the names of any witnesses to the accident
- proof that the accident involved a definite source of the relevant infection
- proof that a new infection with either HIV, hepatitis B or hepatitis C has occurred within six months of the documented accident, demonstrating sero-conversion from:
  - HIV antibody negative to HIV antibody positive
  - hepatitis C antibody negative to hepatitis C antibody positive
  - hepatitis B surface antigen negative to hepatitis B surface antigen positive
- access to test independently all the blood samples used.

Restrictions and limitations

The maximum combined amount we will pay for either:

- *occupationally acquired HIV* and
- *occupationally acquired hepatitis B or C*

under all policies issued by us is $2,000,000. This does not include any TPD benefits or *monthly benefit* in respect of the life insured.

Exclusions

A benefit will not be payable if:

- HIV, hepatitis B and hepatitis C is contracted by any other means
- a medical cure is found for Acquired Immune Deficiency Syndrome (AIDS) or the effects of the HIV virus, hepatitis B or hepatitis C (as applicable) or in the event of a treatment being developed and approved which makes these viruses inactive and non-infectious
- the life insured elects not to take an available medical treatment which results in the prevention of hepatitis B or hepatitis C prior to making a claim.

Zurich Business Expenses

The Zurich Business Expenses policy can help cover business expenses if the life insured is unable to work due to sickness or injury. Two types of cover are available, cover for ongoing fixed expenses or key person replacement.

Business expenses cover

Business expenses insurance provides a *monthly benefit* that can reimburse ongoing fixed business expenses or the costs to hire a replacement employee while the life insured is disabled due to a *sickness* or *injury*.

Choice of cover

Benefit types	Description
Ongoing fixed expenses	The benefit payable in the event of a claim is based on the *allowable business expenses* incurred each month by the life insured up to a maximum of the *insured monthly benefit*. This may include items such as rent on a business premises, electricity, rates, etc. Up to 100% of *allowable business expenses* can be insured at application.
Key person replacement	The benefit payable in the event of a claim is based on the *key person replacement costs* incurred each month to replace the life insured within the business for up to a maximum of the *insured monthly benefit*. This means that in any given month, if no *key person replacement costs* are incurred, then no benefit will be payable for that month. Up to 75% of *key person replacement costs* can be insured at application.

In-built benefits

Benefit name	Description
Total disability benefit	Pays the *insured monthly benefit*, less applicable offsets, if the life insured is *totally disabled* after the waiting period.
Partial disability benefit	Pays a proportion of the Total disability benefit if the life insured is *partially disabled* after the waiting period.
Funeral benefit	A lump sum of four times the *insured monthly benefit* to help with immediate expenses is payable on death during claim.

In-built policy provisions

Benefit name	Description
Inflation protection	Cover will increase every year, unless declined by you, without health assessment.
Waiver of premium	Premiums are waived while we are paying a claim.
Recurrent disability	No waiting period applies if disability recurs from a related cause within six months.
Concurrent disability	If the life insured has more than one *sickness* or *injury*, the one which pays the most benefit will apply (we won't pay the benefit twice).
Interim cover	Puts some accident cover in place as soon as cover is applied for, as set out in the Interim cover terms on page 48.
Premium holiday (not available under platform)	Allows a break in cover (max 12 months over the life of the policy) to ease financial pressure.

Optional benefit

This optional benefit can be added after policy commencement but it then cannot be exercised if an insured event occurs or is apparent within 90 days after the option is added.

Option name	Description
Day 4 accident option*	Benefits during the waiting period if the life insured is disabled due to accident. This option is only available with waiting periods of 30 days or less.

* not available for occupations categorised as Special Risk (SR)

Zurich Business Expenses terms and conditions

The information provided below forms part of the Zurich Business Expenses terms and conditions. Words or expressions shown in *italics* have their meaning explained in the Definitions section at the end of this PDS.

Upon acceptance of your application, we will issue you a policy schedule. The policy schedule shows the life insured covered under the policy, the *insured monthly benefit*, the benefit period, the waiting period, the premium structure and any optional benefits provided. The policy schedule also shows the benefit expiry date applying to each insured benefit. Benefits are only payable if a covered event occurs while the policy is in force. Benefits are only 'in force' from the applicable start date until the applicable benefit is terminated.

The additional optional benefit or increases to the benefit amounts may be applied for after policy commencement, but only if we accept the application after considering the life insured's personal circumstances including health, occupation and pastimes.

The benefits provided by the Zurich Business Expenses policy are set out below and the optional benefit is described on page 43.

Benefit type description

Ongoing fixed expenses
The benefit payable in the event of a claim is based on the *allowable business expenses* incurred each month by the life insured up to a maximum of the *insured monthly benefit*. This may include items such as rent on a business premises, electricity, rates, etc.

Up to 100% of *allowable business expenses* can be insured at application.

Key person replacement
The benefit payable in the event of a claim is based on the *key person replacement costs* incurred each month to replace the life insured within the business for up to a maximum of the *insured monthly benefit*.

This means that in any given month, if no *key person replacement costs* are incurred, then no benefit will be payable for that month.

Up to 75% of *key person replacement costs* can be insured at application.

The waiting period and benefit period

Two important aspects of this policy are the selected waiting period and the benefit period.

The waiting period is the period of time the life insured must be disabled before being eligible for the relevant benefit. The waiting period for a claim begins on the date of disability, which is the day the life insured is *totally disabled* or *partially disabled* due to *sickness* or *injury* and has consulted a *medical practitioner* in relation to their disability. Under this policy, the life insured must additionally be *totally disabled* for at least five consecutive days.

The waiting period is shown on the policy schedule.

The benefit period is the maximum length of time that we will pay a *monthly benefit* when the life insured suffers from the same or related *sickness* or *injury* during the life of the policy.

The benefit period for any one claim starts at the end of the waiting period and continues until the earlier of:

- the end of a 24 month period
- the total of benefits paid for the claim reaching 12 times the *insured monthly benefit*, and
- the date when the policy ends (see 'Termination of the policy' on page 57).

If payments have been made for the full duration of the benefit period, a new benefit period can be considered but only after the life insured first makes a successful return to *full-time paid employment* for six months during which time he/she is not *totally disabled* or *partially disabled*.

Business expenses benefit amount

The *insured monthly benefit* is the maximum amount that is payable for any given monthly period.

To determine the monthly amount payable, we first need to calculate the business expenses benefit amount. The way in which the benefit is calculated is determined by the benefit type as indicated on your policy schedule. The business expenses benefit amount is calculated as follows:

Ongoing fixed expenses
If the benefit type on your policy schedule is ongoing fixed expenses, then the business expenses benefit amount is the lesser of the *insured monthly benefit* as at the date of disability and the life insured's share of monthly *allowable business expenses* which are incurred while he/she is *totally disabled* or *partially disabled*.

Key person replacement
If the benefit type on your policy schedule is key person replacement, then the business expenses benefit amount is the lesser of the *insured monthly benefit* as at the date of disability and 75% of the monthly *key person replacement costs* incurred while the life insured is *totally disabled* or *partially disabled*.

It is important to note that, while the benefit payable will never exceed the *insured monthly benefit*, in some cases it may be less than the *insured monthly benefit*.

Total disability benefit

We will pay the Total disability benefit if the life insured is:

- *totally disabled* or *partially disabled* for the duration of the waiting period
- *totally disabled* for at least five consecutive days during the waiting period and
- remains *totally disabled* after the waiting period ends.

The Total disability benefit is payable 15 days after the waiting period ends, provided claim requirements are met, and monthly thereafter, in arrears. If eligibility to receive the benefit ends before the next monthly payment due date, we will pay 1/30th of the Total disability benefit for each day (less than 15 days) that the life insured is eligible for the benefit.

The Total disability benefit is payable until any one of the following events occurs:

- the life insured is no longer *totally disabled*
- the benefit period ends
- the *insured monthly benefit* expiry date shown on the policy schedule
- the policy is terminated
- the death of the life insured.

If a claim is made while the life insured is outside Australia and it continues beyond 12 months, we will only continue to pay the Total disability benefit if, in addition to meeting all of the benefit requirements, the life insured has a medical examination. The *medical practitioner* performing the examination must be approved by us. We will pay for this medical examination, but not for transport to attend it.

Calculating the benefit payable

The Total disability benefit payable is the business expenses benefit amount, adjusted to take into account any offsets which apply, as explained in the section 'When the business expenses benefit is reduced' on page 43.

Partial disability benefit

We will pay the Partial disability benefit if the life insured is:

- *totally disabled* or *partially disabled* for the duration of the waiting period
- *totally disabled* for at least five consecutive days during the waiting period and
- remains *partially disabled* after the waiting period ends.

The Partial disability benefit payable will be adjusted to take into account any offsets which apply, as explained in the section titled 'When the business expenses benefit is reduced' on page 43.

The Partial disability benefit is payable 15 days after the waiting period ends, provided claim requirements are met, and monthly thereafter, in arrears. If eligibility to receive the benefit ends before the next monthly payment due date, we will pay 1/30th of the Partial disability benefit for each day (less than 15 days) that the life insured is eligible for the benefit.

The Partial disability benefit is payable until any one of the following events occurs:

- the life insured is no longer *partially disabled*
- the benefit period ends
- the *insured monthly benefit* expiry date shown on the policy schedule
- the policy is terminated
- the death of the life insured.

If a claim is made while the life insured is outside Australia and it continues beyond 12 months, we will only continue to pay the Partial disability benefit if, in addition to meeting all of the benefit requirements, the life insured has a medical examination. The *medical practitioner* performing the examination must be approved by us. We will pay for this medical examination, but not for transport to attend it.

Calculating the benefit payable for ongoing fixed expenses

If your Business expenses policy has a benefit type of ongoing fixed expenses as shown on your policy schedule, the Partial disability benefit will be calculated as follows:

$$\frac{\textit{pre-disability business income} - \textit{post-disability business income}}{\textit{pre-disability business income}} \times \text{the monthly amount we would pay if the life insured was claiming for a Total disability benefit}$$

Calculating the benefit payable for key person replacement

If your Business expenses policy has a benefit type of key person replacement as shown on your policy schedule, the Partial disability benefit will be calculated as the lesser of:

- the business expenses benefit amount, and
- a portion of the *insured monthly benefit* based on the hours worked by the life insured as outlined in the table below.

Hours worked per week	Maximum percentage of the *insured monthly benefit*
Up to 15 hours	75%
More than 15 hours but less than 30	50%
30 hours or more	25%

Funeral benefit

The Funeral benefit is payable if the life insured dies while the Total disability benefit, Partial disability benefit or Day 4 accident benefit is payable.

We will pay a lump sum of four times the *insured monthly benefit*, up to a maximum of $75,000.

Inflation protection

The Inflation protection benefit protects the value of the insurance cover against the impact of inflation by offering the opportunity to adjust for this with indexation increases.

Each policy anniversary prior to the life insured's 65th birthday, the *insured monthly benefit* can be increased by the percentage increase in the *consumer price index* published for the quarter falling immediately prior to three months before the policy anniversary over that published for the quarter falling immediately prior to 15 months before that policy anniversary.

The increase may be rejected if not required. To reject the increase, simply contact us within 30 days of receiving the offer.

Future insurability

Under this feature, you can apply to increase your *insured monthly benefit* on each policy anniversary until the policy anniversary following the life insured's 54th birthday, and we will accept the increase without the need for medical underwriting.

Only increases to the *insured monthly benefit* above $500 are eligible for applications under the Future insurability feature.

The *insured monthly benefit* cannot be increased under the Future insurability feature:

For ongoing fixed expenses

- by more than 15% at any policy anniversary
- above the life insured's share of monthly *allowable business expenses* at the time of applying for the increase
- above $60,000 per month (this includes existing business expenses insurance with us or another insurer)
- if the life insured's share of *business income* has decreased in the 12 months prior to the policy anniversary at which the increase application is made.

For key person replacement

- by more than 15% at any policy anniversary
- above 75% of the *key person replacement costs* at the time of applying for the increase
- above $60,000 per month (this includes existing business expenses or income protection insurance with us or another insurer)
- if the life insured's share of *business income* has decreased in the 12 months prior to the policy anniversary at which the increase application is made.

The combined total of all increases to the *insured monthly benefit* made under this feature cannot exceed the *insured monthly benefit* originally issued.

Financial evidence may be required to establish that the financial position of the life insured's business supports the increase to the *insured monthly benefit*.

The increase in cover must be requested in the 30 days prior to the applicable policy anniversary and must be made on the appropriate form.

If any special conditions or exclusions apply to the existing cover, as shown on the policy schedule, then those special conditions or exclusions will automatically apply to the increased cover.

This feature is not available if:

- the policy was issued with a premium adjustment in the form of a medical loading of 75% or more, or
- a claim has or can be made for the life insured under any policy of income protection or business expenses insurance provided by us.

Waiver of premium

We will waive the premium for any period during which a *monthly benefit* is payable. If we receive the completed claim form within 30 days from the start of the life insured's *sickness* or *injury*, we will also refund the portion of the premium paid for the waiting period if we subsequently pay a *monthly benefit*.

Recurrent disability

If the life insured's disability recurs from the same or related cause within six months of his/her returning to work, the claim will be considered to be a continuation of the same claim and a further waiting period will not apply.

If the life insured's disability recurs from the same or related cause later than six months after he/she returns to work, the claim will be considered to be a continuation of the same claim, but further Total disability benefits or Partial disability benefits will only be payable after expiry of a further waiting period.

Where a 'continuation of the same claim' applies, the policy terms and conditions which apply to the claim will be those that applied at the original claim commencement date.

Concurrent disability

If more than one separate and distinct *sickness* or *injury* resulted in the disability, payments will be based on the *sickness* or *injury* that provides the highest benefit.

More than one benefit at a time

We will only pay one benefit, being the highest, for the same period where it would otherwise be possible to qualify for the following combinations of benefits:

- the Total disability benefit and the Partial disability benefit
- the Total or Partial disability benefit and the Day 4 accident benefit.

When the business expenses benefit is reduced

Ongoing fixed expenses

If your Zurich Business Expenses benefit type is ongoing fixed expenses as shown on your policy schedule, the business expenses benefit payable for the Total disability benefit or Partial disability benefit may be reduced by any other business expense benefit payable due to *sickness* or *injury* under any other insurance which commenced prior to the Zurich Business Expenses policy, unless we have expressly agreed in writing not to apply a reduction.

We will only reduce the business expenses benefit payable to ensure that, when combined with any benefit payments from the above source, it does not exceed 100% of *allowable business expenses*.

Key person replacement

If your Zurich Business Expenses benefit type is key person replacement as shown on your policy schedule, the business expenses benefit payable for the Total disability benefit or Partial disability benefit may be reduced by any other business expenses benefits or disability income benefits payable due to *sickness* or *injury* under any other insurance whether that insurance commenced prior to, or after, the Zurich Business Expenses policy, unless we have expressly agreed in writing not to apply a reduction.

In addition, if the benefit type of your Zurich Business Expenses policy is key person replacement and the life insured is also covered under Zurich income protection insurance, claims cannot be paid under both types of insurance for the same period (including where the policies do not have the same policy owner). If these circumstances apply, any benefit otherwise payable under Zurich Business Expenses will be reduced to nil if a greater amount is payable under Zurich income protection insurance for the same period.

Conditions which apply to the payment of benefits

We will apportion pre-paid or accrued *allowable business expenses* and *key person replacement costs* over the period to which they relate, to determine the amounts which are attributable to the month for which we are assessing the benefit payable, unless we agree to a different basis.

If your Zurich Business Expenses benefit type is ongoing fixed expenses, if more than one person generates income in the life insured's business we will attribute the *allowable business expenses* in equal proportion between the life insured and the other person(s), to determine the life insured's own share, unless we agree to attribute the business expenses on a different basis.

We only consider *allowable business expenses* and *key person replacement* costs for which receipts or other evidence acceptable to us are provided to us within 90 days of the date they were incurred.

Exclusions – Business expenses benefits

No amount will be payable for *sickness* or *injury* occurring as a direct or indirect result of any one or more of the following:

- an intentional self-inflicted act
- attempted suicide
- *uncomplicated pregnancy or childbirth*
- an act of war (whether declared or not)
- any event or medical condition specified as an exclusion on the policy schedule.

We will not pay a benefit for a disability due to elective or donor transplant surgery unless the elective or transplant surgery occurred at least six months after:

- the start of the policy
- if the policy is ever reinstated, the date of reinstatement
- in respect of an increase in the *insured monthly benefit*, the date of the increase.

We will not pay for any period while the life insured is in jail.

If your Business expenses benefit type is key person replacement, and prior to disability the life insured ceases to be employed and/or ceases to be an owner of your business then benefit payments will not be available.

The payment of Business expenses benefits will end if the life insured unreasonably refuses to undergo the medical treatment including rehabilitation to treat their condition as recommended by their *medical practitioner.*

Optional benefit

The optional benefit only applies if it is specified on the policy schedule, along with the benefit amount and expiry date.

The optional benefit terminates on the first to occur of:

- our receipt of written notification to terminate the option
- the optional benefit expiry date
- termination of the policy (see 'Termination of the policy' on page 57).

Day 4 accident option

The Day 4 accident benefit is payable if the life insured is *totally disabled* due to an *injury* for more than three consecutive days during the waiting period. We will pay 1/30th of the Total disability benefit for each day of the waiting period for as long as the life insured continues to be *totally disabled* solely due to his/her *injury.*

No claim is payable for any *injury* occurring before or within 90 days after the date the benefit is added to the policy, as shown on the policy schedule (if the Day 4 accident option is added to the policy after the policy commencement date).

Applying for cover

Step by step

Here is an easy step-by-step diagram which shows how you can get Zurich cover in place, with the help of your financial adviser.

1. Work out what you need

The first step involves a discussion with your financial adviser. He or she will help determine what types of cover you need, how much cover, ownership structure and any tailoring to your circumstances.

Once the policy parameters are agreed with you, a personalised premium quote will be provided.

2. Make sure you understand what is recommended to you

This PDS contains all the information you need to know about the Zurich Wealth Protection policies – including the policy conditions. Read this PDS carefully to make sure you understand the policy or policies you plan to apply for. If you are applying for Zurich cover through a superannuation fund, read the PDS issued by the trustee as well to understand the effects of taking insurance through super.

3. Making an application for cover

Complete our Application form, as well as our Life Insured's Statement, which asks about health, financial situation, lifestyle and pastimes.

Your financial adviser will help you to complete and submit both parts electronically or on paper.

4. Up to 90 days of interim cover

From the time an application is submitted and premium payment is arranged, we provide up to 90 days of interim cover against accidental death and/or accidental injury, depending on the covers applied for.

Interim cover generally ends when we finish our assessment, ie. we issue a policy or we decline the application. Interim cover is temporary and has special terms and conditions set out in the Interim cover terms on page 48.

5. Our assessment of your application

We will assess the information provided to us in the Life Insured's Statement. Any disclosed health condition will be covered under the policy, unless we are unable to offer cover, or specifically exclude the condition.

Depending on factors including age, health, cover applied for and sum insured we may need additional information directly from the life insured, from the life insured's doctor or we may request a medical examination or test. The majority of applications are assessed without any medical testing.

6. Alternate terms may apply

If our assessment of the application results in any premium loading or special exclusion, then your financial adviser will be in touch with you to agree the revised terms, which will form part of your application. We will only issue a policy once we have your agreement to the revised terms in writing.

If you decide not to go ahead with the application at this point, the process will end.

7. Policy is issued

Once our assessment is complete and we accept your application, a policy schedule will be created and issued. The policy schedule shows the details of the individual policy, including sums insured and cover commencement and end dates. It will also show any special conditions and exclusions that have been agreed.

8. Store your documents

Keep the policy schedule and this PDS (which contains the policy conditions) as evidence of your insurance.

Each year, depending on your policy, we will be in contact to tell you the premium for the next 12 months, offer to increase cover in line with inflation and update you about any policy enhancements we've made.

Store all your Zurich documents together, so you can find them if you need to make a claim.

9. Keep in touch

You and your financial adviser will agree a timeframe for regular contact. You should also contact him or her if your situation changes or if you need financial advice.

You can contact us any time on 131 551 for help with maintaining your policy, arranging premium payments or if you need to make a claim.

Premium and other costs

Premium

The cost of insurance is referred to as the premium. It includes the cost of the selected policy for the life insured, any optional benefits selected, stamp duty and any other government charges that may be levied from time to time. It also includes the management fee, unless indicated otherwise.

Choice of premium structures

You can choose between 'stepped' and 'level' premiums.

Stepped premiums will generally increase each year based on the rates applicable for the life insured's age at that time.

Level premiums for the sum insured at policy outset are based on the age of the life insured when cover begins. Premiums for any increase in cover are based on the age of the life insured at the date of the increase.

Level premiums do not stay level for the life of the policy. Level premiums convert to stepped premiums:

- on Zurich Protection Plus – on the policy anniversary following the life insured's 64th birthday
- on Zurich Income Protector and Zurich Income Protector Plus – on the policy anniversary following the life insured's 65th birthday.

Both stepped and level premiums increase:

- if the sum insured increases
- when the management fee indexes each year
- if the policy is impacted by any change in stamp duty
- if we change the premium rates for all policies in the same category.

More information about when we can change premium rates is in the next column and information about the management fee and stamp duty can be found on the next page.

Choice of payment options

You can choose to pay premiums as set out in the table below:

	first premium	monthly	quarterly	half-yearly	yearly
direct debit	✓	✓	✓	✓	✓
credit card	✓	✓ (direct debit)	✓ (direct debit)	✓	✓
BPAY	✓	✗	✗	✓	✓
platform deduction	n/a	✓	✓	✓	✓

Paying premiums from a superannuation fund

Payments can be made from your *eligible superannuation fund*. Please refer to the PDS for your fund for further details including how you can make rollovers to meet the required premium.

Unpaid premiums will cause cover to lapse

If premiums are not paid when due, your policy will lapse after 30 days and you will not be covered. You may be able to reinstate your policy after it lapses. Reinstatement of cover is explained on page 57.

Premium rates are not guaranteed

Premium rates for Zurich Wealth Protection policies are not guaranteed and can change from time to time. Any change, however, will affect all policies in the same category, not just an individual policy. We will notify the policy owner of any changes to premium rates at least 30 days prior to the change taking effect. The premium payable from the start of your policy is shown on your policy schedule, and will not change before the first policy anniversary.

Premium calculation factors

Your premium will depend on:

- the amount of cover you require (the higher the sum insured, the higher the premium)
- any optional benefits you choose (the more optional benefits you select the higher the premium)
- whether you select stepped or level premiums (stepped premiums are generally lower than level premiums at the start of the policy, but stepped premiums generally increase each year as the life insured gets older whereas level premiums do not)
- the frequency of your premium payments (paying half-yearly, quarterly or monthly will attract an increased premium)
- the life insured's current age (generally premiums increase with age)
- the life insured's gender (for example, Death cover premiums are generally higher for males than for females, while income protection premiums are generally higher for females than for males)
- whether or not the life insured is a smoker (premiums are higher for smokers than for non-smokers; a non-smoker is defined as a person who has not smoked tobacco or any other substance and has not used nicotine replacements in the past 12 months)
- the life insured's occupation (generally occupations with hazardous duties or higher occupational risk have higher premiums)
- the life insured's health and
- any pastimes the life insured participates in (generally premiums are higher for those who engage in hazardous activities).

Additional factors influence the cost of income policies:

- the benefit period selected (the longer the benefit period, the higher the premium)
- the waiting period selected (the shorter the waiting period, the higher the premium)
- the level of cover selected (the premium is higher for Plus cover).

Your premium will include any stamp duty charged by the applicable State government, based on where the life insured resides. There are no other taxes currently levied by State or Federal governments.

Goods and Services Tax (GST) is not currently payable on insurance premiums for the policies described in this PDS.

Your financial adviser will provide you with a premium illustration

The illustration will show the cost of each cover and any optional benefits you select as well as the details of any fees and/or stamp duties that may apply. If you request, your financial adviser can also provide you with a table of premium rates giving all rates and factors for all of the policies described in this PDS. Further information on how premiums are calculated can be obtained by contacting us (see the inside back cover of this PDS for details).

Commission

We may pay commission and other benefits to financial advisers and other representatives. Your financial adviser will provide details of the benefits he or she will receive if we issue you a policy in the Financial Services Guide and, if applicable, the Statement of Advice that he or she will give to you. We pay these amounts out of your premium payments – they are not additional amounts you have to pay.

Premium holiday

These policies include a Premium holiday provision which can be exercised after the first year. During the holiday, no premiums are payable and no cover is provided.

The provision does not apply to policies which are set up under a platform arrangement.

Other charges

The current charges are set out below. If we introduce any new charges, or there is an increase to current charges (other than by way of the fee indexation described below) the policy owner will be notified at least 30 days prior to such charge taking effect.

As part of your premium, we charge a management fee which contributes to the cost of administering your policy. The fee payable depends on the frequency of your premium payments. Only one management fee is payable if more than one policy is applied for at the same time, for the same life insured.

premium frequency	management fee payable	annual equivalent
monthly	$9.26	$111.12
quarterly	$27.76	$111.04
half-yearly	$46.30	$92.60
yearly	$92.59	$92.59

The management fees above apply for new policies until 28 February 2018. The management fee increases each year on the policy anniversary in line with the *consumer price index*.

After 28 February 2018, we will advise the updated management fees on our website, zurich.com.au.

State governments impose stamp duty on life insurance policies. Duties vary from State to State. Applicable stamp duty will be included in your premium. Should changes in the law or residency result in additional taxes or imposts in relation to your policy, these amounts may be added to your premium or deducted from insurance benefits.

Direct debits from your financial institution may incur an additional fee, charged by your financial institution.

Duty of disclosure

When completing your application form, it is important that you (both the proposed owner and life insured) answer the questions correctly and note the following important information.

Your duty of disclosure

Before entering into a life insurance contract, we must be told anything that each of you as the proposed policy owner and the life to be insured (if a different person to the proposed policy owner) knows, or could reasonably be expected to know, may affect our decision to provide the insurance and on what terms.

The duty applies until we agree to provide the insurance. It also applies before the insurance contract is extended, varied or reinstated.

We do not need to be told anything that:

- reduces the risk we insure; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive the duty to tell us about.

If you are the life to be insured (but not also the proposed policy owner), you not telling us something that you know, or could reasonably be expected to know, that may affect our decision to provide the insurance and on what terms, may be treated as a failure by the proposed policy owner to tell us something that they must tell us with the following consequences for the proposed policy owner.

If we are not told something

In exercising the following rights, we may consider whether different types of cover can constitute separate contracts of life insurance. If they do, we may apply the following rights separately to each type of cover.

If we are not told something that we are required to be told, and we would not have provided the insurance if we had been told, we may avoid the contract within 3 years of entering into it.

If we choose not to avoid the contract, we may, at any time, reduce the amount of insurance provided. This would be worked out using a formula that takes into account the premium that would have been payable if we had been told everything we should have been told. However, if the insurance contract has a surrender value, or provides cover on death, we may only exercise this right within 3 years of entering into the contract.

If we choose not to avoid the insurance contract or reduce the amount of insurance provided, we may, at any time vary the contract in a way that places us in the same position we would have been in if we had been told everything we should have been told. However, this right does not apply if the contract has a surrender value or provides cover on death.

If the failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Privacy

Zurich is bound by the Privacy Act 1988 (Cth). Before providing us with any personal or sensitive information ('information'), you (including any person information is being provided about as part of the application) should know the following.

We collect, use, process and store personal information and, in some cases, sensitive information about you in order to comply with our legal obligations, to assess your application for insurance cover, to administer the insurance cover provided, to enhance customer service or products and to manage claims ('purposes'). If you do not agree to provide us with the information, we may not be able to process your application, administer your cover or assess your claims.

By providing us or your intermediary with your information, you consent to our use of this information which includes us disclosing your information where relevant for the purposes, to the policy owner, your intermediary, affiliates of the Zurich Insurance Group Ltd, other insurers and reinsurers, our service providers, our business partners or as required by law within Australia or overseas.

The Australian laws include:

- Australian Securities and Investment Commissions Act 2001
- Corporations Act 2001
- Insurance Contracts Act 1984
- Life Insurance Act 1995
- Superannuation Industry (Supervision) Act 1993
- Anti Money Laundering and Counter Terrorism Financing Act 2006
- Anti Money Laundering and Counter Terrorism Financing Rules Instrument 2007 (No. 1)
- Income Tax Assessment Act 1997
- Taxation Administration Act 1953
- Superannuation Guarantee (Administration) Act 1992
- Small Superannuation Accounts Act 1995
- Superannuation (Unclaimed Money and Lost Members) Act 1999
- Superannuation Resolution of Complaints) Act 1993
- Superannuation (Government Co-contribution for low income earners) Act 2003 and
- Family Law Act 1975 (Part VIIIB)

as those acts are amended and any associated regulations. From time to time other acts may require, or authorise us to collect your personal information.

Zurich may also obtain information from government offices and third parties to assess an application or a claim. We may use personal information (but not sensitive information) collected about you to notify you of other products and services we offer.

If you do not want your personal information to be used in this way, please contact us.

For further information about Zurich's Privacy Policy, a list of service providers and business partners that we may disclose your information to, a list of countries in which recipients of your information are likely to be located, details of how you can access or correct the information we hold about you or make a complaint, please refer to the Privacy link on our homepage – www.zurich.com.au, contact us by telephone on 132 687 or email us at privacy.officer@zurich.com.au.

Interim cover

We provide you with interim cover for accidental injury or death while your application is being assessed, except where the insurance applied for will replace existing insurance in place with us or with another insurer.

Interim cover does not necessarily provide the same coverage as the policy or policies being applied for. The terms of interim cover are limited to those set out in this section. These terms cannot be varied or extended by any representation made by us or your financial adviser.

Defined terms and interpretation

All terms appearing in *italics* are defined terms with special meanings. Detailed definitions are set out in the relevant definitions section of this PDS.

Your financial adviser acts as your agent, not ours, in relation to this interim cover.

Interim cover

Provided you meet the Interim cover eligibility criteria, we will provide you with interim cover from the Interim cover effective date until the Interim cover termination date, subject to the specific terms of interim cover set out in this section.

Interim cover effective date

Interim cover is effective from the Interim cover effective date ('effective date'), which is the date that you have properly completed a paper or electronic Application form for Zurich Wealth Protection (the application) for the policy/policies you are applying for and either:

(a) you have completed a Payment authority or

(b) you have completed a Rollover authority to transfer an amount into an *eligible superannuation fund*, from which the premium will be paid, equal to the premium for the insurance you have applied for or

(c) you have set up your platform account from which the premium will be paid.

If you have selected the Tele-underwriting option, the Life Insured's Statement is not required to be completed for interim cover to commence.

Interim cover termination date

The interim cover, once effective, terminates at the earliest of the time and date you, your financial adviser or the policy owner withdraws your application by contacting us or:

(a) 4.00pm on the 90th day after the effective date or such earlier time and date as we advise you or your financial adviser in writing (for example, if we decline the application)

(b) the time and date when insurance cover commences under another contract of insurance (whether interim or not) which covers the life insured and is intended to replace the cover provided under this interim cover

(c) the end of the 14th day after the effective date if you have not submitted your application to your financial adviser

(d) the end of the 21st day after the date we notify you or your financial adviser that the insurance cover applied for would be subject to non standard terms (such as a premium loading or an exclusion) if you do not respond to our assessment (ie. alter the application)

(e) the end of the 28th day after the effective date if your financial adviser has not submitted your application to us.

Interim cover eligibility criteria

You are not eligible for this interim cover and no interim contract is entered into if you have on the effective date:

(a) current insurance with us or another insurer of a similar type which provides the same or similar cover (whether individually or as part of a package) which you have indicated in your application will be replaced by the cover being applied for in this application or

(b) a current application with us or another insurer for insurance of a similar type which provides the same or similar cover (whether individually or as part of a package) or

(c) interim cover with us or another insurer for insurance of a similar type which provides the same or similar cover (whether individually or as part of a package) or

(d) had interim cover or other insurance cover with us in the previous 24 months of a similar type that had terminated (except to the extent you are increasing cover on an existing policy) or

(e) previously applied for insurance of a similar type providing similar cover with us or another insurer (whether individually or as part of a package) and the application was declined, deferred or postponed.

Terms and conditions

The interim cover is:

(a) only provided for the type(s) of insurance you have applied for in the application (interim cover is specifically not provided for a *partner* included in your application under the Home support option)

(b) subject to the terms, conditions and exclusions applicable to the interim cover and

(c) subject to the other relevant terms, conditions and exclusions of the relevant policy conditions for the insurance you have applied for, except to the extent the policy conditions provide greater cover than provided in this Interim cover.

If you are applying to increase insurance with us then interim cover applies only to the amount of the increase, not exceeding the relevant limits set out in this interim cover.

Exclusions

To the extent permitted by law, no interim cover is provided:

(a) if you would not have been entitled to the interim cover or for any amount in excess of what we would have covered you for, based on our underwriting criteria applicable for the relevant insurance immediately before interim cover is effective or

(b) if the event leading to the claim occurs while the life insured is outside Australia or

(c) where the event leading to the claim is caused directly or indirectly by:

(i) suicide or attempted suicide

(ii) intentional self-inflicted *injury* or act

(iii) the taking of drugs other than as prescribed by a doctor

(iv) engaging in any criminal activities

(v) engaging in any pursuit or occupation which would cause us to reject or apply special conditions to acceptance of the application for insurance or

(vi) an act of war (whether declared or not) or

(vii) military service, other than death while on war service.

Terms of interim cover provided for Zurich Protection Plus

If you have applied for **Death cover**, we will pay a benefit in the event of the life insured's *accidental death* during the period of this interim cover. The amount we will pay in respect of any life (regardless of the number of applications being assessed) will be the lesser of:

- $1,000,000 or
- the amount of cover you are applying for or
- the amount of cover the life insured would have been accepted for under our normal underwriting criteria.

If you have applied for **Total and Permanent Disablement (TPD) cover**, we will pay a benefit if the life insured is disabled and suffers *loss of limbs or sight* as a result of an *accidental injury* during the period of this interim cover. The life insured must survive at least 14 days after the loss and, if the application is for a policy to be owned by the trustee of a superannuation fund, the life insured must also meet the definition of *permanent incapacity*.

The amount we will pay in respect of any life (regardless of the number of applications being assessed) will be the lesser of:

- $600,000 or
- the amount of cover you are applying for or
- the amount of cover the life insured would have been accepted for under our normal underwriting criteria.

If you have applied for **Trauma cover**, we will pay a benefit if the life insured suffers one of the following conditions, solely as a result of *accidental injury* during the period of this interim cover and survives for at least 14 days without being on life support:

- *blindness*
- *coma*
- *severe accident or illness requiring intensive care*
- *paralysis (paraplegia, quadriplegia, hemiplegia, diplegia)*
- *major head trauma*
- *severe burns*.

The amount we will pay in respect of any life (regardless of the number of applications being assessed) will be the lesser of:

- $600,000 or
- the amount of cover you are applying for or
- the amount of cover the life insured would have been accepted for under our normal underwriting criteria.

Terms of interim cover provided for Zurich Child Cover

We will pay the interim Child cover benefit if the insured child dies as the result of an *accident* or suffers one of the child trauma conditions listed below as the result of an *accident*, where the *accident* occurs during the period of interim cover and death or the condition occurs within 90 days of the *accident*.

Child trauma conditions covered for interim cover are:

- *paraplegia*
- *quadriplegia*
- *loss of limbs or sight*
- *loss of speech*
- *major head trauma*
- *severe burns*.

The amount we will pay in respect of any insured child (regardless of the number of applications being assessed) will be the lesser of:

- $200,000 or
- the amount of cover you are applying for.

Terms of interim cover provided for Zurich Income Protector/Plus and Zurich Business Expenses

We will pay a Total disability benefit if, solely as a result of an *accidental injury* during the period of this interim cover:

- the life insured totally ceases work and
- the life insured is unable to earn from personal exertion any income or generate any *business income* for a period of at least the nominated waiting period and
- the life insured is under the regular care of a *medical practitioner*.

The benefit will be paid in the event the life insured sustains an *accidental injury*, which occurs after this cover commences.

The amount we will pay you each month, provided the life insured continues to meet the above criteria, will be the lesser of:

- $5,000 or
- the *insured monthly benefit* you are applying for or
- the amount of cover the life insured would have been accepted for under our normal underwriting criteria.

The maximum period we will pay a benefit for is 12 months.

If you make a claim

If you make a claim under the interim cover you must pay us the premium for this cover that we require, which will be what we would have charged you for the policy/ies you have applied for, to cover the period up until the date that we admit your claim.

Duty of disclosure

In completing the Application form for Zurich Wealth Protection you declare that you have read and understood your duty of disclosure set out on page 47.

If you have failed to disclose any such matters to us or made a misrepresentation when you completed your application and you have interim cover, we may exercise our rights specified in the duty of disclosure notice, including voiding the interim cover.

For the policy/ies applied for, the duty also applies up until the time we decide to enter into a contract of insurance with the policy owner. Please ensure you contact us if any information in your application changes or you need to disclose further matters after it is completed, as it can affect any final cover.

Confirming this cover

You may contact us in writing or by phone to confirm the currency of your interim cover if you or your financial adviser do not already have the required confirmation details.

If you need to make a claim under your interim cover, you must provide us with sufficient proof that an insured event occurred between the interim cover effective date and the interim cover termination date, including proof that you completed our application.

Additional information

Policy ownership

You can structure your insurance with:

- **non-superannuation ownership**: where one or more individuals, a company, or a trust (ie. an entity that is not a trustee of a superannuation fund) owns the insurance
- **superannuation ownership**: where a trustee of a superannuation fund (of which you are a member) owns the insurance. This can include:
  - the trustee of an *eligible superannuation fund*
  - a trustee of a self-managed superannuation fund (SMSF).

In some cases we allow insurance to be split across two policies, with different policy owners.

Non-superannuation ownership

When you apply for cover outside of superannuation, the policy is issued directly to you as the policy owner. You can apply for cover on your own life or the life of another person unless applying for income protection or business expenses cover, which is generally only available on your own life. If you apply for cover on the life of another person, you must have an insurable interest in the life insured that is satisfactory to us.

Where there are multiple owners of a single policy who are individual persons, each will own the policy as joint tenants (ie. on the death of one of the policy owners, their share passes to the surviving joint tenants) unless we agree to a different arrangement which we will note on your policy schedule.

If a benefit becomes payable, the benefit is generally paid to the policy owner. If the life insured and policy owner are the same, the amount payable on the death of the life insured will generally be paid to the life insured's legal personal representative, or nominated beneficiaries.

Nomination of beneficiaries for Death benefits

If there is only one policy owner who is also the life insured, that policy owner may nominate one or more beneficiaries to receive the Death benefit in the event of death. If the policy owner makes a nomination we will pay the Death benefit directly to the nominated beneficiaries in the proportions specified in the nomination.

Nominations only apply to Zurich Protection Plus policies with Death cover.

The nomination is subject to the following rules:

- the policy owner must be both the sole policy owner and the life insured to make a valid nomination
- a nominated beneficiary must be an individual, corporation or trust
- contingent nominations (eg. nominations which provide for multiple scenarios) cannot be made
- the policy owner may change a nomination at any time or revoke a previous nomination but the change does not take effect until we receive and accept the new nomination
- the nomination must be properly executed in the form we specify before we can accept it
- the policy owner may have only one nomination in force at any time, and cannot supplement a nomination (to add beneficiaries, the policy owner must replace the nomination by making a new one)
- an attempt at making a new nomination received by us revokes past nominations even if the attempt at making the nomination is defective
- if ownership of the policy is assigned to another person or entity, then any previous nomination is automatically revoked
- payment of the Death benefit will be made using the latest unrevoked valid nomination
- if a nominated beneficiary dies before the policy owner, the portion of the Death benefit nominated in respect of that beneficiary will be paid to the policy owner's legal personal representative
- if a nominated beneficiary is alive at the time of the policy owner's death but we are notified of their subsequent death before we can pay him/her, then the entitlement will be paid to the deceased beneficiary's legal personal representative
- a nominated beneficiary has no rights under the policy, other than to receive the nominated policy proceeds after a claim has been admitted by us (he or she cannot authorise or initiate any policy transaction)
- we may delay payment if the nomination or nominations become the subject of legal proceedings or external dispute resolution processes
- a court order or decision of an external dispute resolution process in relation to a nomination overrides the nomination.

Ownership within superannuation

When you apply for cover within superannuation, the policy is issued to a trustee of the relevant superannuation fund as policy owner.

If you are the trustee of a self-managed superannuation fund, it is your responsibility as trustee to consider:

- the appropriateness of providing each type of insurance cover within superannuation and its potential implications for the complying status of your fund
- the taxation consequences of holding the cover, and
- superannuation law that operates to limit when benefits received by you as trustee can be paid out of the fund.

If a benefit becomes payable under a Zurich Wealth Protection policy held within superannuation, it will be paid to the trustee, who must distribute the benefit in accordance with the governing rules of the superannuation plan and superannuation law current at the time of payment.

Restrictions on insurance held within superannuation

Superannuation law requires superannuation fund trustees to ensure insurance benefits they acquire from 1 July 2014 are aligned with the superannuation payment rules. We have applied restrictions to the insurance benefits we offer to superannuation fund trustees in accordance with these requirements.

The only types of insurance that we allow to be held within superannuation are Death cover, TPD cover and income protection.

See below for details of the terms that apply to Death cover and TPD cover held within superannuation. The terms that apply to income protection held within superannuation are explained on the next page.

Death cover within superannuation

The following condition applies to Death cover within superannuation:

- *Terminal illness* – claims for *terminal illness* must also satisfy the additional certification provisions set out in the definition of *terminal illness*.

TPD cover within superannuation

TPD cover provided within superannuation is subject to the condition that, at the time of claim, the life insured also satisfies the definition of *permanent incapacity*.

The following benefits of TPD cover are excluded if your insurance is held within superannuation:

- TPD advancement benefit
- Partial impairment benefit (Platinum TPD only).

TPD cover can be structured within superannuation in one of two ways:

- wholly within superannuation, in which case the permanent incapacity restriction applies
- held across two policies under the superannuation optimiser structure, in which case benefits that do not meet the definition of *permanent incapacity* are excluded from the superannuation policy, but will be held on a non-superannuation policy.

Your policy schedule will indicate the structure that applies to your policy.

TPD permanent incapacity restriction

If you hold your TPD cover wholly within superannuation then it will be subject to a permanent incapacity restriction.

Where this restriction applies, in addition to meeting the definition of *total and permanent disablement* indicated on your policy schedule, you must also meet the definition of *permanent incapacity*.

Please note: if you choose to move your TPD cover outside of superannuation by cancelling and replacing it without underwriting, the TPD cover provided by the new policy will also be subject to the permanent incapacity restriction. If your policy is subject to this restriction, it will be shown on your policy schedule.

Superannuation optimiser – TPD cover

Superannuation optimiser can apply to TPD cover held:

- across two policies (this applies to Essential and Platinum TPD with an own occupation definition and Platinum TPD when held within superannuation) or
- in one policy (either within or outside superannuation linked to other cover on another policy).

TPD held across two policies

When superannuation optimiser applies and TPD cover is held across two policies, one of the policies is issued to a trustee of a superannuation fund (referred to as the superannuation policy), and the TPD cover provided under this policy is called the 'superannuation component'. The remainder of the cover is issued under a policy outside superannuation (referred to as the non-superannuation policy), and the TPD cover provided under this policy called the 'non-superannuation component'. We will determine the policy under which a benefit is payable based on the information available to us at the time the decision is made by us. The two policies are considered 'related' policies.

As explained in the section titled 'When TPD changes' on page 15, the definition of TPD converts to *modified TPD* on the policy anniversary following the life insured's 65th birthday and will be held under the superannuation policy. The TPD cover under the non-superannuation policy will end on the policy anniversary following the life insured's 65th birthday.

The cover provided under each related policy is illustrated in the table below.

Superannuation component	Non-superannuation component
All TPD claims first assessed under the TPD benefit of this policy.	Claim assessed under the TPD benefit of this policy only once it has been determined no claim is payable under the superannuation component.
TPD benefit The life insured meets the definition of: • *total and permanent disablement*, and • *permanent incapacity*.	**TPD benefit** The life insured meets the definition of: • *total and permanent disablement* but not: • *permanent incapacity*.

TPD claims under the superannuation policy
In the event of a claim for a TPD benefit, an assessment will first be made under the 'superannuation component' to determine if the following requirements are satisfied:

- the life insured meets the definition of *total and permanent disablement* shown on the policy schedule, and
- the life insured meets the definition of *permanent incapacity*.

If both the above requirements are satisfied and a benefit is payable under the superannuation policy, the benefit will be paid to the trustee of the superannuation fund. The release of the benefit from the superannuation fund to the member will be determined by the trustee, subject to the governing rules of the superannuation fund and superannuation law current at the time of payment.

TPD claims under the non-superannuation policy
If the requirements of the 'superannuation component' are not satisfied, the claim will then be assessed under the 'non-superannuation component'. If the life insured satisfies the definition of *total and permanent disablement* shown on the policy schedule but does not also satisfy the definition of *permanent incapacity*, then the benefit is paid directly to the policy owner of the non-superannuation policy (and hence is not subject to superannuation law or any superannuation fund governing laws).

The TPD advancement benefit and Partial impairment benefit (under Platinum TPD) will only be available under the non-superannuation policy.

Other conditions that apply to TPD cover under superannuation optimiser
The amount of the TPD cover under each policy must always be equal. A payment under one policy which reduces the TPD cover will also reduce the TPD cover under the related policy, as well as reducing the sums insured of any other linked covers under the two policies.

If you request a decrease to the TPD cover, it will be applied to both policies. Similarly, if you apply to increase the TPD cover, you must apply to increase the cover on both policies. In the event that the TPD cover is cancelled on one of the policies, the TPD cover on the other policy will also end.

TPD held in one policy

When superannuation optimiser applies and TPD is held on one policy, and Death cover and/or Trauma cover for the life insured is held on another policy, the benefits are linked across the two related policies. A claim for TPD will be assessed under the policy where the TPD cover is held. Benefit payments under either related policy will reduce the benefit payable on the other policy.

Trauma cover and superannuation

Trauma cover cannot be held in superannuation.

Superannuation optimiser – Trauma cover

You can use superannuation optimiser to structure Trauma cover in a 'non-superannuation policy' and Death cover and/or TPD cover in a related 'superannuation policy'. In this scenario, the benefits are linked across the two related policies and benefit payments under either related policy will reduce the benefit payable on the other policy.

Income protection cover within superannuation

Zurich Income Protector can be structured within superannuation in one of two ways:

- wholly within superannuation, in which case restrictions apply that are designed to meet the requirements of superannuation law, or
- via the superannuation optimiser structure, in which case benefits that do not meet the definition of *temporary incapacity* are excluded from the superannuation policy, but will be held on a non-superannuation policy.

Superannuation optimiser – income protection

When you apply for Zurich Income Protector that is to be owned by a trustee of a superannuation fund, the cover can be issued as two separate related policies linked to each other under the superannuation optimiser structure.

One policy will be owned by a trustee of a superannuation fund (referred to as the superannuation policy) and the cover it provides is known as the 'superannuation component'. The income protection benefits held under this policy are restricted by us. Our restrictions include rules to ensure any payments made under the superannuation policy as a result of a disability will be consistent with superannuation law.

The remainder of the income protection benefits which would otherwise be available will be provided under a policy issued outside superannuation (referred to as the non-superannuation policy). The cover provided under this policy is called the 'non-superannuation component'.

The following conditions apply to Zurich Income Protector subject to superannuation optimiser:

- the Specified injury benefit and Rehabilitation benefit are not available under the superannuation policy (but will be available under the non-superannuation policy)
- the Family care option, Home support option, Lump sum accident option, Trauma advancement option and Needlestick cover option can only be included in the non-superannuation policy
- any *sickness* or *injury* resulting in a payment under the Specified injury benefit, Rehabilitation benefit or Trauma advancement benefit, (under the non-superannuation policy), will not result in a benefit payment under the superannuation policy for the same period.

The cover provided under each policy is summarised in the table below.

Superannuation component	Non-superannuation component
• Benefits that meet *temporary incapacity*, up to the *superannuation payment limit* for the: – Total disability benefit, or – Partial disability benefit. • Funeral benefit. Benefits excluded: • Total disability and Partial disability for any *sickness* or *injury* qualifying for payment under the Specified injury benefit, Rehabilitation benefit or Trauma advancement benefit under the non-superannuation component. (But only for the period that such benefit is payable under the non-superannuation component.)	• Benefits that do not meet *temporary incapacity* or, where the benefit meets *temporary incapacity*, any amount of the benefit that exceeds the *superannuation payment limit* for the: – Total disability benefit, and – Partial disability benefit. • Specified injury benefit • Any benefits payable under the Family care option, Home support option, Lump sum accident option, Trauma advancement option and Needlestick cover option (if selected).

The total benefits that are payable under the policies together will not exceed the amount that would otherwise be payable if the Zurich Income Protector policy had been issued to a single policyholder.

The 'non-superannuation component' only provides cover for a benefit also listed under the 'superannuation component' in any particular month where, because of the superannuation optimiser restrictions, the 'superannuation component' cannot pay the benefits.

In any particular month, the benefit entitlements may be split across the two policies. For example, there may be instances when, in a particular month, the total benefit is payable under the 'superannuation component' or under the 'non-superannuation component'. There may also be instances where we pay a portion of the benefit payable under each of the related Zurich Income Protector policies.

In the event of a claim we first consider the type of benefit to be assessed and the policy under which it is to be assessed. Claims will be assessed to determine whether they meet the requirements for a Specified injury benefit. Similarly, if the Trauma advancement option applies, claims will be assessed to determine whether they meet the requirements of the option.

We will pay the benefit under the appropriate policy based on the information available to us at the time the decision is made by us.

Income claims under the superannuation policy
Claims for the following benefits are considered under the superannuation policy:

- Total disability benefit (including payments under the Day 4 accident option, where selected)
- Partial disability benefit
- Confined to bed benefit (Zurich Income Protector Plus only)
- Funeral benefit.

In the event of a claim for either the Total disability benefit, Partial disability benefit or Confined to bed benefit, assessment will first be made under the superannuation policy to determine:

- if a benefit can be paid under the policy (because the life insured satisfies the requirements of *temporary incapacity*), and if so
- how much of the benefit that can be paid under the terms of the insurance can be paid under the superannuation policy (because the amount of payments must not exceed the *superannuation payment limit*).

No benefit will be paid from the superannuation policy for the same period for which a benefit has been paid or is payable from the non-superannuation policy under the Specified injury benefit or Trauma advancement benefit.

The amount of the benefit that can be paid is determined as the lesser of:

- the amount otherwise calculated under the terms of the insurance, and
- the *superannuation payment limit*.

If a benefit is payable under the superannuation policy, the benefit will be paid to the trustee of the superannuation fund. The release of the benefit from the superannuation fund to the member will be determined by the trustee, subject to the governing rules of the superannuation fund and superannuation law current at the time of payment.

Income claims under the non-superannuation policy
In the event of a claim, the amount payable will be:

- any amount payable under the Specified injury benefit, Rehabilitation benefit or benefit payable under the Family care option, Home support option, Lump sum accident option, Trauma advancement option and Needlestick cover option
- any amount payable for the Total disability benefit, Partial disability benefit or Confined to bed benefit that cannot be paid under the superannuation policy because the life insured does not satisfy the requirements of *temporary incapacity*, and
- any amount payable under the Zurich Income Protector terms which exceeds the *superannuation payment limit* and could not be paid under the superannuation policy.

Any benefit that becomes payable in respect of the non-superannuation component is paid to the policy owner of the non-superannuation policy and is not subject to superannuation law.

Restrictions to the insured monthly benefit
The policy schedule will indicate if a policy is related to another under superannuation optimiser and the policy number to which it is related. If related to another policy under this arrangement, the *insured monthly benefit* under both policies must always be the same. If the *insured monthly benefit* under either policy is altered, then the other will similarly be altered and the premium adjusted accordingly. If either policy is cancelled, then the other will also be cancelled.

Other conditions that apply to income protection under superannuation optimiser
The *insured monthly benefit*, benefit type, benefit period and waiting period under each policy must be the same. If you request to change any of these under one policy, reduce the amount of cover or cancel one of the policies, the same changes will be made to the other policy to ensure that these policies continue to correspond with each other.

For the duration of a claim, each month we will determine, by applying the policy terms, whether a benefit is payable under the superannuation policy or the non-superannuation policy, or in some cases, by apportioning the total amount payable between the two policies so that benefits are payable under both policies. The payment of a benefit under one policy will also count towards the benefit period of the other policy.

If the requirements of the Waiver of premium feature are satisfied because a claim is payable under either or both of the policies under a superannuation optimiser structure, we will waive the premiums payable under both policies.

If the requirements of the Involuntary unemployment premium waiver feature are satisfied, we will waive the premiums payable under both policies under a superannuation optimiser structure.

If a Premium holiday is taken, it must be taken on both policies at the same time.

Ownership by the trustee of an *eligible superannuation fund*

Where the trustee of an *eligible superannuation fund* is the policy owner, all written notices regarding the policy, including, but not limited to, the policy schedule, anniversary, dishonour and cancellation notices will be issued to the trustee of the *eligible superannuation fund* as policy owner. The trustee is solely responsible for communicating with the member in regard to the policy and is responsible for payment of the premium in respect of the member by the due date.

In some circumstances, we may, by agreement with the trustee, send notices to the member directly.

Important information about applying for Zurich Wealth Protection policies within superannuation through membership of an *eligible superannuation fund* can be found in the PDS and/or other documents issued by the fund trustee.

Transferring ownership

If you wish to change the ownership of your policy from one owner to another, you may use a Memoranda of transfer which is available from us. The Memoranda of transfer cannot be used to change ownership in some instances eg. from a non-superannuation owner to a superannuation fund, instead you have the option to cancel and replace your policy in order to make this change. Please contact us if you require further information about assignment of ownership.

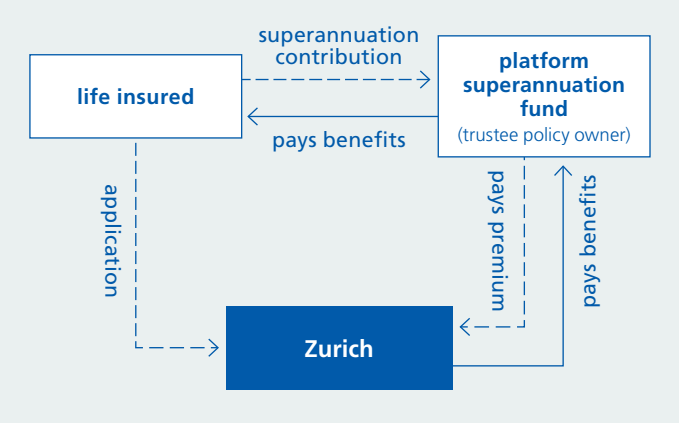
Holding insurance through a platform

You can take out Zurich Protection Plus or Zurich Income Protector/Plus through selected platforms. Platforms offer the convenience of consolidated finances and reporting. If you include Zurich insurance in your platform account, your premiums will be paid by automatic deduction from the platform account on the same day each month, quarter, half year or year (depending on your chosen payment frequency).

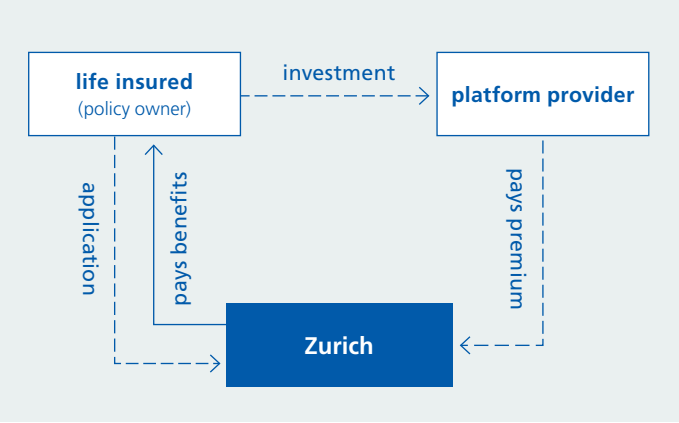
The platform may be a superannuation platform allowing insurance to be funded by a superannuation account or it may be a non-superannuation platform funded by an investment account.

The diagrams below show how this works.

Superannuation platform



Non-super platform



If premiums are not paid in any month due to insufficient funds, then the outstanding premium will be deducted from the account in the following month, to bring premiums up to date.

Information about how the platform operates can be found in the PDS prepared by the platform provider or the trustee of the platform superannuation fund.

If cover is set up though a non-superannuation platform, then the full range of Zurich Protection Plus and Zurich Income Protector/Plus benefits are available. If cover is held through a superannuation platform, then normal restrictions apply to the benefits which can be held in superannuation. In summary, the cover available via a superannuation platform is as follows:

- Death cover
- Total and permanent disablement (TPD) cover which will meet the definition of *permanent incapacity*
- Income protection cover which will meet the definition of *temporary incapacity*.

Benefits which are not available with superannuation ownership are identified on pages 3 to 5.

If additional types of cover are required, then a cost efficient solution is to use Zurich's superannuation optimiser, which will allow access to cover which cannot be held in superannuation due to superannuation law, via a second policy held outside super.

More information about superannuation optimiser can be found on pages 52 to 55.

General policy conditions

The information provided below forms part of your Zurich policy terms and conditions after your policy is issued.

These general policy conditions apply to:

- Zurich Protection Plus
- Zurich Child Cover
- Zurich Income Protector and Zurich Income Protector Plus and
- Zurich Business Expenses

in addition to the product specific terms and conditions set out in the previous sections of this PDS.

The policy includes these policy conditions and the latest policy schedule, which will be sent when the policy is issued or when we issue you an updated policy schedule following a change. The policy schedule shows details of the policy including the policy type, ownership details, the lives insured, the amount of cover, any optional benefits chosen, any terms and conditions particular to the policy and the benefit expiry date/s.

Please check both these policy conditions and the policy schedule carefully to ensure that the policy provides the correct cover and has been established in accordance with the application.

Any reference to 'policy anniversary' is a reference to the anniversary of the policy commencement date shown on the policy schedule.

If we have accepted an application to vary an existing policy with a benefit or option which is no longer available (as the policy is described in the latest PDS), the terms and conditions for such benefit or option are set out in the latest version of the policy conditions that describes it.

This policy only provides the insurance benefits outlined, it does not have a cash value and is referable to our No. 2 Statutory Fund. The contract is between us and the owner of the policy. If the policy is held in superannuation, this will be the trustee of the fund.

All communications (including instructions, requests and notifications) must be made between the policy owner and us except where there is an agreement for communications to be made between another person and us. For example, this would apply to the life insured in the case of life insurance policies issued to an *eligible superannuation fund*.

Guarantee to renew

As long as each premium due is paid within the grace period allowed (see 'Unpaid premium' on this page), the policy can be continued up to the latest benefit expiry date on the policy schedule regardless of changes in the life insured's personal circumstances.

Guaranteed upgrade of benefits

We may improve the terms of the benefits. If we do so without any change in the standard premium rates applying to that benefit under this class of policy, we will incorporate the improvement in the policy. Any medical condition existing at the time the improvement is offered or any injuries sustained prior will be excluded from being eligible for payment under the improved terms.

Changes to the policy

You have the option to make changes to your policy. A written request must be submitted if a change to the policy is required. In order to consider the request, we may ask for further information or require a specific application form. If we agree, we will confirm any changes in writing. Only an authorised member of our staff can agree to change or waive any condition of the policy. A financial adviser does not have authority to change or waive any policy conditions.

Worldwide cover

This policy provides cover 24 hours a day, seven days a week, worldwide.

Termination of the policy

The policy terminates on the first to occur of:

- the death of the life insured covered under the policy
- the latest benefit expiry date on the policy schedule
- the non-payment of any premium within 30 days of its due date
- termination of the related policy (if superannuation optimiser applies)
- our receipt of written notification to terminate this policy.

Some additional terminations apply depending on the cover selected:

Zurich Protection Plus:

- the policy anniversary after the life insured's 99th birthday
- if the policy does not have Death cover, payment of the TPD benefit or the Trauma benefit which results in all TPD and Trauma cover amounts reducing to zero (unless the Buy back TPD option or Trauma reinstatement option applies)
- the payment of 100% of the Death benefit.

Zurich Child Cover:

- the policy anniversary after the last insured child's 18th birthday
- the payment of 100% of the Child cover benefit in relation to the last insured child under the policy.

Zurich Income Protector and Zurich Income Protector Plus:

- the *insured monthly benefit* expiry date
- the death of the life insured covered under the policy, unless a benefit continues to be payable under the Family care option or Home support option
- if the life insured's occupation is Special Risk (SR), the policy will terminate at the end of any 12 month period during which the life insured has not been engaged in *full-time paid employment* other than where this is a direct result of a claimable event under the policy or where we have given written permission for cover to continue.

Zurich Business Expenses:

- the *insured monthly benefit* expiry date
- the death of the life insured covered under the policy.

Premium and reinstatements

Premium means the amount payable for the primary benefit and each optional benefit included in the policy, including any increase in benefit, stamp duty and any other government charges that may be levied from time to time. It also includes the management fee, unless indicated otherwise.

Payment of premium

The premium is payable on the due dates shown on the policy schedule and subsequent notices. Premiums must be paid to keep the policy in force. All premiums must be paid in Australian dollars.

Unpaid premium

If any premium is not paid within 30 days of its due date, regardless of the method of payment chosen, the policy will lapse and no benefits are payable.

Reinstatement

In the first 30 days after lapse, we will reinstate the cover immediately if we receive a request and all outstanding premiums are paid. If the policy is reinstated in this period, no benefits will be paid for an event which occurred or was apparent while the policy was lapsed.

After 30 days, the policy can be considered for reinstatement if we receive a signed reinstatement application. We will consider an application for reinstatement within 12 months of the due date of the first unpaid premium but we may decline to reinstate or impose conditions. If the policy is reinstated in this 12 month period, the cover recommences from the date that we accept the application for reinstatement and no cover is provided during the period of lapse. This means that no payments will be made for an insured event which occurred or became apparent while the policy was lapsed.

Amount of premium

The premium payable from the start of the policy to the first policy anniversary is shown on the policy schedule. The policy anniversary is the anniversary of the commencement date shown on the policy schedule. Where relevant, the policy schedule will also show whether stepped premium or level premium applies.

Stepped premium

Where the stepped premium structure applies, the premium payable changes on each policy anniversary.

At that time, the premium is calculated for the life insured based on our current standard premium rates on the basis of:

- the gender, age next birthday and smoking status of the life insured
- the waiting period and benefit period (where relevant)
- the life insured's occupation (where relevant)
- the type of cover selected (where relevant)
- if applicable, any optional benefits applying
- the amount of cover for each benefit provided
- the frequency of payment
- any extra premium or loading applying.

Level premium

Where the level premium structure applies, the premium payable (except for the management fee) does not change on each policy anniversary until the level switch date, when premiums will be calculated each year as per the stepped premium structure.

The level switch date is the policy anniversary following the life insured's 64th birthday for Zurich Protection Plus and the policy anniversary following the life insured's 65th birthday for Zurich Income Protector and Zurich Income Protector Plus.

If the amount of cover increases at the policy anniversary under the Inflation protection benefit, the premium for the increase in cover is calculated at that time from our current standard premium rates on the basis of:

- the gender, age next birthday and smoking status of the life insured
- the waiting period and benefit period (where relevant)
- the life insured's occupation (where relevant)
- the type of cover selected (where relevant)
- if applicable, any optional benefits applying
- the amount of the increase in cover for each benefit provided
- the frequency of payment
- any extra premium or loading applying.

Even when the level premium structure applies, the premium may change if we change the standard premium rates applying to a benefit provided by the policy.

Premium review

We cannot change the premium rates applying to a benefit provided by this policy unless we change the premium rates applicable to that benefit under this class of policy generally. We will provide at least 30 days notice of any changes in premium rates applying to this policy.

Management fee

The management fee at the start of the policy is shown on the policy schedule.

Each year, the management fee increases on the policy anniversary. The increase is based on the annual *consumer price index* (CPI) increase to the end of the December quarter. If the policy anniversary is in:

- April through to December, we use the annual CPI increase to the end of the December quarter of the previous calendar year
- January through to March, we use the annual CPI increase to the end of the December quarter one year earlier.

If there is no 1 March PDS issued in any year, we will advise the updated management fee on our website, zurich.com.au.

We retain the right to change the management fee. Where changes, other than the annual adjustment described above take place, we will provide a minimum of 30 days written notice.

Taxes

The premium will include any taxes imposed on insurance premiums under applicable laws. Should any changes in the law or to any relevant person (eg. change in residency) result in additional or increased taxes or impost in relation to the policy, we may accordingly add these amounts to the premium or deduct them from any insurance benefits.

Overpayment of premium

If there is any overpayment of the premium, we may retain the overpayment, unless it exceeds $5.00.

Premium holiday

This provision does not form part of the policy if the policy is administered via platform.

A Premium holiday can be activated by request, on any policy which has been continuously in force for a period of at least 12 months. A Premium holiday can be activated for any number of months up to 12 months, starting from the latest unpaid premium due date.

When a Premium holiday is activated we will confirm in writing:

- the premium holiday start date
- the premium holiday end date and
- the next premium due date.

From the premium holiday start date until the premium holiday end date ('premium holiday period'):

- the policy is not in force for any life insured
- no premiums are required in respect of that period and
- Inflation protection increases will continue to be offered if a policy anniversary passes.

No cover is provided under the policy for any insured event which:

- is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) before the premium holiday start date, unless all elements of the insured event are already fully satisfied before the premium holiday start date or
- occurs or is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) at any time during the premium holiday period.

If we receive the requested premium within 30 days of the next premium due date, the policy will be back in force automatically on the premium holiday end date, subject to the above exclusion. The premium will recommence and become payable from the premium holiday end date. If the requested premium is not paid within 30 days of the next premium due date, the policy will terminate.

Varying a Premium holiday

Subject to our approval and on any additional terms we determine, a Premium holiday which has already started can be extended or reduced. We must receive the request 14 days before the earlier of the original or proposed premium holiday end date and the variation is not effective until we confirm our acceptance in writing.

If the premium holiday period is reduced, in addition to the conditions above, no cover is provided under the policy for any insured event which occurs or is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) in the first 90 days after the revised premium holiday end date.

Restrictions and limitations

A Premium holiday cannot be used to access premiums that have already been paid. We will not refund any paid premiums under this provision.

Any subsequent Premium holiday must be separated by 12 months during which all requested premiums are paid on the policy.

A Premium holiday may only be used once in any 12 month period and a maximum total period of 12 months of Premium holiday is available over the life of the policy.

For the purposes of these policy conditions, when the policy is back in force following a period of Premium holiday, it is considered a reinstatement of the policy and certain benefits are not payable for a period of time after the premium holiday end date.

Residency and applicable laws

These policies are designed for customers who are resident in Australia. If you or the life insured becomes a resident of another country, you need to let us know as your policy may no longer be suitable for your individual needs, and you may no longer be eligible to pay premiums. The local laws and regulations of the jurisdiction to which you or the life insured moves may affect our ability to continue to service your policy in accordance with its terms and conditions.

We do not offer tax advice, so if you or the life insured decide to live outside Australia, we recommend obtaining advice on the tax consequences of changing your/the life insured's country of residence in relation to your policy. We will not be held liable for any adverse tax consequences that arise in respect of you or your policy as a result of such a change in residence.

We and other companies within the worldwide Zurich group of companies have obligations under Australian and foreign laws. Regardless of any other policy terms and conditions, we reserve the right to take any action (or not take any action) which could place us or another company within the group at risk of breaching Australian laws or laws in any other country. This may include suspending or terminating your policy.

All financial transactions, including acceptance of premium payments, claim payments and other reimbursements, are subject to compliance with applicable trade or economic sanctions laws and regulations.

We may terminate the policy if we consider you, the life insured, your directors and officers (if applicable), or beneficial owners as a sanctioned person, or you conduct an activity which is sanctioned, according to trade or economic sanctions laws and regulations. Further, we will not provide any cover, service or benefit to any party if we determine this places us at risk of breaching applicable trade or economic sanctions laws or regulations.

This policy is based on the legal and regulatory requirements applicable at the time the policy is issued. Should the legal and regulatory requirements change in a material way, Zurich is entitled to adapt the terms and conditions to the changed legal and regulatory requirements, provided the change is lawful.

Taxation

The following information is a guide only for individual policy owners.

It is based on current taxation laws, their continuation and their interpretation. Different tax implications may arise depending upon the entity owning the insurance policy. The taxation of superannuation is complex and will depend on your age, the type of contribution, and the status of the beneficiary. For information about your individual circumstances, contact your tax adviser.

Zurich Protection Plus

In most cases, you cannot claim a tax deduction for the premiums you pay for your policy. One exception to this is if you take out a Zurich Protection Plus policy as 'key person' insurance in a business. In this case, part or all of the premiums may be tax deductible, however, there may be other tax implications (such as fringe benefits tax). We recommend you consult your tax adviser on this issue.

If a tax deduction is not claimable for the premiums, the benefit paid is normally not assessable for taxation purposes*. If a tax deduction is claimable, the benefit paid may be assessable for taxation purposes.

* This assumes (1) related Death cover proceeds are either received by the original beneficial owner or by an owner who acquired the policy for no consideration, or (2) other cover proceeds are received by the life insured or a relative of the life insured (eg. *partner*, brother, sister, etc but not for example, a cousin). If your situation varies from either of these assumptions, there may be different taxation results.

Zurich Child Cover

You cannot claim a tax deduction for the premiums you pay for this policy. As a tax deduction is not claimable for the premiums, the benefit paid is normally not assessable for taxation purposes. However, any carer benefits you receive from your policy must be included in your tax return and will be taxed at your marginal income tax rate.

Zurich Income Protector/Plus and Zurich Business Expenses

The premiums you pay for your policy, except for the premiums for the Lump sum accident option, Home support option, Family care option and Needlestick cover option, if applicable, can generally be claimed as a tax deduction by both employees and self-employed people. Every year we will tell you the amount of premium you have paid during that financial year and we will exclude the cost of any non-deductible benefits.

The Total disability benefits, Partial disability benefits, Funeral benefit and, if applicable, Super contributions option benefits you receive from your policy must be included in your tax return and will be taxed at your marginal income tax rate. However, lump sum amounts under the Lump sum accident option and Needlestick cover option are not generally taxable.*

If you have opted to insure your monthly superannuation contribution by selecting the Super contributions option then these benefits will be applied directly to your fund as superannuation contributions. Benefits are applied on your behalf pursuant to a 'direction to pay' which you give us by making an application for this benefit. This benefit counts as part of your income for tax purposes and we do not deduct or withhold tax from it. If you are self-employed you may be entitled to a deduction on some or all of the superannuation contributions made on your behalf.

* This assumes (1) proceeds are either received by the original beneficial owner or by an owner who acquired the policy for no consideration, or (2) cover proceeds are received by the life insured. If your situation varies from either of these assumptions, there may be different taxation results.

Policies held by superannuation trustees

Zurich Protection Plus and Zurich Income Protector/Plus may be set up with external superannuation ownership.

Premiums paid by a superannuation fund for benefits that align with a condition of release are generally tax deductible to the fund. Benefits paid under the policy from the insurer to the trustee are generally not assessable as income or capital gains to the fund.

For self-managed superannuation funds, you should consult your tax adviser on the taxation implications of contributions made by your members to your fund and payments of insurance proceeds from your fund to members. For members of an external superannuation platform provider, please consult the taxation section of the PDS prepared by your platform provider.

Making a claim

The information provided below forms part of your Zurich policy terms and conditions after your policy is issued. Words or expressions shown in *italics* have their meaning explained in the Definitions section at the end of this PDS.

How to claim

The claimant should notify us as soon as is reasonably possible after the occurrence of the event giving rise to the claim. A claimant can do this by contacting Zurich Customer Care and a claim form will be forwarded to the claimant to complete, sign and return to us. Alternatively the claimant can access claim forms on our website www.zurich.com.au.

Claim requirements

A person claiming a benefit (claimant) is responsible for providing all evidence to support their claim to us at their expense.

We need the following items in a form satisfactory to us before we can assess any claim:

- the policy schedule
- proof of a claimable event or condition and when it occurred
- supporting evidence from appropriate specialist *medical practitioners* registered in Australia or New Zealand (or other country approved by us)
- proof of the life insured's age
- in the case of a claim under the Home support option, proof of the covered *partner's* age
- proof of incurred costs where the benefit payment is based on reimbursement
- if requested, a signed discharge from the person entitled to receive payment.

For any funeral benefits or Advancement for funeral expenses, applications must be made by the person to whom the Death benefit is payable or by another person acceptable to us and must include the funeral invoice and either a copy of the death certificate or cause of death certificate.

For Zurich Income Protector/Plus and Zurich Business Expenses, we will require some or all of the following, in a form that is satisfactory to us:

- financial evidence including evidence of other insurance cover on the life insured
- for income protection claims, evidence of *claimable income*, *pre-application income*, *pre-disability income* and *post-disability income* and any payments received while on claim
- for agreed value income protection claims, evidence of income at the time of application (and, if we have accepted an application for an increase in cover, the life insured's income at the time you applied for the increase in cover), and
- for business expenses claims, evidence of *pre-disability business income* and *post-disability business income*, as well as evidence of *allowable business expenses* incurred or *key person replacement costs* incurred (as applicable) and any payments received while on claim.

Where any reference is made to the life insured's 'average monthly *income* in the 12 or 24 months immediately prior to a point in time', it can be measured as the previous financial year/s prior to that time rather than strictly the 12 or 24 months prior, if you have evidence which is aligned to financial years.

Assessing the claim

In assessing the claim we will also rely on any information the policy owner or the life insured disclosed to us as part of the application. Where information was not verified at the time of application we reserve the right to verify it at the time of claim.

For Zurich Protection Plus and Zurich Child Cover, proof of the occurrence of any insured event must be supported by:

- one or more appropriate specialist *medical practitioners* registered in Australia or New Zealand (or in another country approved by us)
- confirmatory investigations including, but not limited to, clinical, radiological, histological and laboratory evidence
- if a Trauma claim is a result of a surgical procedure, we will require evidence that the procedure was medically necessary.

Our medical advisers must support the occurrence of the insured events. We reserve the right to require the life insured to undergo an examination or other reasonable tests to confirm the occurrence of the insured event.

Where the diagnostic techniques used in our trauma condition definitions are impractical to apply or have been superseded due to medical improvements, we will consider other appropriate and medically recognised tests.

For Zurich Income Protector, Zurich Income Protector Plus and Zurich Business Expenses:

- a claimable condition must also be supported by confirmatory investigations including, as appropriate (but not limited to) any clinical, radiological, histological and laboratory evidence that we reasonably require to substantiate the claim
- the life insured may be asked to provide copies of personal and business tax returns, assessment notices and/or other financial evidence to substantiate the life insured's income
- when it is necessary to enable us to calculate the amount of the benefit payable, the life insured must allow us to examine the life insured's business and personal financial circumstances.

We should be notified in writing within 30 days of the *sickness* or *injury*. If we are notified after 30 days, the waiting period will commence from the date that we are notified.

Medical examination

We may require the life insured to undergo an examination and reasonable tests, necessary to enable the diagnosis to be confirmed by a specialist *medical practitioner* appointed by us. If we request a medical examination by a *medical practitioner* we select, we will pay for it.

If a claim is made while the life insured is outside Australia, we will only continue to pay the Total disability benefit or the Partial disability benefit if the life insured has a medical examination every 12 months. The *medical practitioner* performing the examination must be approved by us. We will pay for this medical examination, but not for transport to attend it.

Payment of the Death benefit under Zurich Protection Plus

If the policy owner had made a nomination of beneficiary or beneficiaries that was valid at the time of the life insured's death, we will pay the Death benefit under this policy in accordance with the directions and in the proportions specified by the policy owner if it is lawful for us to do so. If the nomination or nominations are subject to external dispute resolution processes, we will pay these benefits as directed by a court or by the relevant dispute resolution authority.

If the policy owner had not made a nomination of beneficiary or beneficiaries that was valid at the time of the life insured's death, we will pay any Death benefit to:

- the policy owner if the policy owner was not also the life insured
- the policy owner's estate if the policy owner was also the life insured.

All claims are paid in Australian dollars.

Payment of all other benefits

All benefits under this policy will be paid to the policy owner unless otherwise specified in these policy conditions.

All claims are paid in Australian dollars.

Definitions

Note that Definitions for specified trauma conditions are grouped together for convenience and begin on page 72.

accidental death means the life insured dies as a result of sustaining bodily injury caused by accidental, violent, external and visible means where death occurs within three calendar months of the *injury* being sustained.

accidental injury means bodily injury caused by accidental, violent, external and visible means while this policy is current.

activities of daily living are:

(1) bathing and showering

(2) dressing and undressing

(3) eating and drinking

(4) using a toilet

(5) moving from place to place by walking, wheelchair or with the assistance of a walking aid.

allowable business expenses means the normal day to day expenses incurred in the life insured's business and include, but are not limited to:

- accounting and audit fees
- bank fees and charges
- cleaning costs
- electricity, gas and water charges
- property rates
- equipment hire
- motor vehicle leases, registration and insurance
- business related insurance premiums (not including this policy)
- interest payments on business loans and mortgages
- office leasing fees
- rents on business premises
- salaries (including superannuation) and payroll tax of employees not directly involved in the generation of income or revenue
- regular advertising costs
- telephone costs
- fees for professional associations
- cost of a locum less any earnings generated by the locum
- printing, postage and stationery costs
- contracted maintenance
- contracted advertising
- contracted security
- any other expenses agreed by us.

The following expenses are excluded:

- the life insured's personal remuneration, salary, fees or drawings from the business
- cost of goods or merchandise
- repayments of capital on a loan or mortgage (other than those repayments directly related to one or more identifiable business assets, which are no greater than the minimum repayments permitted or required by the loan or mortgage, and which have been in place for at least six consecutive calendar months prior to the life insured's disability)
- costs of implements of profession
- premiums payable on this policy
- salaries (including superannuation) and payroll tax of employees directly involved in the generation of income or revenue
- depreciation
- salaries of *immediate family members* (unless they were employed more than 30 days before the date of the life insured's disability).

any occupation means any occupation, business or employment for which the life insured is suited by education, training or experience that would generate earnings greater than 25% of the life insured's earnings in the most recent 12 month period during which he or she was *gainfully employed*.

any occupation TPD means the life insured,

(a) has been absent from work for a continuous period of at least three months, or has suffered permanent and irreversible *whole person impairment** of at least 25%, and

(b) is incapacitated to the extent that, in our opinion, is unlikely to ever again be able to engage in *any occupation*.

or

The life insured suffers *functional impairment* of at least four *extended ADL* categories.

or

The life insured has suffered permanent and irreversible *whole person impairment** of at least 60%.

* Where you are claiming as a result of *whole person impairment*, the life insured must be living (and not declared brain dead) for 14 days from the date the life insured satisfies the definition.

business income (for Zurich Business Expenses) means the monthly income of the business in which the life insured is *gainfully employed* before expenses and before tax.

carer means the life insured begins to provide unpaid care for the first time and that care:

- is medically necessary due to disability, chronic illness or frail age
- was not previously required
- is likely to be required for a continuous period of at least six months.

The commencement of care for the first time must be evidenced by either a letter from a *medical practitioner* or evidence that the life insured is receiving a Centrelink carer benefit for providing that care.

claimable income means:

- **if the benefit type is indemnity:** the life insured's highest average monthly *income* over any consecutive 12 months in the 24 month period preceding the waiting period applying to the claim.
- **if the benefit type is agreed value:** the higher of the life insured's:
  - highest average monthly *income* over any 12 consecutive months in the 24 month period preceding the waiting period applying to the claim, and
  - *pre-application income*.

Periods of unpaid leave, long service leave, maternity leave, paternity leave or sabbatical leave, up to a maximum of 12 months, will be added to the 24 month period referred to above. For example, if the life insured has been on maternity leave for six months during the 24 month period prior to *sickness* or *injury*, then the 24 month period will become the 30 month period immediately prior to *sickness* or *injury*.

cognitive loss means a total and permanent deterioration or loss of intellectual capacity (supported by a score of 15 or less out of 30 in a Mini Mental State Examination or evidence from another neuropsychometric test that is acceptable to us) that has required the life insured to be under continuous care and supervision by another person for at least three consecutive months and at the end of that three month period the life insured is likely to require ongoing continuous care and supervision by another person.

consumer price index means the 'Weighted Average of Eight Capital Cities Index' as published by the Australian Bureau of Statistics or, if that index ceases to be published or is substantially amended, such other index we will select.

domestic duty/domestic duties means the tasks performed by a life insured whose sole occupation is to maintain the family home. These tasks include, unassisted by another person, cleaning of the home, cooking of meals for their family, doing the family laundry, shopping for the family's groceries and taking care of dependent children (where applicable).

Domestic duties do not include duties performed outside the life insured's home for remuneration or reward.

domestic duties TPD means the life insured,

(a) has not performed *domestic duties* for a continuous period of at least three months, or has suffered permanent and irreversible *whole person impairment** of at least 25%, and

(b) is incapacitated to the extent that, in our opinion, it is unlikely that he/she will be able to perform *domestic duties* and it is unlikely that he/she will engage in *any occupation* ever again.

or

The life insured suffers *functional impairment* of at least four *extended ADL* categories.

or

The life insured has suffered permanent and irreversible *whole person impairment** of at least 60%.

* Where you are claiming as a result of *whole person impairment*, the life insured must be living (and not declared brain dead) for 14 days from the date the life insured satisfies the definition.

eligible superannuation fund means a superannuation fund through which an arrangement exists between the trustee and Zurich for members of the fund to be able to obtain Zurich Wealth Protection insurance.

extended activities of daily living/extended ADLs means the six categories of extended ADLs. Each category is made up of a list of specific tasks. If the stated number of the specific tasks within a category cannot be performed, the whole category is scored as an inability to perform that extended ADL category.

The ability to perform the tasks of each extended ADL category must be assessed by a medical specialist appropriate to the medical condition causing the impairment, using the Activities of Daily Living score sheet provided by us.

When a life insured is being measured on their ability to perform any tasks of an extended ADL category:

- all tasks for which an impairment is present must be scored, irrespective of the medical condition(s) causing the impairment, and
- assistive devices must be used, where applicable.

Supporting objective medical evidence or investigations must be provided for each task of an extended ADL category scored.

The extended ADL categories, specific tasks and scoring are detailed in the table on the next page.

ADL category 1: Self-care

Specific tasks:

- bathing
- grooming
- dressing
- eating and feeding
- bowel and bladder function
- mobility

Score required in order to be considered unable to perform this ADL category:

- 'cannot' in at least one specific task, or
- 'with help' in at least two specific tasks.

ADL category 2: Communication

Specific tasks:

- speaking
- reading
- writing
- keyboard use

Score required in order to be considered unable to perform this ADL category:

- 'cannot' in at least one specific task, or
- 'minimal' in at least two specific tasks.

ADL category 3: Physical activity

Specific tasks:

Intrinsic

- standing
- sitting
- reclining
- walking
- stooping
- squatting
- kneeling
- reaching
- bending
- twisting

Functional

- carrying
- lifting
- pushing
- pulling
- climbing
- exercising

Score required in order to be considered unable to perform this ADL category:

- cannot' in at least three specific tasks, or
- 'with help' in at least six specific tasks.

ADL category 4: Sensory function

Specific tasks:

- hearing
- seeing
- tactile sensation
- tasting
- smelling

Score required in order to be considered unable to perform this ADL category:

- 'cannot' in at least one specific task, or
- 'minimal' in at least two specific tasks.

ADL category 5: Hand functions

Specific tasks:

- grasping
- holding
- pinching
- percussive movements
- sensory discrimination

Score required in order to be considered unable to perform this ADL category:

- 'cannot' in at least one specific task, or
- 'minimal' in at least two specific tasks.

ADL category 6: Advanced functions

Specific tasks:

- travel (riding, driving)
- sexual function
- social interaction
- understand concepts
- memory
- problem solving
- stress adaptation
- sleep pattern
- recreational/social activities

Score required in order to be considered unable to perform this ADL category:

- 'cannot' or 'poor' in at least four specific tasks.

ADL scoring

The following scoring method is used to score the ADL Score Sheet:

- If a person is independent in performing that task, they are regarded as able to do that task (can), (normal) or (good)
- If a person makes use of assistive devices, or requires the supervision of another person in performing that task, they are regarded as requiring assistance to do the task (with help), (minimal) or (average). Examples of assistive devices are walking frames, raised toilet seats, shower or bath benches. Please note that glasses and hearing aids are not classified as assistive devices.

If a person is completely dependent on another person(s) to perform a task, they are regarded as unable to do that task (cannot) or (poor). Poor means a rating of poor or below average as measured and evaluated by the relevant and appropriate test(s).

fracture means any fracture resulting from an accident requiring fixation, immobilisation or plaster cast as treatment.

full-time paid employment means being employed or self-employed, working 24 hours or more per week and receiving appropriate remuneration.

functional impairment means the presence of a medically recognised disease or disorder, resulting in an inability to perform a specified number of the *extended activities of daily living* categories, while on optimal therapy if appropriate, assessed in accordance with the specific scoring criteria set out in the definition of *extended ADLs*. The functional impairment must be present for a minimum of six months and be permanent and irreversible.

gainful employment / gainfully employed means the life insured is engaged in an occupation, business or employment for remuneration or reward.

immediate family member means a *partner*, child, brother, sister or parent.

important income producing duties means duties which are essential to the life insured's ability to produce his/her *pre-disability income*.

income means income calculated:

- after the deduction of expenses incurred in producing that income and
- before the deduction of tax.

It is based on total remuneration from personal exertion and includes salary, wages, director's fees, allowances, packaged fringe benefits, regular commissions, regular bonuses, regular overtime payments and pre-tax superannuation contributions.#

If the life insured is a business owner or self-employed, income also includes the life insured's share of net income of the business, based on his/her ownership of and/or role in the business (calculated after the deduction of expenses incurred in producing that income but before the deduction of tax).

Income does not include investment income, such as rental income from third parties and interest.

Please note that the result of this calculation for a business owner is likely to be different to what the life insured received from the business in the form of dividends, distributions and/or drawings.

Income does not include superannuation contributions if the Super contributions option has been selected, except where assessing whether the life insured is *totally disabled* or *partially disabled*.

injury means accidental bodily injury inflicted after the policy commencement date and while the policy is in force.

insured monthly benefit means the amount of monthly benefit applied for and accepted by us, plus indexation in accordance with the policy conditions. The insured monthly benefit will be set out in the original policy schedule and any subsequent updated policy schedule that we issue.

Benefit calculations for a claim will be based on the insured monthly benefit effective as at the end of the relevant waiting period.

key person replacement costs mean costs incurred by the policy owner or their business attributed to the remuneration of a locum or replacement person engaged while the life insured is disabled.

Costs may include salary, wages, packaged fringe benefits, regular bonuses, regular overtime payments, pre-tax superannuation contributions and payroll tax.

Costs attributed to a locum or replacement person who is an *immediate family member* of the life insured or the policy owner (or where the policy is owned by a company, any person with a controlling interest in the company or a related entity) are not included.

loss of independent existence means the total and irreversible inability to perform at least two of the numbered *activities of daily living* without the assistance of another person.

loss of limbs means the total and irreversible loss of the use of two limbs, where 'limb' means whole hand or whole foot.

loss of sight means the irrecoverable loss of sight, with and without the use of an appropriate aid, to the extent that eyesight is reduced in both eyes to 6/60 or less of central visual acuity on the Snellen test chart or the degree of vision is less than or equal to 20 degrees of arc.

medical practitioner means a medical practitioner legally registered to practise in Australia or New Zealand or a medical practitioner legally registered to practise in another country.

Medical practitioner does not include:

- the policy owner, his/her relative or his/her business partner or employee
- the life insured, his/her relative or his/her business partner or employee
- other para-medical professionals such as chiropractors, physiotherapists or naturopaths.

mental health condition means any disorder classified in the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association which is current at the start of the period of disability (or such replacement or successor publication or if none then such comparable publication as selected by us).

Such mental disorders include, but are not limited to, stress (including post traumatic stress), physical symptoms of a psychiatric illness, anxiety, depression, psychoneurotic, psychotic, personality, emotional or behavioural disorders or disorders related to substance abuse and dependency which includes alcohol, drug and chemical abuse dependency.

For the purposes of this policy, mental disorder does not include dementia (except where the dementia is related to any substance abuse or dependency), Alzheimer's Disease or mental disorder caused by head injuries.

modified TPD means the life insured has suffered:

- *loss of limbs**
- *loss of sight**
- both *partial loss of limbs* and *partial loss of sight**
- *loss of independent existence**, or
- *cognitive loss*.

* Where you are claiming as a result of *loss of limbs*, *loss of sight*, both *partial loss of limbs* and *partial loss of sight* or *loss of independent existence*, the life insured must be living (and not declared brain dead) for 14 days from the date he/she satisfies the definition.

monthly benefit means a periodic benefit payable under the policy conditions, including the Total or Partial disability benefit and any other in-built benefits paid in lieu of the Total or Partial disability benefit, ie. Specified injury benefit, Confined to bed benefit, Day 4 accident option and Trauma advancement option.

Under the Zurich Business Expenses policy, it means the Total or Partial disability benefit and the Day 4 accident option.

own occupation means the occupation, business or employment in which the life insured was *gainfully employed* at the time of the *sickness* or *injury* for which the claim for *total and permanent disablement* is made (or, if not *gainfully employed* at that time, the occupation, business or employment in which the life insured was most recently *gainfully employed*).

own occupation TPD means the life insured:

(a) has been absent from work for a continuous period of at least three months, or has suffered permanent and irreversible *whole person impairment** of at least 25%, and

(b) is incapacitated to the extent that, in our opinion, he/she is unlikely to ever again be able to engage in their *own occupation*.

or

The life insured suffers *functional impairment* of at least four *extended ADL* categories.

or

The life insured has suffered permanent and irreversible *whole person impairment** of at least 60%.

* Where you are claiming as a result of *whole person impairment*, the life insured must be living (and not declared brain dead) for 14 days from the date the life insured satisfies the definition.

partial loss of limbs means the total and irreversible loss of the use of one limb, where 'limb' means whole hand or whole foot.

partial loss of sight means the irrecoverable loss of sight in one eye, with and without the use of an appropriate aid, to the extent that eyesight is reduced in that eye to 6/60 or less of central visual acuity on the Snellen test chart.

partially disabled (for Zurich Income Protector and Zurich Business Expenses) means the life insured is working or is capable of working but solely due to *sickness* or *injury* he/she:

- has a reduction of 20% or more in the ability to perform *important income producing duties* in the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability and
- is under the regular care of, and following the advice of a *medical practitioner*.

After the Total disability benefit and/or Partial disability benefit has been paid for a period of 24 months, the ability to work is no longer based on a specific occupation. The life insured will only be partially disabled if he/she:

- has a reduction of 20% or more in the ability to perform the *important income producing duties* of each occupation to which he/she is reasonably qualified by education, training or experience and
- is under the regular care of, and following the advice of a *medical practitioner*.

If the life insured becomes partially disabled at a time when he/she hasn't been working for more than 12 consecutive months due to:

- unemployment
- long service leave
- maternity or paternity leave

we will determine eligibility for the Partial disability benefit based on any occupation to which he/she is reasonably qualified by education, training or experience.

partially disabled (for Zurich Income Protector Plus) means the life insured is working or is capable of working but solely due to *sickness* or *injury* he/she:

- has a reduction of 20% or more in the ability to:
  - perform *important income producing duties* or
  - generate *income* or
  - maintain the number of hours worked in the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability and
- is under the regular care of, and following the advice of a *medical practitioner*.

If the life insured becomes partially disabled at a time when he/she hasn't been working for more than 12 consecutive months due to:

- unemployment
- long service leave
- maternity or paternity leave

we will determine eligibility for the Partial disability benefit based on any occupation to which he/she is reasonably qualified by education, training or experience.

partner means a person with whom the life insured is legally married or in a *partnership*.

partnership means a prescribed relationship which is registered under State or Territory law for the purposes of the Acts Interpretation Act 1901.

permanent incapacity means permanent incapacity as defined by superannuation law, as amended from time to time and applied as if Zurich was the trustee of the relevant superannuation fund and the life insured was a member of the fund.

'Superannuation law' includes the Superannuation Industry (Supervision) Act 1993 (Cth) and associated regulations.

post-disability business income (for Zurich Business Expenses) means the life insured's share of *business income* for the applicable month while he/she is *partially disabled* due to *sickness* or *injury* (excluding any *monthly benefit* payable under the policy).

post-disability income means the life insured's *income* in the months following *sickness* or *injury* while *partially disabled*.

During the first three months that a *monthly benefit* is being paid, the life insured's post-disability income will not be considered post-disability income if it is 10% or less of his/her *pre-disability income*.

We will only pay benefits where the loss of income is a result of *sickness* or *injury*. Where *income* has been reduced as a result of causes other than *sickness* or *injury*, we will adjust the life insured's post-disability income so that it only reflects the proportion of the *income* lost as a result of *sickness* or *injury*. In doing so, we will take into account available medical evidence (including the opinion of the life insured's registered doctor) and any other relevant considerations directly related to the life insured's medical condition (including information provided by the policy owner or life insured).

pre-application income means:

- **if the life insured is a business owner or self-employed, and his/her average monthly income in the 12 months immediately prior to application is greater than his/her average monthly income in the preceding 12 month period by 20% or more:** the average monthly *income* over the 24 months immediately prior to the application for cover or the most recent of any approved increases (other than indexation increases)
- **in all other cases:** the average monthly *income* over the 12 months immediately prior to application for cover or the most recent of any approved increases (other than indexation increases).

Pre-application income is increased by the percentage increase in the *consumer price index* published for the quarter falling immediately prior to the three months before each policy anniversary over that published for the quarter falling immediately prior to 15 months before that policy anniversary, up until the start of the waiting period applying to the claim.

pre-disability business income (for Zurich Business Expenses) means the monthly average of the life insured's share of *business income* for the 12 months before commencement of *total disability* or *partial disability*.

pre-disability income (for endorsed agreed value and agreed value policies) means the life insured's highest average monthly *income* during any consecutive 12 months in the period starting 12 months immediately prior to commencement of this policy and ending when the waiting period applying to the claim begins.

We will index this amount each year on the anniversary of the date we accepted the claim, by the percentage increase in the *consumer price index* published for the quarter falling immediately prior to claim anniversary over that published for the same quarter in the previous year.

pre-disability income (for indemnity policies) means the life insured's highest average monthly *income* over any consecutive 12 months in the 24 month period preceding the waiting period applying to the claim.

Periods of unpaid leave, long service leave, maternity leave, paternity leave or sabbatical leave, up to a maximum of 12 months, will be added to the 24 month period. For example, if the life insured has been on maternity leave for six months during the 24 month period prior to *sickness* or *injury*, then the 24 month period will become the 30 month period immediately prior to *sickness* or *injury*.

We will index this amount each year on the anniversary of the date we accepted the claim, by the percentage increase in the *consumer price index* published for the quarter falling immediately prior to claim anniversary over that published for the same quarter in the previous year.

primary occupation means any type of business, service, trade or employment which encompasses the duties predominantly carried out by the life insured. It is not specific to any place of employment, particular employer or position.

rehabilitation program means a program or plan that:

- is designed to assist the life insured in returning to work either in his/her usual occupation or in any other occupation for which he/she is suited by training, education or experience and
- has been approved by an appropriately tertiary qualified vocational or rehabilitation specialist.

sickness means sickness or disease which first manifests itself after the policy begins, or a pre-existing sickness or disease disclosed to us in the application that we have not expressly excluded. Any sickness or disease that is the direct or indirect result of elective or donor transplant surgery within six months of the start or reinstatement of the policy is excluded.

significant permanent impairment means a permanent impairment of at least 25% of whole person function as defined in the current edition of the American Medical Association publication 'Guide to the Evaluation of Permanent Impairment', or an equivalent guide to impairment approved by us.

superannuation payment limit means the amount we determine in our absolute discretion as satisfying the requirements of superannuation law in regard to the permissible insurance benefits payable in respect of a member of a superannuation fund and applied as if Zurich was the trustee of the relevant superannuation fund and the life insured was a member of the fund.

In making the determination, it is recognised that Zurich may interpret superannuation law in a particular manner which may change over time. We will make a determination in accordance with procedures maintained by us.

This limit may mean that the total benefit paid under the policy for any month will be capped so that the life insured is not receiving more in total (including all insurance benefits and income) then he/she was receiving before the *sickness* or *injury*.

'Superannuation law' includes the Superannuation Industry (Supervision) Act 1993 (Cth) and associated regulations.

temporary incapacity means 'temporary incapacity' as defined by superannuation law as amended from time to time and applied as if Zurich was the trustee of the relevant superannuation fund and the life insured was a member of the fund.

For the life insured to meet this definition, this may include the life insured having to cease gainful employment (as defined under superannuation law) solely due to the *sickness* or *injury* for a period of at least one full day during the waiting period.

'Superannuation law' includes the Superannuation Industry (Supervision) Act 1993 (Cth) and associated regulations.

terminally ill means the life insured is diagnosed with a *terminal illness*.

terminal illness means:

If the policy is not issued to the trustee of a superannuation fund: any condition caused by *sickness* or *injury*, where despite all reasonable medical treatment, the life insured is expected to live for no more than 24 months as confirmed and certified by:

- a specialist registered *medical practitioner* treating the condition with supporting evidence of the condition, possible medical treatment and the prognosis, and
- if required by us, a specialist registered *medical practitioner* approved by us who is an expert in the condition.

If the policy is issued to a trustee of a superannuation fund: any condition caused by *sickness* or *injury*, where despite all reasonable medical treatment, the life insured is expected to live for no more than 24 months as confirmed and certified* by:

- a specialist registered *medical practitioner* treating the condition with supporting evidence of the condition, possible medical treatment and the prognosis, and
- a registered *medical practitioner* approved by us.

* Each period of life expectancy, certified by the two *medical practitioners*, must not have ended.

total and permanent disablement (TPD) means:

If the TPD definition on your policy schedule is **own occupation**:

Due to *sickness* or *injury*,

- before the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *own occupation TPD* or *modified TPD* definition, or
- from the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *modified TPD* definition.

If the TPD definition on your policy schedule is **any occupation**:

Due to *sickness* or *injury*,

- before the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *any occupation TPD* or *modified TPD* definition, or
- from the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *modified TPD* definition.

If the TPD definition on your policy schedule is **domestic duties**:

Due to *sickness* or *injury*,

- before the policy anniversary following the life insured's 65th birthday,
  - the life insured satisfies the *domestic duties TPD* definition, or
  - if the life insured has been in *gainful employment* for at least 16 hours per week continuously during the preceding six months prior to ceasing work, the life insured satisfies the *any occupation TPD* definition, or
  - the life insured satisfies the *modified TPD* definition.
- from the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *modified TPD* definition.

If the TPD definition on your policy schedule is **modified TPD**:

Due to *sickness* or *injury*, the life insured satisfies the *modified TPD* definition.

Important notes:

- if the policy schedule indicates superannuation optimiser applies, rules applying to payments from these policies can be found on page 52
- if the policy schedule indicates that a Permanent incapacity restriction applies then, in addition to the above definition requirements, the life insured must also meet the definition of *permanent incapacity*.

totally disabled (for Zurich Income Protector and Zurich Business Expenses) means 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 the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability.

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

After the Total disability benefit and/or Partial disability benefit has been paid for a period of 24 months, the ability to work is no longer based on a specific occupation. The life insured will only be totally disabled if he/she:

- is not working in *gainful employment* and
- is unable to perform one or more of the *important income producing duties* of each occupation to which he/she is reasonably qualified by education, training or experience.

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

If the life insured becomes totally disabled at a time when he/she hasn't been working for more than 12 consecutive months due to:

- unemployment
- long service leave
- maternity or paternity leave

we will determine eligibility for the Total disability benefit based on any occupation to which he/she is reasonably qualified by education, training or experience.

totally disabled (for Zurich Income Protector Plus) means 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 the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability

or

- is not working in *gainful employment* and
- has a reduction of 80% or more in the ability to generate *income* in the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability

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 becomes totally disabled at a time when he/she hasn't been working for more than 12 consecutive months due to:

- unemployment
- long service leave
- maternity or paternity leave

we will determine eligibility for the Total disability benefit based on any occupation to which he/she is reasonably qualified by education, training or experience.

If the life insured is working less than 24 hours per week when he/she becomes totally disabled, we will replace '10 hours' with 'five hours' for the purpose of determining eligibility for the Total disability benefit.

uncomplicated pregnancy or childbirth means pregnancy, childbirth or termination which does not result in any serious medical complication. It includes participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarrying or having a termination.

whole person impairment means whole person impairment based on the American Medical Association Guides to the Evaluation of Permanent Impairment, 5th edition, or an equivalent guide to impairment approved by us – the examining doctor will be provided with specific evaluating protocols.

Specified trauma condition definitions

advanced diabetes means severe diabetes mellitus, either insulin or non-insulin dependent, 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 less in both eyes
- severe diabetic neuropathy causing motor and/or autonomic impairment
- diabetic gangrene leading to surgical intervention
- severe diabetic nephropathy causing chronic irreversible renal impairment (as measured by a corrected creatinine clearance below the laboratory/ies measured normal range).

aorta repair means surgery performed to correct any narrowing, dissection or aneurysm of the thoracic or abdominal aorta performed either by open surgery or by thoracoscopic or laparoscopic minimally invasive 'keyhole' techniques. It excludes all percutaneous angioplasty and all other intravascular techniques.

aplastic anaemia means bone marrow failure which results in anaemia, neutropenia and thrombocytopenia requiring treatment, with at least one of the following:

- blood product transfusions
- marrow stimulating agents
- immunosuppressive agents or
- bone marrow transplantation.

bacterial meningitis means all potential manifestations of bacterial meningitis causing:

- *significant permanent impairment* or
- a permanent and total inability to perform without physical help from someone else, at least one of the *activities of daily living*.

benign tumour of the brain or spinal cord means a non-cancerous tumour in the brain or spinal cord which is histologically described and which produces neurological deficit causing *significant permanent impairment* or the undergoing of radical surgery for its removal.

We do not cover any of the following:

- cysts, granulomas and cerebral abscesses
- malformations in, or of, the arteries or veins of the brain
- haematomas or
- tumours in the pituitary gland.

blindness means the irrecoverable loss of sight in both eyes as a result of *sickness* or *injury*. The extent of the visual loss must be such that the eyesight is reduced to or less than 6/60 central acuity or degree of vision of less than or equal to 20 degrees.

carcinoma in situ means a carcinoma in situ characterised by a focal autonomous new growth of carcinomatous cells, which has not yet resulted in the invasion of normal tissues.

'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO stage 0.

Only carcinoma in situ of the following sites is covered:

- cervix uteri (excluded are Cervical Intraepithelial Neoplasia (CIN) classifications CIN-1 and CIN-2)
- corpus uteri
- fallopian tube – the tumour must be limited to the tubal mucosa
- ovary
- penis or testicle
- perineum
- vagina, vulva or breast.

Note: FIGO refers to the staging method of The Federation Internationale de Gynecologie et d'Obstetrique.

cardiomyopathy means impaired ventricular function resulting in significant permanent physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment.

chronic kidney failure means end stage renal failure presenting as chronic irreversible failure of both kidneys to function as a result of which permanent regular renal dialysis is instituted or renal transplant undertaken.

chronic liver disease means end stage liver failure, with the diagnosis based on:

- permanent jaundice or ascites
- encephalopathy or liver biopsy.

chronic lung disease means end stage lung disease, including interstitial lung disease requiring extensive and permanent oxygen therapy or FEV 1 test results of less than one litre.

colostomy or ileostomy means the creation of a permanent and irreversible opening, linking the colon and/or ileum to the external surface of the body.

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.

coronary artery bypass surgery means the actual undergoing of coronary artery bypass surgery which is considered medically necessary to correct or treat coronary artery disease but not including angioplasty, other intra-arterial or laser procedures.

deafness means severe hearing impairment in both ears, whether aided or unaided, resulting in an average hearing threshold in both ears of 91db or greater as measured at 500, 1000 and 1500 Hz.

dementia (including alzheimer's disease) means the life insured has Alzheimer's Disease or other neurodegenerative dementia. The diagnosis must confirm permanent irreversible failure of brain function resulting in significant cognitive impairment for which no other recognisable cause has been identified.

Significant cognitive impairment means a deterioration or loss of intellectual capacity that results in a requirement for continual supervision to protect the life insured or others.

Diagnosis must be confirmed by recognised and appropriate neuropsychological testing.

diabetes (type 1) means the diagnosis of insulin dependent diabetes mellitus (IDDM) after the age of 30 by an appropriate consultant physician.

diplegia means the permanent and total loss of function of both sides of the body due to disease, illness or injury of the brain or spinal cord.

early stage chronic lymphocytic leukaemia means the presence of chronic lymphocytic leukaemia diagnosed as Rai stage 0, which is defined to be in the blood and bone marrow only.

early stage melanoma means the diagnosis of a malignant melanoma on biopsy which is classified as stage T1aN0M0.

early stage prostate cancer means prostatic cancers that are not covered under the definition of malignant cancer in these definitions, and are histologically described as TNM classification T1 according to the TNM staging method or a Gleason Score of either 2, 3, 4 or 5.

encephalitis means an inflammatory disease of the brain resulting in neurological deficit causing:

- at least 25% impairment of whole person function that is permanent or
- total and permanent inability to perform at least one of the *activities of daily living*.

facial reconstructive surgery and skin grafting means skin grafting and plastic or reconstructive surgery above the neck which is deemed medically necessary for the treatment of facial disfigurement as a direct result of an *accidental injury* requiring inpatient hospital treatment of the life insured. The *accidental injury* must occur while this policy is current.

guillain barre syndrome means:

- the life insured has an unequivocal diagnosis of guillain barre syndrome by a neurologist and
- he/she has been unable to perform at least one of the *activities of daily living* for a continuous period of three calendar months.

heart attack means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The diagnosis must be supported by diagnostic rise and/or fall of cardiac biomarkers with at least one value above the 99th percentile of the upper reference limit and at least one of the following:

- signs and symptoms of ischaemia consistent with myocardial infarction or
- ECG changes indicative of new ischaemia (new ST-T changes or new left bundle branch block [LBBB]) or
- development of pathological Q waves in the ECG or
- imaging evidence of new loss of viable myocardium or new regional wall motion abnormality.

If the above tests are inconclusive or our noted diagnostic techniques are impractical to apply or have been superseded, we will consider other appropriate and medically recognised tests.

A rise in biological markers as a result of an elective percutaneous procedure for coronary artery disease which is not performed as necessary treatment for a heart attack is excluded. Also excluded are other acute coronary syndromes including but not limited to angina pectoris, and other causes of cardiac biological marker rise including but not limited to pulmonary embolism.

heart valve surgery means the undergoing of surgery considered medically necessary to repair or replace cardiac valves as a consequence of heart valve defects or abnormalities that cannot be corrected by non-surgical techniques.

hemiplegia means the permanent and total loss of function of one side of the body due to disease, illness or injury of the brain or spinal cord.

idiopathic pulmonary arterial hypertension means idiopathic pulmonary arterial hypertension with substantial right ventricular enlargement established by investigations including cardiac catheterisation, resulting in physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment.

loss of hearing in one ear means severe hearing impairment in one ear, whether aided or unaided, resulting in an average hearing threshold in one ear of 91db or greater as measured at 500, 1000 and 1500 Hz.

loss of independence means as a result of a disease, illness or injury the life insured is unable to perform at least two *activities of daily living* or cognitive impairment that results in the life insured requiring permanent and constant supervision. The inability or impairment must have existed continuously for a period of at least three months and be permanent and irreversible.

loss of limbs or sight means the entire and irrevocable loss of use of two or more of the sight in one eye, and a hand or a foot.

loss of speech means the total loss of speech both natural and assisted as a result of *sickness* or *injury* which is permanent. Loss of speech related to any psychological cause is excluded.

major head trauma means accidental cerebral injury resulting in permanent neurological deficit:

- causing *significant permanent impairment* or
- which results in a permanent and irreversible inability of the life insured, to perform, without the physical assistance of an adult, any one of the *activities of daily living*.

major organ transplant means the life insured:

- undergoes the organ transplant or
- upon specialist medical advice is placed on an official Australian acute care hospital waiting list to undergo organ transplant or
- undergoes permanent mechanical replacement

for one or more of the following: kidney, heart, liver, lung, pancreas, small bowel and bone marrow.

The transplantation of all other organs or parts of any organ or of any other tissue is excluded.

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

The tumour must be confirmed by histological examination, or appropriate pathological testing in the case of non solid tumours, and:

- the life insured must require major interventionist therapy including surgery, radiotherapy, chemotherapy, biological response modifiers or any other major treatment, or
- the tumour must be sufficiently advanced such that major interventionist therapy is no longer recommended.

The following cancers are specifically excluded:

- chronic lymphocytic leukaemia less than RAI Stage 1
- all cancers described as carcinoma in situ. Carcinoma in situ of the breast is covered only if it requires:
  - the removal of the entire breast, including nipple sparing mastectomy or
  - breast conserving surgery and radiotherapy or
  - breast conserving surgery and chemotherapy (chemotherapy means the use of drugs specifically designed to kill or destroy cancer cells)

  Carcinoma in situ of the breast treated by breast conserving surgery and other forms of adjuvant systemic therapy, including endocrine manipulation therapy, hormonal manipulation therapy or non-endocrine adjuvant therapy, is not covered.
- all skin cancers unless:
  - they have metastasised to other organs or
  - the tumour is a malignant melanoma of stage T1bN0M0 or higher
- prostate cancers diagnosed as T1 with a Gleason score of 5 or less, unless major interventionist therapy is performed.

medically acquired HIV means infection with the Human Immunodeficiency Virus (HIV) which we believe, on the balance of probabilities, arose from one of the following medically necessary events which must have occurred to the life insured in Australia by a recognised and registered health professional:

- a blood transfusion
- transfusion with blood products
- organ transplant to the life insured
- assisted reproductive techniques
- a medical procedure or operation performed by a doctor or dentist.

HIV infection transmitted by any other means including sexual activity or recreational intravenous drug use is specifically excluded.

A benefit will not be payable in the event that a medical cure is found for Acquired Immune Deficiency Syndrome (AIDS) or the effects of the HIV virus or in the event of a treatment being developed and approved which makes the HIV virus inactive and non-infectious.

minimally invasive cardiac surgery – including coronary artery angioplasty means the actual undergoing of thoracoscopic, laparoscopic, 'minimally invasive' or 'keyhole' surgery to treat or repair:

- a narrowing or blockage of one or more coronary arteries or
- an obstruction of the aorta or a coarctation of the aorta.

Investigative or diagnostic procedures are not covered.

motor neurone disease means unequivocal diagnosis of Motor Neurone Disease.

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

muscular dystrophy means the unequivocal diagnosis of Muscular Dystrophy.

occupationally acquired hepatitis B or C means infection with hepatitis B or hepatitis C where the virus was acquired as a result of an accident occurring during the course of the life insured's normal occupation and sero-conversion from hepatitis B surface antigen negative to hepatitis B surface antigen positive or hepatitis C antibody negative to hepatitis C antibody positive must occur within six months of the accident.

Hepatitis B or C infection acquired by any other means including sexual activity or recreational intravenous drug use is specifically excluded.

A benefit will not be payable in the event of a medical cure being found for hepatitis B or hepatitis C (as applicable), or if the life insured elected not to take an available medical treatment which results in the prevention of infection with hepatitis B or hepatitis C prior to making a claim.

Any accident giving rise to a potential claim must be reported to us within 7 days of the accident and supported by a negative hepatitis B surface antigen test or negative hepatitis C antibody test taken after the accident. We must be given access to test independently all the blood samples used.

occupationally acquired HIV means infection with the Human Immunodeficiency Virus (HIV) where the virus was acquired as a result of an accident occurring during the course of the life insured's normal occupation and sero-conversion of the HIV infection must occur within six months of the accident.

HIV infection acquired by any other means including sexual activity or recreational intravenous drug use is specifically excluded.

A benefit will not be payable in the event of a medical cure being found for Acquired Immune Deficiency Syndrome (AIDS) or the effects of the HIV virus or in the event of a treatment being developed and approved which makes the HIV virus inactive and non-infectious.

Any accident giving rise to a potential claim must be reported to us within 7 days of the accident and supported by a negative HIV antibody test taken after the accident. We must be given access to test independently all the blood samples used.

out of hospital cardiac arrest means cardiac arrest that is not associated with any medical procedure, is documented by an electrocardiogram, occurs out of hospital and is:

- cardiac asystole or
- ventricular fibrillation with or without ventricular tachycardia.

If an electrocardiogram is not available, we will consider medical evidence which is acceptable to us as confirming that an out of hospital cardiac arrest has occurred.

Examples of suitable evidence includes but is not limited to: Ambulance and Hospital Medical Reports confirming cardiac arrest or the administration of Cardiopulmonary Resuscitation (CPR) or Automated External Defibrillator (AED) data.

paraplegia means the permanent and total loss of use of both legs resulting from disease, illness or injury of the brain or spinal cord.

parkinson's disease means an unequivocal diagnosis of degenerative idiopathic Parkinson's Disease confirmed by a consultant neurologist.

All other types of Parkinsonism are excluded (for example, secondary to medication).

pneumonectomy means the removal of an entire lung when considered necessary and appropriate treatment.

quadriplegia means the permanent and total loss of use of both arms and both legs resulting from disease, illness or injury of the brain or spinal cord.

severe accident or illness requiring intensive care means an accident or illness that has resulted in:

- the life insured requiring continuous mechanical ventilation by means of tracheal intubation for 10 consecutive days (24 hours a day) in an authorised intensive care unit of an acute care hospital and
- *significant permanent impairment*.

severe burns means tissue injury caused by thermal, electrical or chemical agents causing third degree (full thickness) burns to at least:

- 20% of the body surface area as measured by The Rule of 9 or the Lund & Browder Body Surface chart or
- 50% of each hand and/or 50% of the face.

severe rheumatoid arthritis that fails to respond to treatment means unequivocal diagnosis of rheumatoid arthritis confirmed by a rheumatologist or clinical immunologist, that has failed to respond to at least two treatments (eg. disease-modifying anti-rheumatic drugs (DMARDs), immunosuppressive or biological agents) administered consistently for a period of at least nine months.

severe rheumatoid arthritis with permanent daily life impact means unequivocal diagnosis of rheumatoid arthritis confirmed by a rheumatologist or clinical immunologist, that has:

- failed to respond to at least two treatments (eg. disease-modifying anti-rheumatic drugs (DMARDs), immunosuppressive or biological agents) administered consistently for a period of at least nine months, and
- resulted in *significant permanent impairment*.

Degenerative osteoarthritis and all other arthritides are excluded.

single loss of limb or eye means the total and permanent loss of use of:

- one foot or
- one hand or
- sight in one eye (to the extent of 6/60 or less).

stroke means a cerebrovascular event producing neurological sequela lasting at least 24 hours. This requires clear evidence on a Computerised Tomography (CT), Magnetic Resonance Imaging (MRI) or similar scan that a stroke has occurred and of:

- infarction of brain tissue or
- intracranial or subarachnoid haemorrhage.

Cerebral symptoms due to transient ischaemic attacks, reversible neurological deficit, migraine, cerebral injury resulting from trauma or hypoxia, disturbances of vision or balance due to disease of the eye, optic nerve or the vestibular apparatus of the ear are excluded.

triple vessel coronary artery angioplasty means the actual undergoing of angioplasty to three or more coronary arteries within the same procedure or via two procedures no more than two months apart. Angiographic evidence, indicating obstruction of three or more coronary arteries, is required to confirm that the procedure is medically necessary.

How to contact us

Enquiries and policy admin

We can answer enquiries relating to any of the products in this PDS, and if you take out a policy with us, we can help you to keep your policy details up to date.

We can also help you with basic alterations to your policy, to help keep cover in line with your needs – for example if you wish to exercise an option on your policy.

Please contact Zurich Customer Care in the most convenient way for you:

131 551

client.service@zurich.com.au

Locked Bag 994
North Sydney NSW 2059

www.zurich.com.au

Financial advice

Your financial adviser should be your first point of contact for financial advice. Zurich can only provide you with factual information about these products and how they operate.

Zurich head office
Zurich Australia Limited
5 Blue Street
North Sydney NSW 2060

Additional support

We recognise that some customers require additional support, for example customers who are from a non-English speaking background. Your financial adviser will help you through the process at the time when you apply for a policy, if you make a change to your policy, if you make a claim or if you wish to make a complaint. If you contact us and we identify that you need additional support or that you are experiencing financial hardship, we will provide you with reasonable additional support including providing you with options available under your policy.

Complaints resolution

If you have a complaint about any product described in this PDS, you should contact Zurich Customer Care on 131 551. We will aim to acknowledge any complaint within 5 days and to resolve your complaint within 45 days. If you are not satisfied with the response you receive from us, or we fail to resolve the complaint within 45 days, you can raise the matter with the Financial Ombudsman Service (FOS). FOS is an independent body designed to help you resolve complaints relating to your Zurich product, as well as complaints relating to financial or investment advice and sales of financial or investment products. You can contact FOS at GPO Box 3, Melbourne VIC 3001. The telephone number is: 1300 780 808 and the email address is: info@fos.org.au.

If you wish to complain about a policy which is held in super, you will need to contact the superannuation fund trustee.

Issue Date: 15 May 2017

ZURICH

Zurich Master Superannuation Fund Insurance-only Category

Product Disclosure Statement

Product Disclosure Statement issued by Zurich Australian Superannuation Pty Limited ABN 78 000 880 553 AFSL 232500 as trustee of the Zurich Master Superannuation Fund.

Contents

This Product Disclosure Statement (PDS) contains important information about the Insurance-only Category of the Zurich Master Superannuation Fund ABN 33 632 838 (the Category). The trustee is Zurich Australian Superannuation Pty Limited (the Trustee). The Category provides members with access to death and disablement cover through superannuation, and accepts contributions and rollovers only for the purposes of paying premiums for that cover. Members do not have an account balance in the Category.

Zurich Australia Limited ABN 92 000 010 195 AFSL 232510 (Zurich) is the provider of insurance to members of the Category. Zurich has consented to be named in this PDS, but is not the issuer of the PDS.

Further information about the insurance is in the separate PDS issued by Zurich. An application for insurance can be submitted electronically by your adviser acting on your behalf or on a current paper application form. Applications to the Trustee for membership of the Category are made along with the application for insurance. You should consider both the relevant PDS issued by Zurich and this PDS before completing the application.

The information contained in this PDS is general information only. We have not taken into account your objectives, financial situation or needs. You should consider the appropriateness of the information in this PDS, taking into account your objectives, financial situation and needs, before acting on any information in this PDS. Information about tax provided in this PDS is a guide only and is based on the Trustee's understanding of the tax laws that were current at the date of the PDS. These laws can change and the Trustee recommends you speak to your tax adviser regarding the tax consequences of holding insurance cover through superannuation. References to *superannuation law* in this PDS include the *Superannuation Industry (Supervision) Act 1993* (Cth) and associated regulations as amended from time to time.

All of the information contained in this PDS is current at the time of issue. Information contained in this PDS can change from time to time. If the change is not materially adverse, the updated information will be available at zurich.com.au. A paper copy of any updated information will be given to you on request without charge.

Preparation date: 20 April 2017

Introducing the Insurance-only Category of the Zurich Master Superannuation Fund

The Insurance-only Category of the Zurich Master Superannuation Fund (the Category) provides members with life insurance cover within superannuation. It does not provide superannuation account balances or investment returns to members. Some of the key features of the Category are:

- The Category does not offer a superannuation savings facility and the Trustee will only accept contributions and rollovers to pay the premiums for insurance policies held through the Category
- The Trustee can claim a tax deduction for the premium it pays and it may offset this against the tax payable on any contributions made by your employer or contributions made by you that are tax deductible
- An amount will only be payable from the Category if Zurich pays a benefit because an insured event happens under the policy. The Trustee will only pay the amount it is entitled to receive from Zurich less any tax that must be withheld. All amounts are paid as superannuation benefits, in accordance with *superannuation law*, and applicable tax treatment.
- The Trustee will only accept your application for membership of the Category if your application for insurance is accepted by Zurich.

This PDS provides important information that will help you understand the types of insurance benefits available through the Category and the tax treatment that may apply, your options for meeting the costs of the insurance, and the potential risks of holding insurance through the Category.

In this PDS, 'you' means the person who will become the life insured (since the owner of the policy will be the Trustee).

The insurance benefits available

Zurich is the provider of life insurance cover to members of the Category. If your application for cover is accepted, Zurich will issue a life insurance policy to the Trustee and you will be the life insured under the policy. The Category provides you with access to various types of insurance cover from which you may select.

The insurance products offered through the Category are:

- **Zurich Wealth Protection** which provides the following types of insurance:
  - Life insurance – providing cover for death and terminal illness
  - TPD insurance – providing cover for total and permanent disablement or 'permanent incapacity'
  - Income protection insurance – providing cover for 'temporary incapacity' where you are unable to work to earn income due to sickness or injury.
- **Zurich Active** which provides the following types of insurance:
  - Cover for Death, terminal illness and a range of specified health events that result in 'permanent incapacity'.
  - Income protection insurance – providing cover for 'temporary incapacity' where you are unable to work to earn income due to sickness or injury.

The terms and conditions of the insurance cover, including limitations and exclusions, are described in the Zurich Wealth Protection PDS and the Zurich Active PDS, both dated 15 May 2017. The amount of cover you select and any special conditions Zurich applies to your cover, will be set out in a policy schedule. A copy of the policy schedule will be sent to you by Zurich if your application is accepted.

You will only be entitled to a benefit from the Category if a benefit is paid by Zurich because an insured event occurs while you are covered under the policy, and you have satisfied a condition of release under superannuation law. The insured events under the policies offered in the Category are consistent with the conditions of release. If a benefit is payable under a policy the Trustee will normally direct Zurich to pay it to you or your beneficiaries as a superannuation benefit.

The cost of insurance

The cost of insurance is referred to as the premium and is determined by Zurich. Zurich may charge a management fee as part of the premium. The Trustee pays the premium including any management fee charged by Zurich with amounts you contribute or rollover to the Category. The Trustee does not charge any additional management fees or costs to members of the Category.

The actual cost for you will depend on the insurance cover you select and a range of factors as explained in Zurich's PDS. Your financial adviser can provide you with a quotation that will set out the indicative cost of your insurance for the first year of the policy.

Paying for insurance through superannuation

Premiums can be paid either by you or your employer making superannuation contributions to the Category or by rolling over benefits from another superannuation fund. Some conditions apply to the types of contributions and rollovers that can be accepted by the Trustee as explained below. The Trustee has arranged for Zurich to accept contributions and rollovers to the Category on its behalf and then to immediately apply the amounts collected to pay premiums.

Making contributions to superannuation

Contributions can be paid yearly, half-yearly, quarterly or monthly, and must be in Australian dollars. To pay by credit card or direct debit from an Australian bank account, you must provide a valid authority to enable the contribution to be deducted when due. You can authorise your adviser to do this for you. Any direct debit instruction you provide is subject to the terms of the Direct Debit Request Service Agreement as set out in the application form. Cheques are not accepted.

If you choose to pay the premium yearly, contributions can also be made by BPAY®. If you choose to make contributions by BPAY® Zurich will provide you with payment instructions once a policy has been issued and when the policy becomes due for renewal each year.

As the Category does not offer a superannuation savings facility, the Trustee cannot accept contributions in excess of the premiums due for insurance held in the Category. The Trustee is also unable to accept Government Contributions into the Category.

® Registered to BPAY Pty Ltd ABN 69 079 137 518.

Eligibility to contribute to superannuation

To make contributions to the Category, certain conditions must be met, depending on your age and who is making the contribution. Generally, you are eligible to contribute to superannuation (or have contributions made on your behalf) if you are under age 65, or aged 65 to 74 and have worked at least 40 hours in a period of not more than 30 consecutive days in the financial year in which contributions are made.

Limits on superannuation contributions made each financial year

Contribution caps limit the amount of contributions that can be paid into the superannuation system for you each financial year, whether they are made to one or more superannuation funds. It is your responsibility to ensure you do not exceed these caps. Penalties may apply where these caps are exceeded.

Tax on contributions

Generally the Trustee is required to pay tax of 15% on concessional contributions (employer contributions and, if you are eligible, personal contributions that you advise the Trustee you intend to claim as a tax deduction). However, premiums paid are generally tax deductible to the Trustee, so that any tax payable on contributions will be offset by the amount of the tax deduction available.

An additional tax of 15% applies to certain concessional contributions that do not exceed the concessional contributions cap, that, when added to an individual's taxable income and certain other amounts, exceed $300,000 until 30 June 2017 and $250,000 from 1 July 2017. This additional tax is levied on the individual, not the superannuation fund, and cannot be offset by the tax deduction available to the Trustee.

If you pay premiums by making non-concessional contributions (for example, where you are not eligible to claim a tax deduction for personal contributions, or your spouse makes after tax contributions for you) the Trustee will not pass on to you the benefit of any tax deduction on premiums.

Paying premiums by rollover from another superannuation fund

If your premiums are paid yearly, you may pay by rollover from another superannuation fund. If you choose this option, you must provide a valid authority that instructs the Trustee to request from your nominated fund the amount required. You may do this by providing an Enduring Rollover Authority, which allows the Trustee to request your nominated fund to roll over benefits each year until you revoke the instruction. Your nominated fund may apply limits or other conditions on rollovers, such as minimum withdrawals, and may charge fees for processing your request. You should check the terms and conditions with you nominated fund, and ensure there is a sufficient balance in your account to cover the rollover each year.

If you roll over from another complying taxed superannuation fund, the Trustee's current practice is to pass on the benefit of the tax deduction available for premiums, by reducing the rollover amount required to cover the premium due. For example, if the premium due is $1,000 (excluding the management fee) and the value of the tax deduction is $150, the portion of the premium to be paid by the rollover is reduced to $850. You will be notified of the reduced amount required before the rollover request is sent to your nominated fund. Any changes to this practice will be communicated to you with advance notice.

The Trustee is required to pay tax of 15% on the untaxed element of an amount rolled over from another superannuation fund. This tax may also be offset by a tax deduction available to the Trustee on the premiums.

The Trustee is unable to accept rollovers that contain United Kingdom (UK) transfer or New Zealand KiwiSaver transfer amounts. The Trustee is also unable to accept rollovers that are not equal to the specific amount due. Rollovers that cannot be accepted will be returned to the transferring superannuation fund. If a rollover is returned, you will be requested to provide alternate instructions so that the premium can be paid.

Non-payment of premium

Contributions or rollovers must be received when the premium is due for payment. The Trustee has arranged for Zurich to notify you directly of the premium obligations. If contributions or rollovers are not received by Zurich when the premium is due, Zurich will be entitled to cancel the insurance after giving notice to you.

If a payment sufficient to meet the amount due is not made by the date notified, Zurich will then cancel the insurance and you will cease to be a member of the Category.

Cooling-off period

You have a 21 day cooling-off period after your membership of the Category commences during which time you can cancel your insurance if you decide that it does not meet your needs. You will be entitled to a refund of the premium and any management fee that you have paid but subject to tax and superannuation preservation rules imposed by the law. See the section below titled 'Refunds' for more information.

If you wish to use the cooling-off period, you must not have made a claim and must notify Zurich within 21 days of the earlier of:

- the date you receive your copy of the policy schedule from Zurich, or
- the end of the 5th day after the policy was issued, and your membership commenced.

Refunds

Superannuation contributions and rollovers received into the Category are subject to superannuation preservation rules. In cases where a premium is refunded by Zurich to the Trustee (for example, a part refund of a yearly premium where cover is cancelled before the next cover anniversary, or a full refund of the initial premium paid where cover is cancelled in the cooling off period), the refund must be rolled over to another complying superannuation fund. Any tax that would otherwise have been offset by a deduction available to the Trustee for insurance premiums will be deducted from the amount refunded and the balance transferred to the other fund.

The AUSfund Eligible Rollover Fund

The Trustee may transfer any refund of premiums to an Eligible Rollover Fund (ERF) if you do not nominate a superannuation fund for the transfer. The ERF presently nominated by the Trustee for this purpose is the AUSfund Eligible Rollover Fund.

The Australian Prudential Regulation Authority (APRA) has approved the AUSfund Eligible Rollover Fund to operate as an ERF. The Trustee reserves the right to change the chosen ERF without prior notice to you.

Should your superannuation benefit be transferred to the AUSfund Eligible Rollover Fund:

- your interest in (and membership of) the Category, including your insurance cover, will cease
- you will become a member of the AUSfund Eligible Rollover Fund and will be subject to its governing rules
- your account will be invested according to the investment strategy of the AUSfund Eligible Rollover Fund
- the AUSfund Eligible Rollover Fund may charge fees to your account
- you may not be offered insurance cover, and
- all subsequent enquiries relating to your benefit should be directed to:

AUSfund Eligible Rollover Fund
PO Box 543
Carlton South VIC 3053

Phone: 1300 361 798

Email: admin@ausfund.net.au

Website: www.unclaimedsuper.com.au

You should refer to the PDS for the AUSfund Eligible Rollover Fund for more information.

Benefit payments and tax

Zurich will not pay a benefit under an insurance policy held in the Category until the Trustee has determined to whom the benefit must be paid. This might be you, your legal personal representative or one or more of your dependants. Benefits paid from the Category are treated as superannuation benefits for tax purposes. Any tax payable on a benefit will be withheld before an amount is paid from the Category.

Lump sum benefits

If a benefit becomes payable, any tax must be deducted before a benefit is paid. The taxation of death benefits will depend on the relationship between the member of the Category and the beneficiary, the age of the beneficiary and whether the benefit is received in the form of a lump sum or income stream. If the beneficiary is a death benefits dependent (including any person who had an interdependency relationship with the deceased, as defined on the next page) the benefit may be paid free of tax. Otherwise, the death benefit will generally be taxed at up to 15% plus levies. If the benefit contains an untaxed element then a tax of 30% plus levies can apply.

The taxation of lump sum disablement benefits varies depending upon your circumstances. If the benefit qualifies as a disability benefit (requiring certification by two medical practitioners that you are unfit to ever be employed in a capacity for which you are reasonably qualified because of education, training or experience), there may be a tax-free component which can be received free of tax. The balance of the benefit may be taxable, depending on your age and other factors. If you are age 60 or older, only the untaxed element may be subject to a concessional tax rate of 15%. If you are between your preservation age (currently 56) but under age 60, the taxable component up to the low rate cap amount ($195,000 for the 2016/17 financial year, which may be indexed in future years) is received tax free. The taxable component above the low rate cap amount will be taxed at a maximum rate of 15% plus levies. If you are under your preservation age, the taxable component of the benefit will be taxed at a maximum of 20% plus levies.

The taxation of benefits paid under disability will vary if you are terminally ill. If you are certified terminally ill the Trustee is not required to withhold any tax on the payment of your benefit if you are under age 60 (once you are age 60 the benefit is tax-free). This effectively allows terminally ill members to receive their benefit tax-free. In order for the Trustee to pay your benefit under this measure you must be eligible to withdraw your superannuation benefit.

Income benefits

The benefits paid under your income protection insurance must be included in your tax return and will be taxed at your marginal income tax rate (except if benefits are transferred to another super fund and benefits payable on death).

Death benefit nominations

Binding death benefit nomination

If you die with a valid binding death benefit nomination, the Trustee must pay your death benefit to your nominated beneficiaries in the proportions specified in the nomination.

For a nomination to be valid:

- the proportion of your death benefit to be paid to each beneficiary must be clearly set out (and total 100%)
- the nomination must be signed and dated by you in the presence of two witnesses, both of whom are over 18 years of age and are not nominated to receive a benefit
- the nomination must have been made, or confirmed within 3 years of your death and
- you must not have revoked your nomination.

Each nominated beneficiary must be your dependant (refer below), or your legal personal representative (generally the executor of your will or the administrator of your estate).

Generally, you may choose for benefits to be paid as a lump sum or as a pension. However, benefits must be paid as a lump sum if they are payable to your legal personal representative or to a child aged over 18, unless the child is:

- under 25 and financially dependent on you immediately prior to your death, or
- permanently disabled.

Definition of dependant

A dependant includes:

- your current spouse (including de facto spouse) of either gender
- your children of any age (including adopted children, stepchildren and your spouse's children)
- someone who is financially dependent on you, or
- someone with whom you have an 'interdependency relationship'.

Two people have an 'interdependency relationship' if:

- they have a close personal relationship
- they live together
- one or each of them provides the other with financial support and
- one or each of them provides the other with:
  - domestic support and personal care, but not if one of them provides domestic support and personal care to the other under an employment contract or a contract for services or on behalf of another person or organisation such as a government agency, a body corporate or a benevolent or charitable organisation or
  - support or care of a type and quality normally provided in a close personal relationship, rather than by a mere friend or flatmate.

Two people also have an interdependency relationship if they have a close personal relationship but they do not meet the other requirements of interdependency because:

- either or both of them suffer from a disability including a physical, intellectual or psychiatric disability or
- they are temporarily living apart.

A dependant must be alive and meet the definition of dependant immediately before your death.

What if a nominated beneficiary is not your dependant or your legal personal representative?

In such cases, the portion of the benefit to be paid to that nominated beneficiary will be paid as if there is no valid binding death benefit nomination.

No nomination

Where there is no valid binding death benefit nomination, the Trustee must pay the death benefit (or applicable proportion) in accordance with the trust deed. This generally means that the benefit will be paid to your legal personal representative, unless the Trustee:

- is unable to identify your legal personal representative within 6 months of the Trustee being notified of your death or
- has reason to believe your estate is insolvent.

If either of the above apply, benefits are instead paid to spouses or, if none, children in equal shares (where there are more than one). For example, if you have no spouse and two children, both children would receive 50%.

Note that a person is only a 'spouse' or a 'child' if the Trustee is aware of the person's existence and is satisfied of their status as such.

Risks of holding insurance through superannuation

There are risks you should consider before deciding to hold insurance through superannuation, including:

- A benefit paid from the Category is a superannuation benefit for tax purposes and it may be subject to more tax than would otherwise apply if the benefit was paid from the same insurance held outside of superannuation.
- Limits apply to the amount you can contribute to superannuation each year. Any contributions you make to the Category in order to pay premiums will reduce the amount you may be able to contribute to other superannuation accounts you hold for retirement savings purposes.
- Where you choose to pay premiums by rollover from another superannuation fund, your retirement savings will be reduced so that you may have less available to you on retirement than otherwise may have been the case.
- Taxation or *superannuation law* may change in the future, altering the suitability of holding insurance in superannuation.

Your adviser and how to apply

This product is available through financial advisers, referred to in this PDS to as 'your adviser'. Your adviser may act as your agent and lodge on your behalf an application for membership of the Category. If your application is accepted, Zurich may pay your adviser a commission for selling the insurance. You can obtain details from your adviser of any commission paid.

Your adviser can assist you to make an application for membership of the Category, along with an application for insurance. If your adviser lodges an online application on your behalf, the adviser is required to confirm that they have authorisation to act as your agent. It is your responsibility to ensure that the information provided to Zurich and the Trustee by your adviser is accurate and complete. The Trustee will rely on the accuracy of the information provided via the online application as if a paper application was signed and submitted by you.

Applications for membership of the Category can only be accepted after the insurance application has been accepted by Zurich. In accepting your application, the Trustee will rely on declarations and authorisations made by you, either directly or via your agent, relating to the following matters:

- You have appointed your adviser to act on your behalf in relation to the application and, if you choose to submit an online application, you have appointed your adviser to complete and lodge an application as your agent.
- You have received this PDS and Zurich's PDS(s) for the insurance product(s) you have chosen to apply for.
- You confirm the information supplied in connection with the application is true and correct and no information material to the application has been withheld.
- You authorise the collection of premiums from the account designated in the application, and where you have designated a bank account, you confirm you have received a copy of the Direct Debit Request Service Agreement.
- You have read the Privacy Statement and the anti-money laundering terms and conditions contained in this PDS (see pages 7 and 8).
- Where you have chosen to have premiums paid by making new contributions to superannuation, you are eligible to do so under *superannuation law*.

Tax file number collection

Collection of tax file numbers (TFNs) is authorised under law. The Trustee will only use your TFN for purposes authorised by law. The purposes currently authorised include:

- taxing benefit payments at lower rates than may otherwise apply
- passing your TFN to the Australian Taxation Office
- allowing the Trustee to provide your TFN to the trustee of another superannuation fund or Retirement Savings Account if your benefit is transferred to that fund. However, the Trustee will not do so if you advise in writing that you do not want it to be passed on, and
- locating accounts in the Zurich Master Superannuation Fund or consolidating certain accounts within the superannuation environment.

Declining to quote your TFN is not an offence, however, if you do not provide your TFN:

- the Trustee cannot accept contributions made by you or someone on your behalf (other than your employer)
- certain concessional contributions and other amounts may be subject to an additional no-TFN tax
- you may pay more tax on your superannuation benefits than you have to, and
- it may be more difficult to find your superannuation benefits if you lose contact with your superannuation fund.

As a consequence, the Trustee will not accept your application for membership of the Category until you provide your TFN.

Privacy

Your privacy is important to the Trustee. This statement explains how personal information can be used or disclosed and provides information about your privacy rights.

As the Trustee will own the insurance policy, all information provided in your insurance application to Zurich may be shared with the Trustee. Similarly, information collected by Zurich in assessing claims or managing the insurance may also be supplied to the Trustee.

By completing the application you agree to the Trustee collecting, using and disclosing your personal information to:

- communicate with you and your adviser about the application and any cover Zurich provides for you
- monitor, audit, evaluate and otherwise administer your fund membership and insurance, and
- assess, process and investigate any insurance claims.

The Trustee collects personal information through our interactions with you, as well as from public sources, information brokers and the third parties. The Trustee may take steps to verify information collected. If you do not supply the personal information requested, the Trustee may not be able to offer membership of the fund to you.

The references in this Privacy Statement to personal information include sensitive information such as medical and health related details. If required to assess your application, administer your policy or process any claims, Zurich and the Trustee may seek further information from any medical attendant consulted by the life insured.

You agree that the Trustee may disclose personal information about you to Zurich and other companies in the Zurich Insurance Group Ltd and external service providers (as described in Zurich's Privacy Policy). Some of these third parties may be located outside of Australia. Where this occurs we take reasonable precautions to ensure your information is kept secure.

The Trustee may also disclose your personal information:

- if acting in good faith, we believe that the law requires or permits the Trustee to do so
- if you consent, or
- to the doctor identified in your application in the event that any medical tests that Zurich has requested return an abnormal result.

The personal information will also be provided to your adviser in connection with your application and ongoing management of your membership. This excludes the release of any reports sourced by Zurich from any outside parties. You can instruct Zurich not to supply your adviser with any medical information received in the declaration that forms part of your application.

We are required or authorised to collect certain personal information about you under the *Superannuation Industry (Supervision) Act 1993* (Cth) and the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth). Under the *Privacy Act 1998* (Cth), you may request access to your personal information held by the Trustee. You can contact the Trustee to make such a request or for any other reason relating to the privacy of your personal information.

For further information about Zurich's Privacy Policy, a list of service providers and business partners that they may disclose your information to, a list of countries in which recipients of your information are likely to be located, details of how you can access or correct the information they hold about you or make a complaint, please refer to the Privacy link on the Zurich homepage – www.zurich.com.au, contact them by telephone on 132 687 or email Zurich at privacy.officer@zurich.com.au

Anti-money laundering and counter terrorism financing

Zurich is required to satisfy various regulatory and compliance obligations, including under the *Anti-Money Laundering/Counter-Terrorism Financing Act 2006* (Cth). As a member of a Superannuation Fund, you must complete the Customer Identification forms (either included in the application form or available from us on request), and provide the required identity verification information.

Zurich may, from time to time, require additional information from you, which you must provide. In accordance with our obligation, Zurich will monitor your transactions and may also delay or refuse to process certain transactions. We may also be required to disclose information about you to a regulator or law enforcement body.

Residency and applicable laws

Zurich policies are designed for customers who are resident in Australia. If you move to another country outside of Australia, the policy may no longer be suitable for your individual needs, and you may no longer be eligible to pay premiums. The local laws and regulations of the jurisdiction to which you move may affect Zurich's ability to continue to service your policy in accordance with its terms and conditions.

You need to tell Zurich of any planned change in residency before the change happens.

We do not offer tax advice, so if you decide to live outside Australia, we recommend obtaining advice on the tax consequences of changing your country of residence in relation to your policy. We will not be held liable for any adverse tax consequences that arise in respect of you or your policy as a result of such a change in residence.

A change in residency might require Zurich to suspend or terminate your insurance (if any) accordingly.

We and other companies within the worldwide Zurich group of companies have obligations under Australian and foreign laws. Regardless of any other policy terms and conditions, Zurich and the Trustee reserves the right to take any action (or not take any action) which could place us or another company within the group at risk of breaching Australian laws or laws in any other country.

All financial transactions, including acceptance of premium payments, claim payments and other reimbursements, are subject to compliance with applicable trade or economic sanctions laws and regulations.

Zurich may terminate a policy where you are considered to be a sanctioned person, or you conduct an activity which is sanctioned, according to trade or economic sanctions laws and regulations. Further, neither Zurich nor the Trustee will provide any cover, service or benefit to any party if we determine this places Zurich or the Trustee at risk of breaching applicable trade or economic sanctions laws or regulations.

Each policy is based on the legal and regulatory requirements applicable at the time the policy is issued. Should the legal and regulatory requirements change in a material way, Zurich is entitled to adapt the terms and conditions to the changed legal and regulatory requirements, provided the change is lawful.

The Zurich Master Superannuation Fund

The Zurich Master Superannuation Fund (the Fund) is a resident, complying and regulated superannuation fund within the meaning of *superannuation law*. The Fund is not subject to a direction from APRA under Section 63 of the *Superannuation Industry (Supervision) Act 1993* (Cth). A direction under Section 63 would prohibit acceptance of any contributions made by an employer sponsor.

The Trust Deed and Rules of the Fund sets out the powers and duties of the Trustee and the rights and obligations of the members of the Fund. A copy of the Trust Deed and Rules is available at zurich.com.au or a copy can be sent to you on request.

An annual fund report about the management and financial condition of the Fund for the period to 30 June is prepared each year. You can view the annual fund report online at zurich.com.au. You may elect to have a hard copy of the annual fund report sent to you free of charge. Even where you do not elect to receive a hard copy of the annual fund report, we will provide you with a summary of significant events that may impact the Fund each year.

Who to contact

In the first instance, enquiries should be directed to Zurich:

General enquiries

Telephone: 131 551

Email: client.service@zurich.com.au

Post: Zurich Australia Limited
Locked Bag 994
North Sydney NSW 2059

Claims

Telephone: 131 551

Email: life.claims@zurich.com.au

Post: Zurich Life Claims
Locked Bag 994
North Sydney NSW 2059

You should be aware that all telephone conversations with you or your adviser are recorded.

What to do if you have a complaint

Superannuation law requires the Trustee to take all reasonable steps to ensure that complaints are properly considered and dealt with within 90 days. If you have a complaint:

- contact your adviser and discuss your enquiry or complaint with them
- if you are not satisfied with the result, telephone us on 131 551, or
- it may then be necessary to write to us.

Complaints Officer
Zurich Australian Superannuation Pty Limited
Locked Bag 994
North Sydney NSW 2059

We will ordinarily respond to your written enquiry or complaint as soon as possible but within 45 days of receipt. If you are still not satisfied with our response, after 90 days, you may wish to refer the matter to the Superannuation Complaints Tribunal (SCT), an independent body set up by the Federal Government to review trustee decisions relating to individual members.

You can contact the SCT on 1300 884 114 or via email at info@sct.gov.au.

Zurich Australian Superannuation Pty Limited
ABN 78 000 880 553, AFSL 232500
5 Blue Street, North Sydney NSW 2060
www.zurich.com.au

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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
www.zurich.com.au

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