

# Group Salary Continuance Insurance Product Information Booklet

June 2017





## About AIA Australia

AIA Australia Limited (hereafter referred to as "AIA Australia") is an independent life insurance specialist with over 40 years of experience building successful partnerships. One of the country's leading life insurers, AIA Australia offers a range of products that protect the financial health and welfare of more than three million Australians.

AIA Australia is one of the country's largest group life insurers by market share and works closely with major financial institutions and corporate partners.

In addition, AIA Australia offers retail insurance products through financial advisers and a valued network of affinity partners.

By having a partnership philosophy at the core of its business, AIA Australia is focused on building sustainable relationships that add true value to its business partners. We've received numerous industry awards<sup>1</sup> over the last few years which stand as a testament to our commitment to productive partnerships; more information can be found on the following page.

AIA Australia is part of the AIA Group Limited, a market leader in life insurance across the Asia Pacific region with more than 90 years' experience.

## About AIA

AIA Group Limited and its subsidiaries (collectively "AIA" or the "Group") comprise the largest independent publicly listed pan-Asian life insurance group. It has a presence in 18 markets in Asia-Pacific – wholly-owned branches and subsidiaries in Hong Kong, Thailand, Singapore, Malaysia, China, Korea, the Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau, Brunei, Cambodia, a 97 per cent subsidiary in Sri Lanka, a 49 per cent joint venture in India and a representative office in Myanmar.

The business that is now AIA was first established in Shanghai almost a century ago. It is a market leader in the Asia-Pacific region (ex-Japan) based on life insurance premiums and holds leading positions across the majority of its markets. It had total assets of US\$185 billion as of 30 November 2016.

AIA meets the long-term savings and protection needs of individuals by offering a range of products and services including life insurance, accident and health insurance and savings plans. The Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of agents, partners and employees across Asia-Pacific, AIA serves the holders of more than 30 million individual policies and over 16 million participating members of group insurance schemes.

## Information about AIA Australia

### Partnering specialists

AIA Australia understands that the need of every client is different. That's why AIA Australia offers a flexible approach to life insurance. We can combine different types of cover within a single policy, tailoring specific solutions to deliver the most effective level of protection for our clients' needs. Our fresh and intelligent approach can add value, efficiency and a competitive advantage to our clients' business.

- We are one of Australia's largest group life insurers with 26.7% market share (Strategic Insight, October 2016).
- We provide solutions to some of Australia's major financial institutions and corporate partners.
- We also offer retail insurance products through financial advisers and through a valued network of affinity partners.
- We have been the recipient of multiple group insurance industry awards, including the ANZIFF Life Insurance Company of the Year (2016), FSC Life Insurance Consumer Innovation award (AIA Vitality 2017 and eClaims 2016), AB+F Life Insurance Product of the year award (AIA Vitality 2016), iSelect Life Insurance Company of the year award (2016) and iSelect Partner of the year award (2016), and Super Review's Life Insurance Company of the Year (2015) .
- We care for the health, insurance and rehabilitation needs of more than three million Australians
- AIA Australia employs almost 850 full time staff across Australia.

### Committed to the community

The AIA Australia philosophy is simple – helping people when they need it most. We want people to have adequate life insurance. We pay the claims that should be paid. We have the knowledge and experience to engage in controlled risk taking rather than risk avoidance. We are constantly reviewing our underwriting tools, such as non-medical limits, to minimise inconvenience to our clients and ultimately the lives insured.

We adopt a professional and positive approach to claims assessment to ensure claims are paid promptly.

### Entrepreneurial culture

Our aim is to set industry standards in both product and service through our experienced and approachable team and by providing comprehensive, flexible group insurance solutions.

AIA Australia's employees work as a team to deliver some of the industry's most innovative life insurance solutions, with the aim of providing a worry free future to our customers.

We are passionately committed to providing an efficient and sensitive claims service that will help our customers when they need it most.

### Experienced and proactive team

Our Business Development Team brings with them years of experience and insight in group insurance. We understand the specific needs of Australian group insurance clients and have superannuation fund and employer owned policy group insurance experience. The Business Development Team is supported by some of the industry's best group claims, actuarial, underwriting, administration and account management personnel from a myriad of backgrounds including superannuation, financial planning, consulting and administration to name but a few. We also provide all the technical and communication support required by our clients.

Our commitment to you is a long term one. We build open and rewarding relationships through which we can continuously improve our product offering, as well as the way we work together, to create as much value as possible for you and your clients.

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# 1. Information about this Policy

## 1.1 Who issues the Product Information Booklet?

This Product Information Booklet ("PIB") is issued by AIA Australia Limited (ABN 79 004 837 861, AFSL 230043) ("AIA Australia"), which describes the main features of AIA Australia's Group Salary Continuance Insurance ("SCI") product.

AIA Australia is located at 509 St Kilda Road, Melbourne, 3004, Australia.

This PIB and the corresponding **Policy Schedule**, when issued together, form the **Policy**.

This PIB is only available to persons receiving the offer and making an application in Australia. It is not an offer, invitation or recommendation by AIA Australia. Applications from outside Australia will not be accepted. AIA Australia is also not bound to accept any application.

This PIB has been prepared with the intention of providing you with important information about AIA Australia's Group Salary Continuance insurance product. Any financial product advice contained in this PIB is of a general nature only and has been prepared without taking into account your objectives, financial situation or needs. Therefore, before making any decision, you should consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If you are deciding whether to acquire this **Policy**, you should read this PIB before making your decision. Anyone making this PIB available to another person must provide them with the entire electronic file or printout. We will also provide a paper copy of the PIB on request without charge.

In this PIB and in the **Policy Schedule** (when issued) any reference to:

- "AIA Australia", "we", "us", "our" or "the insurer" means AIA Australia Limited (ABN 79 004 837 861, AFSL 230043).
- "You", "client" means any potential customer likely to become a person insured unless otherwise specified.
- "Product Information Booklet" means the insurance plan referred to in the PIB unless otherwise specified.

## 1.2 How to interpret AIA Australia's Product Information Booklet

Some words or expressions used in this PIB have a particular meaning. These words are expressed in bold, capitalised and explained in Section 13 of this PIB.

The documents issued by us that make up your **Policy** are:

1. This PIB;
2. The **Policy Schedule** issued and signed by us; and
3. Any riders or endorsements issued and signed by us.

Whether the **Policy** is ordinary (non-superannuation) or superannuation business will be set out under **Policy Type** in the **Policy Schedule** issued by us.

## 1.3 Implementing a Policy

In general, AIA Australia provides group insurance to organisations such as employers, superannuation funds, associations or other Australian based institutions where there is commonality in the membership and where those organisations have 200 or more lives to be insured on a consistent basis.

In some cases, AIA Australia will provide **Cover** to Australian organisations with less than 200 lives where those organisations, usually employers, operate and have offices in multiple countries.

After consultation with you, AIA Australia will provide a quotation summary which should be considered in conjunction with this document.

In order to implement an AIA Australia group insurance **Policy**, we require the following:

1. Acceptance by email from you of our terms and the time and date you would like us to assume risk from (we will then confirm we are on risk by return email, issue an invoice and a partially completed group insurance Proposal Form); and
2. A fully completed group insurance Proposal Form; and
3. Payment of the required deposit premium.

Once all these are received, we will assist you in completely installing the group insurance **Policy** and underwriting members where necessary.

**Cover** for eligible persons does not commence until either AIA Australia notifies you in writing that risk has been accepted or by the issuance of a **Policy**.

## 1.4 Policy Owner

All benefits payable under the **Policy** are paid to the **Policy Owner** unless otherwise instructed in writing by the **Policy Owner**.

## 1.5 Assignment of Policy

The **Policy** can be assigned in accordance with the *Life Insurance Act 1995* (Cth) with our prior written consent. If we allow the assignment, the assignee will be recorded as the new **Policy Owner** with all the rights, powers, duties, obligations and privileges of the original **Policy Owner**.

## 1.6 Variations to the Policy

Once the **Policy** is issued by us, any changes or variations to the **Policy** terms and conditions made after the **Policy** is first issued, must be agreed and issued by us in the form of an endorsement or rider.

## 1.7 Termination of the Policy

1. The **Policy Owner** may terminate the **Policy** at any time by giving prior written notice. **We** shall refund any premium for any period of unexpired risk and where applicable the **Policy Owner** must pay all outstanding premiums up to the date the **Policy** is terminated.
2. AIA Australia will give the **Policy Owner** 30 day's written notice of its intention to terminate the **Policy**.

## 1.8 Currency

All payments to or from us are to be made in Australian dollars.

## 1.9 Duty of Disclosure

If you are the **Policy Owner**, you have a duty to tell us anything that you know, or could reasonably be expected to know, which may affect our decision to insure you and any other **Insured Member** and on what terms.

You have this duty until we agree to insure you, and also before you extend, vary or reinstate the **Policy**.

You do not need to tell us anything that:

1. reduces our risk;
2. is common knowledge;
3. we know or should know as an insurer; or
4. we waive your duty to tell us about.

If you are an **Insured Member** (other than the **Policy Owner**), any failure by you to tell us this information may be treated as a failure by the **Policy Owner** to comply with this duty of disclosure.

### If you do not tell us something

We may apply the following rights separately to each type of cover that we consider could form a separate policy.

If you do not tell us something that you know, or could reasonably be expected to know, may affect our decision to provide the insurance and on what terms, this may be treated as a failure by the person entering into the contract to tell us something that he or she must tell us.

If you are the **Policy Owner** or **Insured Member**, and you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the contract within three years of entering into it.

If we choose not to avoid the contract, we may, at any time, reduce the amount you have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. However, if the 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 contract or reduce the amount you have been insured for, we may, at any time vary the contract in a way that places us in the same position we would have been in if you had told us everything you should have. However, this right does not apply if the contract has a surrender value or provides cover on death.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed. We may apply these rights separately to each type of cover that we consider could form a separate policy.

## 1.10 AIA Australia Privacy Statement

This section summarises key information in the AIA Australia Privacy Policy, which may be updated from time to time. For further information, please review the most up to date full version of the Privacy Policy on our website at [www.aia.com.au](http://www.aia.com.au). AIA Australia Limited is part of the AIA Group. Our customers' include any potential or former customers and any other individual referred to in the Privacy Policy on our website (together referred to as "**our customers**"). Our customers' privacy is important to us and AIA Australia Limited is bound by the privacy principles which apply to private sector organisations under the Privacy Act, and other laws which protect our customers' privacy.

AIA Australia Limited, AIA Financial Services Limited, AIA Group and their related bodies corporate and joint venture partners (together referred to as "**AIA Australia**", "**we**", "**us**" and "**our**") provide our customers the following notification and information about our Privacy Policy and their rights.

### Why we collect your personal information

We collect, use and disclose personal and sensitive information ("**Personal Information**") for purposes set out in our Privacy Policy, including to process our customers' applications, enquiries and requests in relation to insurance and other products, for underwriting and reinsurance purposes, to administer, assess and manage our customers' insurance and other products, including claims, and to provide, manage and improve our products and services. We may not be able to do these things without Personal Information. We may also collect, use and disclose Personal Information to understand our customers' needs, interests and behaviour, personalise our dealings with our customers, to verify our customers' identity, authority to act on behalf of a customer, maintain and update our records, manage our relationship with our customers, comply with local and foreign laws and

regulatory requests, detect, manage and deal with improper conduct and commercial risks, and for reporting, research and marketing purposes. Where our customers agree or we are otherwise permitted by law, we may also notify our customers of offers and other information about products or services we think may interest them. If our customers do not wish to receive these direct marketing communications, they may indicate this where prompted or by contacting us as set out in our Privacy Policy.

### How we collect, use and disclose your personal information

We may collect Personal Information from various sources including forms our customers submit and our records about our customers' use of our products and services and dealings with us, including any telephone, email and online interactions. We may also collect information from public sources, social media and from the parties described in our Privacy Policy. We are required or authorised to collect Personal Information under various laws including the Life Insurance Act, Insurance Contracts Act, Corporations Act and other laws set out in our Privacy Policy. Where our customers provide us with Personal Information about someone else they must have that party's consent to provide their Personal Information to us in the manner described in our Privacy Policy.

We may collect Personal Information from, and exchange Personal Information with, our related bodies corporate including without limitation, joint venture entities ("**Affiliates**") and third parties, including the **Insured Member**, policy owner or beneficiaries of an insurance policy, our and our Affiliates' service providers and contractors, our customers' representatives or intermediaries (including without limitation, our customers' financial advisers and the Australian Financial Service Licensee they represent, the distributors of our customers' insurance policies, the trustees or administrators of our customers' superannuation funds, our customers' employers, unions of current and former staff members of ours (including contractors) or anyone acting on our customers' behalf including any other representative or intermediary ("**Representatives**"), our customers' bank or health providers, partners used in our activities or business initiatives, reinsurers, insurance brokers and intermediaries, our distributors and clients, regulatory and law enforcement agencies, and other parties as described in our Privacy Policy. Parties to whom we disclose Personal Information may be located in Australia, South Africa, the US, the United Kingdom, Europe, Asia and other countries including those set out in our Privacy Policy and our customers acknowledge that Australian Privacy Principle 8.1 (which relates to cross-

border disclosures) will not apply to the disclosure, we will not be accountable for those overseas parties under the Privacy Act and our customers may not be able to seek redress under the Privacy Act.

Where we provide Personal Information to a third party, the third party may collect, use and disclose the Personal Information in accordance with their own privacy policy and procedures. These may be different to those of AIA Australia.

### Other important information

By providing information to us or to Representatives, the trustees or administrators of superannuation funds, submitting or continuing with a form or claim, or otherwise interacting or continuing a relationship with us, our customers confirm that they agree and consent to the collection, use (including holding and storage), disclosure and handling of Personal Information in the manner described in the most up to date version of our Privacy Policy on our website and that our customers have been notified of the matters set out in this summary and the AIA Australia Privacy Policy before providing Personal Information to us. Our customers agree that we may not issue a separate notice each time Personal Information is collected.

Our customers must obtain and read the most up to date version of the AIA Australia Privacy Policy from our website at [www.aia.com.au](http://www.aia.com.au) or by contacting us on 1800 333 613 to obtain a copy. Our customers have the right to access the Personal Information we hold about them, and can request the correction of Personal Information if it is inaccurate, incomplete or out of date. Requests for access or correction can be directed to us using the details in the 'Contact us' section below. Our Privacy Policy provides more detail about our collection, use (including handling and storage), disclosure of Personal Information and how our customers can access and correct Personal Information, make a privacy related complaint and how we will deal with that complaint, and our customers' opt-out rights.

For the avoidance of doubt, the Privacy Policy applicable to the management and handling of Personal Information will be the most current version published at [www.aia.com.au](http://www.aia.com.au), which shall supersede and replace all previous Privacy Policies and/or Privacy Statements and privacy summaries that our customers may receive or access, including but not limited to those contained in or referred to in any telephone recordings and calls, websites and applications, underwriting and claim forms, Product Disclosure Statements and other insurance and disclosure statements and documentation.

## Contact us

If our customers have any questions or concerns about their Personal Information, they can contact us as set out below:

### The Compliance Manager

AIA Australia Limited  
PO Box 6111  
Melbourne VIC 3004  
Phone 1800 333 613

## 1.11 Statutory Fund

The **Policy** will be written in the AIA Australia Statutory Fund No. 1.

## 1.12 Prohibition of certain transactions

Despite anything to the contrary, there is no cover under this **Policy** and AIA Australia is not obliged to make any payments or to provide any services or benefits in relation to this **Policy** if:

1. such cover, payments, services or benefits; or
2. cover, payments, services or benefits provided by a third party in relation to or arising from the **Policy** (including by a reinsurer of AIA Australia to AIA Australia);

would contravene any United Nations resolutions, prohibitions or restrictions on trade or economic sanctions or would contravene any laws, government policy, regulatory guidance or regulator requests (including in relation to trade or economic sanctions) in Australia, the European Union or in any other jurisdiction applicable to the cover, payments, services or benefits by AIA Australia or the third party.

## 1.13 Any questions or concerns?

If you should have any questions or concerns about your **Policy**, please contact us directly on 1800 333 613 and we will promptly investigate your enquiry, referring it if necessary to our Internal Disputes Resolution Committee (IDRC).

Internal complaints are normally resolved within 45 days. In special circumstances, we may take longer. If this is the case, we will advise you.

If you are not satisfied with the response provided, you may refer your concerns to the independent Financial Ombudsman Service (FOS) if the **Policy** is not owned by a superannuation fund, or the Superannuation Complaints Tribunal (SCT) if the **Policy** is owned by a superannuation fund.

Details of each are as follows:

### Financial Ombudsman Service (FOS)

GPO Box 3  
MELBOURNE VIC 3001  
Telephone: 1300 78 08 08  
Fax: (03) 9613 6399  
Email: info@fos.org.au

### Superannuation Complaints Tribunal (SCT)

Locked Bag 3060  
MELBOURNE VIC 3001  
Telephone: 1300 884 114  
Fax: (03) 8635 5588  
Email: info@sct.gov.au

## 2. Product features at a glance

### 2.1 What product options are available?

<b>Waiting Period options</b>	30, 60 and 90 days						
<b>Benefit Period options</b>	2 year, 5 year, 10 year, To Age 60 and To Age 65 2 Year Top Up Benefit Expiry Option (only available with the To Age 65 <b>Benefit Period</b> )						
<b>Maximum Monthly Benefit</b>	<p>For the 2 year, 5 year, To Age 60 and To Age 65 <b>Benefit Periods</b>:</p> <table border="1" data-bbox="416 667 1485 851"> <tr> <td data-bbox="416 667 683 851">For the whole <b>Benefit Period</b>:</td> <td data-bbox="683 667 1485 851"> <p>\$30,000 (75% of first \$480,000 of annual <b>Income</b> inclusive of <b>SC Benefit</b><sup>†</sup> if applicable)</p> <p>Age 65 and above, the <b>Maximum Monthly Benefit</b> will be limited to \$10,000 per month (inclusive of <b>SC Benefit</b><sup>†</sup> if applicable)</p> </td> </tr> </table> <p>For the 10 year <b>Benefit Period</b>:</p> <table border="1" data-bbox="416 929 1485 1518"> <tr> <td data-bbox="416 929 683 1115">For the first 5 years of the <b>Benefit Period</b></td> <td data-bbox="683 929 1485 1115"> <p>\$30,000 (75% of first \$480,000 of annual <b>Income</b> inclusive of <b>SC Benefit</b><sup>†</sup> if applicable)</p> <p>Age 65 and above, the <b>Maximum Monthly Benefit</b> will be limited to \$10,000 per month (inclusive of <b>SC Benefit</b><sup>†</sup> if applicable).</p> </td> </tr> <tr> <td data-bbox="416 1115 683 1518">After the expiry of the first 5 years and for the balance of the <b>Benefit Period</b></td> <td data-bbox="683 1115 1485 1518"> <p>\$24,000 per month (60% of the first \$480,000 annual <b>Income</b>) plus <b>SC Benefit</b><sup>†</sup> if applicable.</p> <p>Age 65 and above, the <b>Maximum Monthly Benefit</b> will be limited to \$8,000 per month plus <b>SC Benefit</b><sup>†</sup> if applicable.</p> <p>A reduction in the replacement ratio does not change the <b>SC Benefit</b>.</p> <p>Where the <b>SC Benefit</b> has reduced or reduced to nil as a result of the total benefits payable exceeding the <b>Maximum Monthly Benefit</b>, after the expiry of the first 5 years, the reduced <b>SC Benefit</b> will be maintained for the balance of the <b>Benefit Period</b>.</p> </td> </tr> </table> <p><sup>†</sup>If the <b>SC Benefit</b> applies, variations will be stated in the <b>Policy Schedule</b>.</p>	For the whole <b>Benefit Period</b> :	<p>\$30,000 (75% of first \$480,000 of annual <b>Income</b> inclusive of <b>SC Benefit</b><sup>†</sup> if applicable)</p> <p>Age 65 and above, the <b>Maximum Monthly Benefit</b> will be limited to \$10,000 per month (inclusive of <b>SC Benefit</b><sup>†</sup> if applicable)</p>	For the first 5 years of the <b>Benefit Period</b>	<p>\$30,000 (75% of first \$480,000 of annual <b>Income</b> inclusive of <b>SC Benefit</b><sup>†</sup> if applicable)</p> <p>Age 65 and above, the <b>Maximum Monthly Benefit</b> will be limited to \$10,000 per month (inclusive of <b>SC Benefit</b><sup>†</sup> if applicable).</p>	After the expiry of the first 5 years and for the balance of the <b>Benefit Period</b>	<p>\$24,000 per month (60% of the first \$480,000 annual <b>Income</b>) plus <b>SC Benefit</b><sup>†</sup> if applicable.</p> <p>Age 65 and above, the <b>Maximum Monthly Benefit</b> will be limited to \$8,000 per month plus <b>SC Benefit</b><sup>†</sup> if applicable.</p> <p>A reduction in the replacement ratio does not change the <b>SC Benefit</b>.</p> <p>Where the <b>SC Benefit</b> has reduced or reduced to nil as a result of the total benefits payable exceeding the <b>Maximum Monthly Benefit</b>, after the expiry of the first 5 years, the reduced <b>SC Benefit</b> will be maintained for the balance of the <b>Benefit Period</b>.</p>
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<b>Superannuation Contributions Benefit (SC Benefit)</b>	Up to 15%						

## 2.2 What built-in product features are available?

Product Features	Description	Page
<b>Standard SCI Cover</b>	Available to all <b>Insured Members</b> , including <b>Permanent Employees, Casuals</b> and <b>Contractors</b>	11
<b>Automatic Uplift to new AAL</b>	We may apply an increased <b>AAL</b> to some <b>Insured Members</b> including those who have previously been restricted due to non-receipt of underwriting, had an exclusion applied, or a loading applied when taking over an existing group insurance policy	13
<b>Interim Accidental Cover</b>	Interim Accidental Cover will be provided up to \$15,000 per month while an <b>Insured Member</b> is being underwritten	14
<b>Waiver of Underwriting Loadings</b>	Where a <b>Policy</b> has more than 100 <b>Insured Members</b> , we are able to waive underwriting loadings for any formula driven, underwritten <b>Cover</b>	14
<b>Total Disability benefit</b>	If an <b>Insured Member</b> solely due to injury or sickness satisfies and continues to satisfy the definition of <b>Total Disability</b> , we will pay a <b>Monthly Benefit</b> up to the applicable <b>Benefit Period</b>	15
<b>Permanent Disability benefit (only applicable to the 10 year Benefit Period)</b>	If an <b>Insured Member</b> , due to having one of the specified listed <b>Medical Conditions</b> , satisfies the definition of <b>Permanent Disability</b> , we will pay a <b>Monthly Benefit</b> up to age 65	15
<b>Partial Disability benefit</b>	If an <b>Insured Member</b> due to injury or sickness satisfies and continues to satisfy the definition of <b>Partial Disability</b> , a proportionate <b>Monthly Benefit</b> will be paid up to the applicable <b>Benefit Period</b>	15
<b>Claims Escalation benefit</b>	In the event of a claim, the <b>Monthly Benefit</b> will be indexed each year	17
<b>Superannuation Contributions Benefit (SC Benefit)</b>	Provides a benefit to cover the cost of <b>Employer</b> superannuation guarantee contributions payable when an <b>Insured Member</b> is receiving a <b>Disability</b> benefit	14
<b>Waiver of Premium</b>	SCI premiums are waived while an <b>Insured Member</b> is on claim	17
<b>Death benefit while on claim</b>	If an <b>Insured Member</b> dies while we are paying a <b>Monthly Benefit</b> , an additional lump sum benefit equal to three times the <b>Monthly Benefit</b> payments will be paid	18
<b>Recurrent Disability</b>	No further <b>Waiting Period</b> will apply if an <b>Insured Member</b> has a relapse of the same sickness or injury within 12 months of receiving a <b>Disability</b> benefit	18
<b>Return to Work during the Waiting Period</b>	An <b>Insured Member</b> is permitted to return to work once, performing their usual duties without the <b>Waiting Period</b> restarting again	18
<b>Rehabilitation Expenses benefit</b>	Cost of approved rehabilitation return to work programs may be paid by AIA Australia	18
<b>Workplace Modification benefit</b>	If the <b>Insured Member</b> is being paid a <b>Disability</b> benefit and their place of employment requires modification in order for him or her to return to work, we may pay an additional benefit	18
<b>Rehabilitation Incentive benefit</b>	Additional benefit paid if the <b>Insured Member</b> returns to paid employment performing their full pre-disability duties and hours after attending a <b>Rehabilitation Program</b> and remains at this capacity in this paid employment for six consecutive months	18

Product Features	Description	Page
<b>Cover while on leave without pay</b>	<b>Cover</b> will continue for a maximum period of up to 24 months while on approved leave	23
<b>Cover while overseas</b>	<b>Cover</b> is provided 24 hours a day, all year round while the <b>Insured Member</b> is working or travelling overseas	23
<b>Extended Cover</b>	<b>Cover</b> will continue for a maximum period of 60 days after the <b>Insured Member</b> ceases to meet the <b>Insured Member Eligibility</b> criteria	24

### 2.3 What optional product features are available?

Benefit	Description	Page
<b>Cover beyond age 65</b>	<b>Cover</b> provided beyond age 65 for the 2 year, 5 year and 10 year <b>Benefit Periods</b> upon request. For plans with a To Age 65 <b>Benefit Period</b> , the 2 Year Top Up Benefit Expiry Option provides extended cover beyond age 65	17
<b>Continuation Option</b>	An <b>Insured Member</b> may be able to continue their SCI <b>Cover</b> once their employment ceases with the <b>Employer</b>	24
<b>Enhanced Death benefit</b>	If an <b>Insured Member</b> dies or is diagnosed with a <b>Terminal Illness</b> , we will pay three times the <b>Monthly Benefit</b> as a lump sum up to a maximum of \$60,000	19
<b>Accommodation benefit</b>	If an <b>Insured Member</b> is confined to a bed due to injury or sickness and required to stay more than 100 km away from their home, we will pay the accommodation costs of an immediate family member to stay nearby	19
<b>Family Care benefit</b>	If the <b>Insured Member</b> is <b>Totally Disabled</b> or <b>Permanently Disabled</b> and is dependent on an immediate family member for his or her essential everyday needs and consequently, the family member's income is reduced, we will pay an additional benefit	19
<b>Home Care benefit</b>	If the <b>Insured Member</b> is <b>Totally Disabled</b> or <b>Permanently Disabled</b> , confined to or near a bed and is totally dependent upon a paid professional home carer, we will pay an additional amount to cover the costs of the carer	19
<b>Nursing Care benefit</b>	If the <b>Insured Member</b> is <b>Totally Disabled</b> or <b>Permanently Disabled</b> and requires nursing care or hospitalisation during the <b>Waiting Period</b> , we will pay an additional benefit	19
<b>Overseas Assistance benefit</b>	If the <b>Insured Member</b> suffers <b>Total Disability</b> or <b>Permanent Disability</b> for a period in excess of three months while overseas, we will reimburse the cost of a single standard economy airfare to Australia upon the most direct available route or three times the <b>Monthly Benefit</b> whichever is the lesser	20
<b>Specific Injury benefit</b>	If an <b>Insured Member</b> suffers one of the listed Specific Injuries, the <b>Monthly Benefit</b> is payable for a specified benefit payment period	20
<b>Trauma benefit</b>	If an <b>Insured Member</b> suffers one of the listed Trauma Events, a lump sum benefit is payable	21

## 3. Eligibility Conditions, Commencement of Cover and Takeover Terms

### 3.1 Who can obtain Cover?

SCI **Cover** is available to all persons who satisfy the following:

1. the person is an **Employee** of the **Employer** including **Contractors** and **Casuals**;
2. the person meets the **Insured Member Eligibility** criteria as set out in the **Policy Schedule**;
3. the person is aged between the **Minimum Benefit Entry Age** and the **Maximum Benefit Entry Age** on the earlier of the day he or she is first eligible for **Cover** or the date that he or she applies for **Cover**; and
4. the person is an **Australian Resident** or holder of a **Visa**.

The table below sets out the availability of **Cover** under the **Policy**.

<b>Minimum Benefit Entry Age</b>	15
<b>Maximum Benefit Entry Age</b>	64*
<b>Maximum Cover Expiry Age</b>	60, 65 or 70 (as applicable)

\* 59 if 'To Age 60' **Benefit Period** applies

### 3.2 Cover availability

The type of SCI **Cover** available and the definition that will apply in the event of a claim will depend on the **Insured Member's** employment type and number of hours worked per week by the **Insured Member** at the time of disablement. The **Disability** definition which applies to an **Insured Member** may differ to the **Disability** definition which applied to the **Insured Member** at the time cover commenced.

<b>Employment Type</b>	<b>Applicable Disability definition</b>
<b>Permanent Employees</b> working on average 15 hours or more per week in the three months immediately prior to disablement <sup>2</sup>	<b>Standard or Permanent Disability</b> <sup>1</sup>
<b>Casuals</b> or <b>Contractors</b> working on average 15 hours or more per week in the three months immediately prior to disablement <sup>2</sup>	<b>Standard or Permanent Disability</b> <sup>1</sup>
<b>Permanent Employees</b> working on average less than 15 hours per week in the three months immediately prior to disablement <sup>2</sup>	<b>Alternative</b>
<b>Casuals</b> or <b>Contractors</b> working on average less than 15 hours per week in the three months immediately prior to disablement <sup>2</sup>	<b>Alternative</b>

1 The **Permanent Disability** definition only applies under the 10 year **Benefit Period**. Refer to clause 6.3 for eligibility and detailed description

2 Where the **Insured Member** has been employed for less than three months, over the **Insured Member's** period of employment.

### 3.3 Commencement of Cover

**Cover** for **Insured Members** will commence as follows:

1. Where **Cover** is accepted under Automatic Acceptance provisions, the later of the **Policy Commencement Date** or the date the **Insured Member** first meets the **Insured Member Eligibility** criteria;
2. Where **Cover** is accepted under **Takeover Terms**, the date the **Policy** commences with AIA Australia; or
3. Where **Evidence of Insurability** applies, the date AIA Australia advises you in writing that **Cover** has been accepted.

### 3.4 Takeover Terms (if applicable)

**Takeover Terms** may be available if you had similar insurance with another insurer before choosing to transfer the insurance to AIA Australia.

AIA Australia will apply **Takeover Terms** in accordance with the 'FSC Group Insurance **Takeover Terms**' as described in FSC Guidance Note No. 11.00. If applicable, this will be stated in the **Policy Schedule**.

**Insured Members** will be covered for benefits on underwriting terms no less favourable than those provided by the previous insurer, including forward underwriting limits, premium loadings, restrictions, exclusions and any limitations imposed on an **Insured Member** by the previous insurer.

AIA Australia requires details of previous acceptance terms for **Insured Members** who have **Voluntary Cover** and/or **Cover** in excess of the previous insurer's **AAL** within 90 days of the takeover date, unless otherwise agreed in writing.

AIA Australia reserves the right to request proof that a person under a previous group insurance policy has been satisfactorily underwritten for takeover of **Cover** to apply.

If underwriting exclusions or loadings do apply, these will be carried forward and applied above the AIA Australia's **AAL** or the previous insurer's **AAL** (as applicable) to form part of the **Takeover Terms**.

If alternative **Takeover Terms** are agreed to by us, these will be stated in the **Policy Schedule**.

In the event the **Policy** is terminated and transferred to another bona fide Australian life insurer, AIA Australia will comply with the FSC Group Insurance **Takeover Terms**, as described in FSC Guidance Note No. 11.00.

## 4. Automatic Acceptance

### 4.1 Automatic Acceptance

Where an **Automatic Acceptance Limit (AAL)** is applicable, AIA Australia will provide an **Insured Member Cover** up to the lesser of the specified **AAL** and the **Sum Insured** at standard **Premium Rates** without having to provide **Evidence of Insurability**.

### 4.2 Who is eligible for Automatic Acceptance?

A person who:

1. meets the **Insured Member Eligibility**; and
2. is aged between the **Minimum Benefit Entry Age** and the **Maximum Benefit Entry Age**;

will be provided with **Cover** up to the **AAL** (if any), from the first day the person meets the **Insured Member Eligibility** criteria (or on a later date as agreed to in writing by AIA Australia).

### 4.3 Conditions for Automatic Acceptance

Automatic Acceptance only applies to eligible persons who satisfy the **Insured Member Eligibility** and is subject to the following ongoing conditions:

1. The person is aged between the **Minimum Benefit Entry Age** and the **Maximum Benefit Entry Age**;
2. The **AAL** shown in the **Policy Schedule** is for an amount other than nil;
3. The **Insured Member Eligibility** ensures there is no ability for a person to choose to have **Cover** which is not consistent with the **Benefit Design**;
4. At least 75% of people who meet the **Insured Member Eligibility** are **Insured Members** under the **Policy**;
5. **Insured Members** join the **Policy** on the date they first meet the **Insured Member Eligibility**;
6. The **Sum Insured** for each **Insured Member** is calculated in accordance with the **Benefit Design**;
7. The **Policy** is the default superannuation fund of the **Employer** (condition limited to superannuation owned policies); and
8. **Insured Members** must be **At Work** on the date they first meet the **Insured Member Eligibility**, otherwise **New Events Cover** applies until the **Insured Member** is **At Work** for 30 consecutive days, at which point full **Cover** will be provided.

AIA Australia reserves the right to change the Automatic Acceptance conditions and/or **AAL** under the **Policy** at the end of the **Rate Guarantee Period**, or upon lapse of conditions (3), (5), (6) or (7) above.

**Evidence of Insurability** will be required for any person who does not meet the Automatic Acceptance conditions. **Cover** will commence from the date we accept the **Cover** in writing.

### 4.4 Variations in the Sum Insured

Subject to the Automatic Acceptance conditions described above, the **Sum Insured** amount in respect of an **Insured Member** will automatically increase or decrease in line with the **Benefit Design**. Any automatic increase in the **Sum Insured** will occur up to the higher of the **AAL** (if any) and the **Forward Underwriting Limit (FUL)**.

For plans of less than 50 lives, any automatic increases will be limited to a maximum increase of 30% in total within a given 12 month period.

The premium will be adjusted to take into account the variation in the **Sum Insured** in respect of an **Insured Member**.

### 4.5 Forward Underwriting Limit (FUL) and Cover over the AAL

**Evidence of Insurability** will be required once the **Sum Insured** for an **Insured Member** exceeds the **AAL** and/or where Automatic Acceptance conditions are not met. All **Insured Members** accepted for **Cover** above the **AAL** may receive a **FUL** in accordance with AIA Australia's underwriting rules. These rules may be altered from time to time.

### 4.6 Changes to the AAL

The **AAL** will apply for the duration of the **Rate Guarantee Period**, however, if the number of eligible **Insured Members** reduces below 75% (unless we agreed otherwise in writing) under the **Policy**, we reserve the right to reduce the **AAL**, after consultation with you.

When an **AAL** decreases, the lower **AAL** will apply to all **Insured Members** after that date with the exception of existing **Insured Members** whose **Sum Insured** is higher than the lower **AAL**, in which case they will maintain their existing **Sum Insured**.

When an **AAL** increases, the higher **AAL** may apply to some existing **Insured Members** above the previous lower **AAL**. This includes members who have previously been restricted due to non-receipt of underwriting, had an exclusion applied or a loading applied. Any loading, limitation or exclusion that previously applied to **Cover** above the lower **AAL** will also apply to **Cover** above the new higher **AAL**. AIA Australia will advise you in writing if we agree to do this. The higher **AAL** does not apply to any **Insured Members** who have previously been declined.

#### 4.7 Automatic uplift to the new AAL

If stated in the **Policy Schedule** when taking over an existing group insurance policy, if AIA Australia has offered an **AAL** which is more competitive than the level under the previous policy, AIA Australia may apply the new **AAL** to some members. This includes members who have been previously restricted due to non-receipt of underwriting, had an exclusion applied or a loading applied. Members declined under the previous policy will be restricted to the lower **AAL** or **FUL** (as applicable).

Any loading, limitation or exclusion that previously applied to **Cover** above the lower **AAL** will also apply to **Cover** above the new higher **AAL**. We will advise you in writing if we agree to do this. Any **Insured Members** who have been previously underwritten above AIA Australia's **AAL**, will continue to be covered up to the level provided under the previous policy.

## 5. Underwriting

### 5.1 When is underwriting required?

**Evidence of Insurability** is required in the following circumstances:

1. The proposed **Sum Insured** is in excess of the **AAL**;
2. The **Sum Insured** has automatically increased above the **AAL** or **FUL** in accordance with the **Benefit Design**;
3. The **Insured Member** is not eligible for an **AAL** due to not meeting **Automatic Acceptance** conditions;
4. An **AAL** does not apply to that **Policy**; or
5. The increase in an **Insured Member's Sum Insured** in the previous 12 month period, exceeds 30%, in which case, underwriting will be required (applicable to plans with less than 50 lives).

If **Evidence of Insurability** is required, an AIA Australia personal health statement is required to be completed in addition to any further underwriting evidence, the details of which may change from time to time and are available upon request.

Where a plan has more than 100 lives, AIA Australia will waive underwriting loadings for any formula driven, underwritten **Cover**.

As a result of the underwriting process, we will still record and advise of underwriting loadings for two reasons:

1. If at some point in the future the **Policy** is terminated with AIA Australia and transferred to another insurer that does apply loadings, these loadings can be applied.
2. Should a member affect a **Continuation Option**, the correct retail premium rate can be charged.

### 5.2 Underwriting information access

AIA Australia practices open communication with our intermediary clients and our **Insured Members**. Any party related to the **Policy** is welcome to contact AIA Australia's underwriting staff for explanations on non-standard decisions, opinions and assistance with their life insurance application. The AIA Australia client website is an ideal way of submitting underwriting evidence and tracking the current status of an **Insured Member's** life insurance application.

### 5.3 Non-Standard terms

Where a person is underwritten and standard acceptance terms are not offered by AIA Australia, alternate assessment terms will be offered wherever possible.

If this is the case, we may:

1. Apply a premium loading (e.g. + 50%) on the standard rates\*;

2. Apply an exclusion/s (e.g. spine, mental disorders, aviation);
3. Apply a combination of premium loadings and exclusions.

If we are unable to offer any acceptance terms for insurance **Cover**, we will decline the application for **Cover** in writing.

\*This loading will be recorded but not applied by AIA Australia unless an **Insured Member** affects a **Continuation Option** or if there are less than 100 members in the **Policy**.

### 5.4 Costs of underwriting

We will pay all reasonable costs for providing the information we require for underwriting of an eligible person. Any costs incurred outside Australia in connection with the underwriting of an eligible person must be paid by the eligible person.

We may reimburse these costs at our discretion.

### 5.5 Interim Accidental Cover

Interim Accidental Cover will be provided while a person is being underwritten, from the date we receive the application for **Cover**, until the earlier of:

1. The date we either accept or reject the application in writing;
2. The date the person is cancelling or withdrawing the application in writing;
3. 90 days elapsing from the date we received the application; and
4. The **Cover** would have otherwise ceased under the **Policy**. A benefit will be paid in the event of **Accidental Injury** resulting in **Disability**.

The maximum benefit we will pay is the lesser of the **Sum Insured** applied for and \$15,000 per month. Where an **AAL** or **FUL** applies, the amount applied for is the excess of the relevant **AAL** or **FUL**.

The maximum **Benefit Period** for Interim Accidental Cover will be the **Benefit Period** as described in the **Policy Schedule**.

The benefit will not be payable if, during the Interim Accidental Cover period, **Disability** is caused directly or indirectly by:

1. Engaging in any sport or pastime that AIA Australia would not normally cover at standard rates or terms; and
2. Other excluded events (as described under clause 9.5).

Interim Accidental Cover does not cover the **Insured Member** for any Optional Benefits under the **Policy**.

## 6. Built-in benefits

### 6.1 Benefit Eligibility for Total Disability and Permanent Disability definitions

An **Insured Member** working on average 15 hours or more per week in the three months (or where the **Insured Member** has been employed for less than three months, over the **Insured Member's** period of employment) immediately prior to disablement shall be entitled to claim under the **Total Disability Standard Definition** or, if eligible, **Permanent Disability** definition (as outlined in clause 6.3).

Where an **Insured Member** is working on average less than 15 hours per week in the three months (or where the **Insured Member** has been employed for less than three months, over the **Insured Member's** period of employment) immediately prior to disablement, the **Total Disability Alternative Definition** will apply.

### 6.2 Total Disability benefit

#### 6.2.1 When will we pay?

In the event that an **Insured Member** is **Totally Disabled** while the **Policy** is in force, a **Monthly Benefit** will be paid monthly in arrears if the **Insured Member**:

1. is **Totally Disabled** for at least 7 out of 12 consecutive days during the **Waiting Period**; and
2. remains **Disabled** for the balance of the **Waiting Period**; and
3. continues to be **Totally Disabled** after the expiry of the **Waiting Period** or after receiving a **Partial Disability** benefit is **Totally Disabled** immediately after ceasing to be **Partially Disabled** for the same or related condition.

#### 6.2.2 What will we pay?

The **Monthly Benefit** will be payable in accordance with the **Benefit Design**, subject to the **Maximum Monthly Benefit**. Where applicable, it will be limited to the **Automatic Acceptance Limit**, accepted level of Cover or **Forward Underwriting Limit**, less any Benefit Offsets.

At the end of the **Waiting Period**, the **Monthly Benefit** will be paid each month in arrears for the period the **Insured Member** is entitled to be paid. For a part month, we will pay one-thirtieth of the **Monthly Benefit** for each of the days the **Insured Member** is entitled to be paid.

In respect of **Total Disability** of any one **Insured Member**, the **Total Disability Monthly Benefit** will continue to be paid until the earliest of the events described in clause 9.2.

### 6.3 Permanent Disability benefit (applicable to the 10 year Benefit Period only)

#### 6.3.1 When will we pay?

In the event that an **Insured Member** is **Permanently Disabled** while the **Policy** is in force, a **Monthly Benefit** will be paid monthly in arrears up to age 65 if:

1. the **Insured Member**:
  - a) is **Permanently Disabled** for at least 7 out of 12 consecutive days during the **Waiting Period**; and
  - b) remains **Permanently Disabled** for the balance of the **Waiting Period**; and
  - c) continues to be **Permanently Disabled** after the expiry of the **Waiting Period**; or
2. the **Insured Member**:
  - a) is being paid a **Totally Disability** or **Partial Disability** benefit under the 10 year **Benefit Period**; and
  - b) is determined to be **Permanently Disabled** by us at any time within the 10 year **Benefit Period**.

#### 6.3.2 What will we pay?

The **Monthly Benefit** will be payable in accordance with the **Benefit Design**, subject to the **Maximum Monthly Benefit**. Where applicable, it will be limited to the **Automatic Acceptance Limit**, accepted level of **Cover** or **Forward Underwriting Limit**, less any Benefit Offsets.

At the end of the **Waiting Period** or during a period of **Total Disability** where we determine the **Insured Member** is **Permanently Disabled** (as applicable), the **Monthly Benefit** will be paid each month in arrears up to age 65. For a part month, we will pay one-thirtieth of the **Monthly Benefit** for each of the days the **Insured Member** is entitled to be paid.

In respect of **Permanent Disability** of any one **Insured Member**, the **Permanent Disability Monthly Benefit** will continue to be paid until the earliest of the events described in clause 9.2.

### 6.4 Partial Disability benefit

#### 6.4.1 When will we pay?

In the event that an **Insured Member** is **Partially Disabled**, a proportionate **Monthly Benefit** will be paid monthly in arrears if the **Insured Member**:

1. is **Totally Disabled** or **Permanently Disabled** for at least 7 out of 12 consecutive days during the **Waiting Period**; and
2. remains **Disabled** for the balance of the **Waiting Period**; and

- continues to be **Partially Disabled** after the expiry of the **Waiting Period** or after receiving a **Total Disability** or **Permanent Disability** benefit is **Partially Disabled** immediately after ceasing to be **Totally Disabled** or **Permanently Disabled** for the same or related condition.

#### 6.4.2 What will we pay?

The proportionate **Monthly Benefit** is calculated in accordance with the following formula:

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

Where:

A = The **Insured Member's Pre-Disability Income**;

B = The income earned by the **Insured Member** from their usual or alternative occupation during the period of **Partial Disability**. If the **Insured Member** takes annual leave or long service leave during the period of **Partial Disability**, this will include the income the **Insured Member** would have earned had they not taken such leave; and

C = The **Total Disability** or **Permanent Disability Monthly Benefit**.

For an **Insured Member** who is **Partially Disabled**, the **Partial Disability Monthly Benefit** will continue to be paid until the earliest of the events described in clause 9.2.

#### 6.5 Benefit Offsets

The **Monthly Benefit** payable to an **Insured Member** will be reduced by any amount which is paid or required to be paid under:

- Workers' Compensation, Motor Accident Compensation, Social Security or similar legislation in relation to the injury or sickness of the **Insured Member**;
- Any statutory or other government payments for loss of income in relation to the injury or sickness of the **Insured Member**;
- Any disability, injury or sickness insurance type policy (other than a lump sum TPD benefit received under any insurance policy); and
- Paid parental leave where an **Insured Member** continues to suffer a **Disability** during a period of paid parental leave.

Where a **Disability** benefit is payable, AIA Australia will also reduce the **Monthly Benefit** payable to an **Insured Member** by any remuneration component used in

determining the **Insured Member's Sum Insured** that is paid to the **Insured Member** from an employer while being paid a **Monthly Benefit**.

The **Monthly Benefit** will not however be reduced by **Income** earned from investments, annual leave, long service leave or any termination (redundancy) payments.

Sick leave will not be considered to be an offset except in the case where an employer provides unlimited sick leave to an **Insured Member** as part of their employment arrangements.

If any of the above payments are paid in the form of a commuted lump sum, AIA Australia will convert these to an equivalent monthly payment deemed to be 1/60th of the lump sum payment and offset benefit entitlements by this equivalent monthly benefit for a period of 60 months from the date of the lump sum payment.

#### 6.6 Superannuation Contributions Benefit (SC Benefit)

Where a **SC Benefit** applies, it will be stated in the **Policy Schedule**. Under the **SC Benefit**, an **Insured Member** will be provided with a benefit, in the event of **Disability**, to cover compulsory **Employer** superannuation contributions. The **SC Benefit** must be paid directly to a complying superannuation fund by the **Policy Owner** and will also be subject to any conditions of release under superannuation law. The **SC Benefit** cannot be paid to superannuation funds outside of Australia.

The maximum amount of the **SC Benefit** paid to the **Insured Member** for **Total Disability** or **Permanent Disability** is determined by applying the **SC Benefit** percentage stated in the **Policy Schedule** to the lesser of the following:

- Insured Member's Pre-Disability Income**; and
- Monthly Maximum Super Contribution Base** for the applicable income year.

In the case of **Partial Disability**, a proportional **SC Benefit** will be paid.

The **SC Benefit** will be reduced, and in some circumstances may be reduced to nil, where the total benefit payable would exceed the **Maximum Monthly Benefit**. In respect of the 10 year **Benefit Period**, after the expiry of the first 5 years, the reduced **SC Benefit** will be maintained for the balance of the **Benefit Period**.

## 6.7 Claims Escalation benefit

In the event of a claim, the **Monthly Benefit** will be indexed each year by the lesser of the CPI increase and 5%.

Escalation will apply following 12 continuous payments of **Disability** benefits, measured from the date when benefits first commenced and each subsequent 12 months a **Monthly Benefit** is paid in respect of an **Insured Member**.

The Claim Escalation benefit may apply to the 2 year **Benefit Period** If stated in the **Policy Schedule**.

In respect of the 10 year **Benefit Period**, after the expiry of the first 5 years of the **Benefit Period** and where a reduction in the replacement ratio applies, escalation will apply to the **Monthly Benefit** based on the reduced replacement ratio.

## 6.8 Cover beyond age 65 (optional)

### 6.8.1 2 year, 5 year and 10 year Benefit Periods

You can elect a **Cover Expiry Age** of 70 subject to the terms and conditions outlined below:

If an **Insured Member's Total Disability** or **Partial Disability** commences on or after the **Insured Member's** 65th birthday, the following restrictions will apply:

1. Any **Total Disability** or **Partial Disability** benefits payable will be limited to a period of two years or age 70, if earlier; and
2. The **Maximum Monthly Benefit** payable is limited to the lesser of 75% of the **Insured Member's Pre-Disability Income** (plus **SC Benefit** if applicable), their **Sum Insured** and \$10,000 per month.

In respect of the 2 year or 5 year **Benefit Period**, if an **Insured Member's Total Disability** or **Partial Disability** commences prior to the **Insured Member's** 65th birthday, any benefits payable will be in accordance with the **Insured Member's Benefit Period**, however the **Maximum Monthly Benefit** payable on or after the **Insured Member's** 65th Birthday will be limited to the lesser of 75% of the **Insured Member's Pre-Disability Income** (plus **SC Benefit** if applicable), their **Sum Insured** and \$10,000 per month.

In respect of the 10 year **Benefit Period** if an **Insured Member's Total Disability** or **Partial Disability** commences prior to the **Insured Member's** 65th birthday, any benefits payable will be as outlined below:

<b>For the first 5 years of the Benefit Period</b>	Lesser of: <ol style="list-style-type: none"> <li>1. 75% of <b>Pre-Disability Income</b> plus <b>SC Benefit</b> (if applicable)</li> <li>2. <b>Sum Insured</b></li> <li>3. \$30,000 per month inclusive of <b>SC Benefit</b> if applicable (benefits payable on or after age 65, \$10,000 per month, inclusive of <b>SC Benefit</b> if applicable)</li> </ol>
<b>After the expiry of the first 5 years and for the balance of the Benefit Period</b>	Lesser of: <ol style="list-style-type: none"> <li>1. 60% of <b>Pre-Disability Income</b> plus <b>SC Benefit</b> (if applicable)</li> <li>2. <b>Sum Insured</b></li> <li>3. \$24,000 per month plus <b>SC Benefit</b> if applicable (benefits payable on or after age 65, \$8,000 per month plus <b>SC Benefit</b> if applicable)</li> </ol>

### 6.8.2 Two Year Top-up Benefit Expiry Option

This option is only available in conjunction with the To Age 65 **Benefit Period** and if selected, will be stated in the **Policy Schedule**.

If an **Insured Member's Total Disability** or **Partial Disability** commences on or after the **Insured Member's** 63rd birthday, the following restrictions will apply:

1. Any **Total Disability** or **Partial Disability** benefits payable will be limited to a period of two years or age 70, if earlier; and
2. The **Maximum Monthly Benefit** payable, on or after the **Insured Member's** 65th birthday, is limited to the lesser of 75% of the **Insured Member's Pre-Disability Income** (plus **SC Benefit** if applicable), their **Sum Insured** and
3. \$10,000 per month.

If the **Insured Member's Total Disability** or **Partial Disability** commences prior to the **Insured Member's** 63rd birthday, any **Total Disability** benefits or **Partial Disability** benefits payable will cease at age 65.

## 6.9 Waiver of Premium benefit

While an **Insured Member** is being paid a **Monthly Benefit** as a result of **Disability**, we will waive **SCI** premiums related to the period the **Insured Member** is entitled to be paid a **Monthly Benefit**.

## 6.10 Death benefit while on claim

If an **Insured Member** dies while we are paying a **Monthly Benefit** for that **Insured Member** under this **Policy**, an additional lump sum benefit will be paid equal to three times the **Total Disability** or **Permanent Disability Monthly Benefit** applicable to the **Insured Member** at the date of death.

We will limit the **Monthly Benefit** used to calculate this benefit to a maximum of \$30,000 per month or \$10,000 per month on or after the **Insured Member's** 65th birthday.

In respect of the 10 year **Benefit Period**, where an **Insured Member's** **Monthly Benefit** has been reduced after 5 years, the **Monthly Benefit** used to calculate the Death benefit will be the reduced **Monthly Benefit** at the date of death subject to the **Maximum Monthly Benefit** as outlined in clause 2.1.

## 6.11 Recurrent Disability benefit

Where a subsequent claim is made by an **Insured Member** arising from the same or related cause as an earlier claim for which the **Insured Member** was paid a **Monthly Benefit**, the subsequent claim will be:

1. Treated as a separate claim (i.e. the **Waiting Period** will recommence and the **Benefit Period** will be treated as though no previous claim had been submitted) if it occurred after the **Insured Member** returned to full-time paid employment and payment of **Disability** benefits have ceased for at least 12 months, provided **Cover** has not ceased under the **Policy**; or
2. Deemed to be a continuation of the original claim if made within 12 months from the ceasing of **Disability** benefits from the earlier claim. A further **Waiting Period** will not apply in this case, however, the **Benefit Period** will be adjusted to take into account prior claim payments.

Where a reduction in the replacement ratio applies, the **Monthly Benefit** will be adjusted in accordance with the **Benefit Design**.

## 6.12 Concurrent Disability benefit

Where an **Insured Member** is **Disabled** because of more than one injury or sickness, or from both, whether related or not, only one **Monthly Benefit** will be payable for any one period of disablement.

## 6.13 Return to Work during the Waiting Period

An **Insured Member** is permitted to return to work once, performing their usual duties for up to:

1. Ten consecutive days during the **Waiting Period**, where the **Waiting Period** is 60 days or more; or

2. Five consecutive days during the **Waiting Period**, where the **Waiting Period** is less than 60 days.

Where the **Insured Member** does return to work during the **Waiting Period** for up to five or ten consecutive days (as applicable), the **Waiting Period** will be extended by the total number of days the **Insured Member** had attempted to return to work.

Where the **Insured Member** does return to work during the **Waiting Period** for more than five or ten consecutive days (as applicable), the **Waiting Period** starts again.

## 6.14 Rehabilitation Expense benefit

Where an **Insured Member** attends a **Rehabilitation Program** which incorporates a return to work plan approved by AIA Australia, the cost of that program will be paid by AIA Australia directly to the program provider.

Rehabilitation expenses will relate to **Rehabilitation Programs** approved by AIA Australia designed to rehabilitate the **Insured Member** to return to his or her pre-disablement occupation or retrain the **Insured Member** into another occupation.

## 6.15 Workplace Modification benefit

The Workplace Modification benefit is payable if the **Insured Member** is receiving **Disability** benefits and we agree that his or her place of employment requires modification in order for him or her to return to work, we may pay all or some of the modification expenses to a service provider. The maximum payment is three times the **Insured Member's** **Monthly Benefit**, and any payments will be made at our discretion. A payment under this benefit may be made once only in respect of each **Insured Member**.

## 6.16 Rehabilitation Incentive benefit

If the **Insured Member** returns to paid employment performing their full pre-disability duties and hours after attending a **Rehabilitation Program** that has been approved by AIA Australia, and remains at this capacity in this paid employment for six consecutive months, AIA Australia will pay a Rehabilitation Incentive benefit equal to three times the **Insured Member's** **Monthly Benefit** or \$20,000, whichever is the lesser. We will pay this benefit once only in respect of each **Insured Member**.

This benefit is only available to non-superannuation policies.

## 7. Optional benefits

You may select any or all of the following Optional Benefits at an additional cost. Any Optional benefits that apply will be stated in the **Policy Schedule**.

Optional Benefits are only available to non-superannuation policies.

### 7.1 Enhanced Death benefit

The Enhanced Death benefit is payable where an **Insured Member** dies or is diagnosed with a **Terminal Illness** while **SCI Cover** is in place for that **Insured Member**. The Enhanced Death benefit is payable regardless of whether an **Insured Member** is on a SCI claim or not at the time. The amount payable is three times the **Monthly Benefit** applicable to the **Insured Member** at the date of death paid as a lump sum, subject to a maximum of \$60,000.

We will pay this benefit once only in respect of each **Insured Member**. If we pay the Enhanced Death benefit for a **Terminal Illness**, we will not pay an additional amount under the Enhanced Death benefit upon the death of the **Insured Member**.

We will pay this benefit in addition to any other benefits payable to an **Insured Member** including the Death benefit while on claim.

We will limit the **Monthly Benefit** used to calculate this benefit to the **Maximum Monthly Benefit** as outlined in clause 2.1.

### 7.2 Accommodation benefit

The Accommodation benefit will be payable during the **Waiting Period** if the **Insured Member** becomes **Totally Disabled** or **Permanently Disabled** and is more than 100 kilometres from home, or on the advice of his or her **Medical Practitioner**, the **Insured Member** travels to a place more than 100 kilometres from home. The Accommodation benefit will assist an immediate family member to be accommodated near the **Insured Member** provided the **Insured Member** is confined to bed due to an injury or sickness. We will pay the lesser of the actual accommodation cost and \$250 a night, for up to 30 days in any 12 month period, for each night the immediate family member is required to stay away from home.

### 7.3 Family Care benefit

The Family Care benefit is payable if, as a result of **Total Disability** or **Permanent Disability**, the **Insured Member** is totally dependent on an immediate family member for his or her essential everyday needs and consequently, the family member's income is reduced. We will pay the amount of the reduction in the family member's pre-tax monthly income, or up to 50% of the **Insured Member's**

**Monthly Benefit** (whichever is the lesser) for up to three months, starting from the end of the **Waiting Period**.

We will limit the **Monthly Benefit** used to calculate this benefit to a maximum of \$30,000 per month or \$10,000 per month on or after the **Insured Member's** 65th birthday.

### 7.4 Home Care benefit

The Home Care benefit will be payable if, after the **Waiting Period**, the **Insured Member** is **Totally Disabled** or **Permanently Disabled**, confined to or near a bed, other than in a hospital or a similar institution that provides nursing care, and is totally dependent upon a paid professional care, and is totally dependent upon a paid professional home carer. We will reimburse the lesser of \$150 a day and 100% of the **Monthly Benefit** for up to six months to help cover the cost, provided the **Insured Member** remains totally dependent upon the professional home carer and we are not already paying the Accommodation benefit, Family Care benefit or Nursing Care benefit in respect of the **Insured Member**.

We will limit the **Monthly Benefit** used to calculate this benefit to a maximum of \$30,000 per month or \$10,000 per month if on or after the **Insured Member's** 65th birthday.

### 7.5 Nursing Care benefit

Where an **Insured Member** suffers an injury or sickness and as a consequence is **Totally Disabled** or **Permanently Disabled** and requires nursing care or hospitalisation during the **Waiting Period**, a Nursing Care benefit will be paid provided the **Insured Member**:

1. Is under the care of a registered nurse visiting at least once a day;
2. Remains in or near a bed for a substantial part of each day; and
3. Such confinement is for a period of more than 48 continuous hours.

We will pay a Nursing Care benefit equal to 1/30th of the **Total Disability** or **Permanent Disability Monthly Benefit** for each day the **Insured Member** has been and remains **Totally Disabled** or **Permanently Disabled** during the **Waiting Period** and confined as defined above.

The Nursing Care benefit shall cease on the earliest of the following:

1. The expiration of the **Waiting Period**;
2. 90 days continuous confinement; or
3. The **Insured Member** ceases to be under the care of a registered nurse visiting the **Insured Member** at least once a day.

We will limit the **Monthly Benefit** used to calculate this benefit to a maximum of \$30,000 per month or \$10,000 per month if on or after the **Insured Member's** 65th birthday.

## 7.6 Overseas Assistance benefit

If, while the **Insured Member** is travelling or residing outside of Australia, the **Insured Member** suffers **Total Disability** or **Permanent Disability** for a period in excess of three months, we will reimburse the cost of a single standard economy airfare to Australia upon the most direct available route and three times the **Monthly Benefit**, whichever is the lesser. The amount of this benefit will be reduced by any other reimbursements which the **Insured Member** is entitled to receive in respect of the transportation (such as benefits provided by private medical and health insurance and travel insurance).

This is subject to there being no more than 10% of **Insured Members** working overseas at any time and clarification of countries and term of assignment of all **Insured Members** overseas by the **Employer** to AIA Australia on an annual basis as part of the annual review process.

## 7.7 Specific Injury benefit

Where an **Insured Member** first suffers a listed event referred to in Table A as the result of an Injury, after **SCI Cover** commences under the **Policy**, AIA Australia will pay a Specific Injury benefit. The Specific Injury benefit will still be paid even if the **Insured Member** is working.

The amount of the Specific Injury benefit is equal to the **Monthly Benefit** and is payable until the earlier of:

1. The expiration of the Benefit Payment Period in Table A;
2. The expiration of the **Insured Member's Benefit Period** as specified in the **Policy Schedule**;
3. The **Policy** is terminated;
4. The date the **Insured Member** dies; and
5. The date the **Insured Member** reaches the **Cover Expiry Age**.

If the **Insured Member** is eligible to claim a Trauma benefit as set out in clause 7.8 at the same time as a Specific Injury benefit, he or she will be paid only for the benefit with the longest payment period.

The Specific Injury benefit starts to accrue from the date when the Injury is first suffered and is paid monthly in advance.

There is no **Waiting Period** to be served prior to a Specific Injury benefit being payable.

The Specific Injury benefit is paid instead of any other benefits under this **Policy**. If the **Insured Member** is still **Disabled** at the end of the relevant Benefit Payment Period in Table A, any further benefit payments will be determined in accordance with the terms and conditions of this **Policy** and payable from the end of any remaining days to be

served within the **Waiting Period** until such time as one of the conditions under clause 9.2 has been met.

We will limit the **Monthly Benefit** used to calculate this benefit to a maximum of \$30,000 per month or \$10,000 per month if on or after the **Insured Member's** 65th birthday.

"Injury" means physical bodily injury caused solely and directly by violent, external and visible means and is independent of any existing medical condition or other cause. Sickness directly resulting from medical or surgical treatment rendered necessary by the physical injury will not constitute an "Injury".

**Table A**

Specific Injury	Benefit Payment Period
Paralysis (diplegia, hemiplegia, paraplegia, quadriplegia)	60 months
Loss of use of both feet, both hands or the sight of both eyes	24 months
Loss of use of a hand and a foot, a hand and an eye, or a foot and an eye	24 months
Loss of use of an arm or a leg	18 months
Loss of use of a foot, or a hand, or the sight in one eye	12 months
Loss of use of the thumb and the index finger on the same hand	6 months
Fracture of the thigh (femur) above the knee, or the pelvis. Benefits will not be payable for fractures involving the knee joint or hip joint.	3 months
Fracture of the upper arm (humerus) or the shoulder blade (scapula). Benefits will not be payable for fractures involving the elbow joint or shoulder joint.	2 months
Fracture of the jaw (mandible or maxilla)	1.5 months
Fracture of the collarbone (clavicle)	1.5 months

"Loss" means the total and permanent loss of:

1. Use of the hand from the wrist or the foot from the ankle joint;
2. Use of the arm from the elbow or the leg from the knee joint;
3. Use of the thumb and index finger from the first phalange joint; or
4. Sight (to the extent of 6/60 or less) in the eye.

"Fracture" means any fracture that requires a pin, traction, a plaster cast or other immobilising structure but does not include a fracture which occurs as a result of, or during, surgical or medical treatment.

## 7.8 Trauma benefit

Where an **Insured Member** first suffers from a listed Trauma Event referred to in Table B, since SCI **Cover** commenced for the **Insured Member** under the **Policy**, we will pay a Trauma benefit in the form of a lump sum that equates to three **Monthly Benefit** payments.

**Table B**

Trauma Event	Qualifying Period
Accidental HIV Infection	90 days
Alzheimer's Disease	nil
Aplastic Anaemia	nil
Bacterial Meningitis	nil
Benign Brain Tumour	90 days
Blindness	nil
Cancer	90 days
Cardiomyopathy	nil
Chronic Liver Disease	nil
Chronic Lung Disease	nil
Coma	nil
Coronary Artery By-pass Surgery	90 days
Dementia/Alzheimer's Disease	nil
Diplegia	nil
Heart Attack	90 days
Heart Valve Surgery	90 days
Hemiplegia	nil
Kidney Failure	nil
Loss of Hearing	nil
Loss of Independence	nil
Loss of Limbs and Sight of One Eye	nil
Loss of Speech	nil
Major Burns	nil
Major Head Trauma	nil
Major Organ Transplant	90 days
Motor Neurone Disease	nil
Multiple Sclerosis	nil
Muscular Dystrophy	nil
Occupationally Acquired Hepatitis B or Hepatitis C Infection	90 days
Other Serious Coronary Artery Disease	90 days
Paraplegia	nil
Parkinson's Disease	nil
Pneumonectomy	nil

Trauma Event	Qualifying Period
Pulmonary Arterial Hypertension (primary)	90 days
Quadriplegia	nil
Rheumatoid Arthritis	nil
Stroke	90 days
Surgery to Aorta	90 days
Terminal Illness	90 days
Viral Encephalitis	nil

Notwithstanding the Survival Period requirements (as described below), there is no **Waiting Period** to be served prior to a Trauma benefit being paid. If the **Insured Member** is still **Disabled** at the end of the **Waiting Period**, any further benefit payments will be determined in accordance with the terms and conditions of the **Policy** and payable from the end of any remaining days to be served within the **Waiting Period** until such time as one of the conditions under clause 9.2 has been met.

If selected, the Trauma benefit will be in addition to any other benefit insured under the **Policy** with the exception of the Specific Injury benefit.

If the **Insured Member** is eligible to claim a Specific Injury benefit under clause 7.7 at the same time as a Trauma benefit, the benefit equivalent to the longest payment period will be paid.

The Trauma benefit is payable once only in respect to any one **Insured Member**.

We will limit the **Monthly Benefit** used to calculate this benefit to a maximum of \$30,000 per month or \$10,000 per month if on or after the **Insured Member's** 65th birthday.

### 7.8.1 Qualifying Period

For any amount of SCI **Cover** which has not been accepted under Automatic Acceptance no Trauma benefit will be paid within the corresponding Qualifying Period (noted in Table B) if one of the Trauma Events for an **Insured Member** occurs after **Cover**:

1. commences;
2. increases; or
3. has been reinstated.

In the circumstances of an increase in the **Sum Insured** for an **Insured Member**, the Qualifying Period will only apply to that amount of the **Sum Insured** which has increased.

The 90 day Qualifying Period will be waived where this **Policy** is a replacement policy from a previous insurer and the full Qualifying Period has already been served under the previous policy.

### 7.8.2 Survival Period

To be eligible for a Trauma benefit, the **Insured Member** must survive for 14 days after suffering or being diagnosed with the Trauma Event.

### 7.8.3 Assessment of AIA Australia's Trauma benefit

A claim made pursuant to the Trauma benefit will not be payable unless the conditions and the date thereof is confirmed in writing by **Medical Practitioners** and/or legally qualified pathologists, after a study of the histological material and clinical presentation based on the medical history, physical examination, radiological studies, and results of any other diagnostic procedures performed on the **Insured Member**. Any such diagnosis must be confirmed by AIA Australia.

## 8. Cover while on Leave Without Pay and Cover while overseas

### 8.1 Cover while on Leave Without Pay

Where the **Employer** approves a bona fide period of Leave Without Pay for an **Insured Member** (including maternity or paternity leave), and there is a documented 'return to work' date prior to leave commencing, **Cover** will continue for a maximum period of up to 24 months, provided premiums continue to be paid.

#### 8.1.1 Level of Cover while on Leave Without Pay

For **Insured Members** that become **Disabled** during a period of Leave Without Pay (including maternity or paternity leave), the **Sum Insured** will be based on the level of the **Insured Member's Pre-Disability Income** at the date immediately prior to the commencement of Leave Without Pay.

The **Disability** benefit will commence on the later of the date after the expiry of the **Waiting Period** and the documented 'return to work' date. The **Total Disability** or **Permanent Disability** definition used to assess the **Insured Member** will be that which would have applied to the **Insured Member** on the date immediately prior to the commencement of Leave Without Pay.

#### 8.1.2 Returning to work after being on Leave Without Pay

If the **Insured Member** does not return to work by the expected 'return to work' date, the **Cover** for the **Insured Member** will automatically cease 30 days after the expected 'return to work' date, and any subsequent reinstatement of **Cover** will require **Evidence of Insurability**. AIA Australia will determine the level of underwriting required based on individual circumstances.

If the **Insured Member** returns to work within the 30 day period, **Cover** will continue automatically subject to the continued payment of premiums for that **Insured Member**.

The **Insured Member** may apply to AIA Australia to extend **Cover** beyond 24 months and **Cover** may be granted at the discretion of AIA Australia.

### 8.2 Cover while on paid leave

Subject to continued remittance of insurance premiums, **Cover** will continue to be provided for an **Insured Member** while on paid leave approved by their **Employer**.

### 8.3 Cover while overseas

**Insured Members** are provided with **Cover** 24 hours a day seven days a week subject to the terms below.

Subject to continued remittance of insurance premiums, **Cover** will continue to be provided for an **Insured Member** while they are overseas.

In the event of claim, the **Insured Member** may be required to return to Australia (at their own expense) during the claims assessment process.

#### 8.3.1 Cover while working overseas

An **Insured Member** who is an **Australian Resident** and who is temporarily employed overseas for their **Employer** will be provided with **Cover** for up to five years. The details regarding the whereabouts of **Insured Members** overseas must be provided to AIA Australia when requested and in line with the provision of membership data.

**Cover** may be extended beyond five years provided a request to extend **Cover** for a longer period is made in writing to AIA Australia prior to the expiration of the initial overseas cover period. In these circumstances, a premium loading, **Cover** exclusion and/or restriction may be applied to the **Insured Member**.

For an **Insured Member** who is not an **Australian Resident** and who is temporarily employed overseas for their **Employer**, **Cover** will be provided for up to 3 months.

#### 8.3.2 Cover while travelling or holidaying overseas

Where an **Insured Member** is travelling or holidaying outside of Australia, **Cover** will continue without restriction.

## 9. When Cover and benefits cease and Policy Exclusions

### 9.1 Extended Cover

**Cover** for an **Insured Member** under this **Policy** will continue for a maximum period of 60 days after the **Insured Member** ceases to meet the **Insured Member Eligibility** criteria under the **Policy**. **Cover** will continue at the same level and basis that was provided for the **Insured Member** immediately prior to the date that they ceased employment until the earliest of the following:

1. 60 days after the **Insured Member** ceases to meet the **Insured Member Eligibility**;
2. The date, AIA Australia accepts or declines the **Insured Member's** Continuation Option application; and
3. The date, the **Insured Member** meets any of the other provisions under clause 9.3.

### 9.2 Termination of SCI benefits for an Insured Member

SCI benefit payments shall cease upon the earliest of the following events:

1. The date the **Insured Member** reaches the **Cover Expiry Age**;
2. The date the **Insured Member** dies;
3. The expiry of the **Benefit Period**, or two years if a **Casual** or **Contractor** with a minimum contract period of 12 months or less;
4. The date the **Insured Member** no longer satisfies the **Disability** definition applicable to them; and
5. For an **Insured Member** who is not an **Australian Resident**, the date the **Insured Member** is no longer permanently in Australia or not eligible to work in Australia.

### 9.3 Termination of Cover for an Insured Member

SCI **Cover** of an **Insured Member** under this **Policy** shall terminate on the earliest of the date:

1. An **Insured Member** reaches the **Cover Expiry Age**;
2. An **Insured Member** dies;
3. The **Policy** is terminated;
4. 60 days after the **Insured Member** ceases to be an **Employee** of the **Employer**;
5. 60 days after the **Insured Member** ceases to meet the **Insured Member Eligibility** criteria;
6. 60 days after premium payments cease in respect of the **Insured Member**;
7. The date the **Insured Member** no longer meets the conditions under clause 8.1 for continuation of cover during Leave Without Pay;

8. The date the **Insured Member** no longer meets the conditions under clause 8.3 for continuation of cover;
9. AIA Australia accepts or declines the **Insured Member's** Continuation Option application (where applicable);
10. the **Insured Member** who is not an **Australian Resident** is no longer permanently in Australia or not eligible to work in Australia; and
11. the **Insured Member** has permanently departed Australia.

In addition, where the **Policy Owner** is a superannuation fund:

12. 120 days after the last **Employer** superannuation guarantee contribution is paid into the superannuation fund.

### 9.4 Continuation Option – Optional

An **Insured Member** who ceases to be eligible for **Cover** under the **Policy** as a result of ceasing to be an **Employee** of the **Employer** – for reasons other than for injury or sickness – will be entitled to apply for an AIA Australia individual Income Protection policy with AIA Australia without the requirement to provide medical evidence subject to the conditions outlined below.

If an **Insured Member's** **Cover** has ceased due to the **Policy** being terminated by the **Employer** or by AIA Australia, they will not be eligible to apply for a **Continuation Option**.

#### 9.4.1 Amount of Cover

The amount of cover the **Insured Member** will be entitled to is the **Sum Insured** which applied to the **Insured Member** under the **Policy** on the date immediately prior to **Cover** ceasing under this **Policy**. Such cover will be subject to the same premium loadings and exclusions as those imposed under the **Policy** and the terms and conditions (with the exception of minimum hours) applying to AIA Australia's individual Income Protection policy at that time.

The individual Income Protection policy will have the following features:

1. The policy will be annually renewable;
2. The sum insured will be the lesser of 75% of the **Insured Member's** new monthly **Income** with their new employer and the **Sum Insured** at the date of the **Insured Member's** termination of employment with the **Employer**;
3. The policy will be indemnity based which means that at claims stage, the amount payable will be the lesser of the sum insured and 75% of the average monthly

earnings for the 12 months immediately prior to the disability; and

4. The policy provided will be AIA Australia's individual Income Protection product, applicable at the time a Continuation Option is issued. All 'PLUS Optional Benefits' under AIA Australia's individual Income Protection product will be available provided the **Insured Member** had Trauma Benefits under the existing Group SCI **Policy** as outlined in Section 7.8 of this document, otherwise PLUS Optional Benefits will not be available;
5. Where the equivalent waiting period is not available under the individual Income Protection plan, then the next higher waiting period will be applied;
6. Where the equivalent benefit period is not available under the individual Income Protection plan, then the next shortest benefit period will be applied; and
7. Where the **Cover Expiry Age** under this **Policy** is 70, this is subject to eligibility and terms and conditions of the individual Income Protection plan.

#### 9.4.2 Conditions and how to apply?

A person applying for a Continuation Option must complete a group insurance Continuation Application form (available upon request from the AIA Group Administration team at [continuationoptions.aus@aia.com](mailto:continuationoptions.aus@aia.com)). The Continuation Option application is then subject to AIA Australia's underwriting approval which includes the following:

1. The person is aged under 60;
2. The Continuation Option must be applied for within 60 days of leaving the service of the **Employer** with no individual consideration made for applications received after this date;
3. AIA Australia must receive a satisfactory Australian citizen or Residency and Smoker declaration;
4. The person must satisfy the eligibility criteria and terms under AIA Australia's individual Income Protection product;
5. The person is not eligible to receive, or must have not previously been paid a benefit payment(s) under the **Policy**, or any other benefits have or are being paid under any life insurance policy (including TPD or Terminal Illness benefits);
6. The person being employed on a permanent basis for at least 15 hours per week, or be a **Casual** or **Contractor** moving to permanent employment in their new role for at least 15 hours per week and, in an occupation acceptable to AIA Australia at the time cover is to commence under the AIA Australia Income Protection policy; and

7. The person was **At Work** performing their full and normal duties on the date of ceasing to be an **Employee** of the **Employer**.

#### 9.4.3 Agreed Value Continuation Option

We will also allow an **Insured Member** to exercise a Continuation Option and apply for cover based on an agreed value benefit which means at claim stage the amount payable will be the applicable sum insured.

In addition to the conditions set out under clause 9.4.2, where an agreed value Continuation Option is exercised, the following conditions will also apply:

1. Available to persons who are permanent employees only. Self employed (sole trader, partnership, contractor or employee of their own company) are excluded;
2. Permanent employees must remain working and residing in Australia with their new employer;
3. The person must be working a minimum of 25 hours per week, 35 weeks of the year;
4. Present Occupation Details and Income Details (Sections J & L) of the individual Income Protection application will need to be completed;
5. Confirmation of income (salary, superannuation, fringe benefits) from the new employer; and
6. Additional financial requirements will be needed where cover under the individual Income Protection policy exceeds \$20,000 per month.

### 9.5 Policy Exclusions

No benefits are payable under the **Policy** for SCI **Cover**, which is caused wholly or partly, directly or indirectly by:

1. **War**;
2. Active service in the armed forces of any country, territory, foreign or international organisation;
3. Participation in a combat or fighting force of any country, territory or foreign organization;
4. Engagement in (including planning or preparing for) any terrorism act in Australia or any foreign country;
5. Any deliberate self-inflicted injury/sickness or attempted suicide or self-destruction while either sane or insane;
6. Uncomplicated pregnancy, childbirth or miscarriage; or
7. Any other exclusions imposed by AIA Australia on an **Insured Member**.

Note: In the case of **Insured Members** who are enrolled in the Australian Army Reserve, the above exclusion (2) is only applicable where the **Insured Member** has been called up for active service.

## 10. Claims

AIA Australia will make every effort to pay claims promptly and ensure that every claim that should be paid, is paid (subject to the terms and conditions of the **Policy**).

AIA Australia should be notified of the death or **Disability** of any **Insured Member** which gives rise to a claim, within a reasonable period of time of such occurrence. Once AIA Australia has been notified of a claim, we will provide the necessary claim forms as soon as is reasonably possible.

AIA Australia maintains the right to fully investigate and assess any claims to its satisfaction prior to the settlement of a claim. The **Insured Member** must cooperate with any such investigation including, but not limited to, attending medical practitioners or other independent specialists appointed by AIA Australia for the purpose of assessing a claim and providing documents or other materials when requested by AIA Australia.

In respect of **Disability** claims that arise while an **Insured Member** is overseas, AIA Australia reserves the right to require assessment or any medical examination to be conducted in Australia as part of its consideration of a claim. The claimant will be responsible to pay any costs associated with them returning to Australia for the claims assessment.

If a claim arises during a period where no premiums have been received by AIA Australia but is nevertheless within the **Grace Period**, no **Sum Insured** in respect of such claim will be admitted until all premiums owing are paid.

AIA Australia will, wherever possible, use our network of overseas life insurance companies to gather the information necessary to assess claims overseas, however, AIA Australia reserves the right to require that a claimant return to Australia (at the claimant's expense) for claim's assessment and examination prior to the payment or continued payment of any benefit. AIA Australia may not pay a benefit where a claimant does not return to Australia.

We are passionately committed to providing an efficient and sensitive claims service that will help our customers when they need it most.

# 11. Profit Share and Multinational Pooling

AIA Australia can generally offer participation in a number of different profit sharing arrangements.

If **Profit Share** or **Multinational Pooling** applies, it will be stated in the Policy Schedule.

## 11.1 Self Experience

For larger policies with at least 1,000 insured lives, we may offer a Self Experience Profit Sharing formula.

Consideration of a rebate will be based upon the experience of a client's individual group insurance arrangements.

A premium loading may apply for participation in this arrangement.

## 11.2 Multinational Pooling

For Corporate Multinational clients, AIA Australia offers access to the following pooling solutions, allowing AIA to further enhance its services to multinational companies:

1. AIA Pool offered by AIA Asia Benefits Network (AABN), a regional solution specifically designed for clients with Asia Pacific presence or with a mandate to manage employee benefit programs within the region.
2. ZGEBS Pool offered by Zurich Group Employee Benefit Solutions (ZGEBS), a global solution for clients with international needs.

Operating in 16 countries and with our partnership with ZGEBS, AIA will develop group insurance solutions for multinational companies through the creation, marketing and successful delivery of employee benefit programs.

AIA will pool the experience of multiple group insurance policies (or other eligible policies such as Corporate Medical) where the common link is the parent company and, depending on the needs and suitability based on the current situation of multinational companies, either a regional solution by AABN or a global solution offered in conjunction with ZGEBS will be recommended.

Generally, better benefits are obtainable under **Multinational Pooling** arrangements when compared to locally managed policies, due to economies of regional or global scale.

AIA Australia would be pleased to work with you in terms of facilitating the design, installation and operation of a **Multinational Pooling** plan and has the local and regional expertise internally to ensure this is promptly achieved.

## 12. Premiums

### 12.1 Calculation of Premium

Premiums are calculated at different stages of the **Policy** life. The premium for an **Insured Member** is calculated using the **Premium Rates** applicable for that renewal period. Premiums can be paid either:

1. Monthly in advance or in arrears;
2. Quarterly in advance; or
3. Annually in advance.

#### 12.1.1 Quotation Premium

When pricing a group insurance **Policy**, AIA Australia will provide you with a quotation based on our best interpretation of the information provided by you. In general, the more information that is provided, the more accurate and sustainable the quotation will be. The quotation should be considered in conjunction with all terms and conditions contained in this document.

The rating factors considered when setting the **Premium Rates** include age, gender, occupation, **Benefit Design** and policy history (particularly with respect to claims).

The quotation will be based on the assumption that the specifications, data and advice provided to AIA Australia are accurate and complete. If found this is not the case, AIA Australia reserves the right to alter the quoted **Premium Rates** or withdraw the quotation.

AIA Australia reserves the right to adjust the quoted **Premium Rates** at the **Policy Commencement Date** where the **Insured Member's** details at the **Policy Commencement Date** differ from the details upon which the quotation was based.

#### 12.1.2 Deposit Premium

The Deposit Premium is one of the requirements needed to implement an AIA Australia group insurance **Policy** and is payable prior to the **Policy Commencement Date** and will initially be calculated at the quotation stage. Upon commencement of the **Policy**, an adjusted premium will be calculated and be reduced by the Deposit Premium received.

#### 12.1.3 Annual Review Premium

At the **Policy Renewal Date**, the premiums will be re-calculated and an **Adjustment Premium** calculated to reflect changes in the **Policy** membership including variations to the **Insured Member's Sum Insured** or **Insured Members** joining or exiting the **Policy** since the last **Renewal Date**. Prior to the annual **Renewal Date**, a Deposit Premium will be requested by us. Upon receipt of updated membership data as at the annual **Renewal Date**, the annual review premium will be calculated and reduced by the Deposit Premium received.

### 12.2 Guarantee of Premium

We shall guarantee the quoted **Premium Rates** for a period as set out in the **Policy Schedule** for **SCI Cover** from the **Policy Commencement Date** provided:

1. The number of **Insured Members** does not fluctuate by more than 30% in any 12 month period;
2. No more than 10% of the **Insured Members** are outside of Australia; and
3. The **Benefit Design** does not change.

### 12.3 Variation of Premium Rates

AIA Australia also reserves the right to review and alter the **Premium Rates** and/or **AAL** within any **Rate Guarantee Period** where:

1. business activities (such as acquisition, takeover, merger activity) of the **Employer** result in unusual changes in the number of **Insured Members**; or
2. **War** in which the Commonwealth of Australia's armed forces are involved or the country of residence (including temporary residence) of the **Insured Member** is involved.

Should the number of **Minimum Insured Members** or the **Minimum Annual Premium** drop below those set out in the **Policy Schedule**, AIA Australia may issue a written notice to terminate the **Policy**.

### 12.4 Tax on Premiums

Where AIA Australia becomes liable for any tax or other imposts levied by any Commonwealth or State government, authority or body in connection with the

**Policy**, AIA Australia may reduce, vary or otherwise adjust any amounts (including but not limited to **Premium Rates**, charges and benefits) under the **Policy** in the manner and to the extent AIA Australia determines to be appropriate, to take account of the tax or impost.

### 12.5 Non-payment of Premiums

In the event that premiums are not paid within the **Grace Period**, AIA Australia will give the **Policy Owner** written notice of its intention to terminate the **Policy**. If the overdue premiums have not been paid within a further 30 days of that written notice, the **Policy** will terminate and all **Cover** will cease. If the event giving rise to a claim occurs within any period for which no premiums have been remitted to AIA Australia, no **Sum Insured** in respect of such claim will be paid until all premiums due for that **Policy** have been remitted to AIA Australia.

## 13. General Definitions

### Accident or Accidental Injury

A physical injury which occurs while the **Policy** is in force that is caused solely and directly by violent, visible, external and unexpected means that is not traceable, even indirectly, to any pre-existing mental or physical condition.

### Adjustment Premium

As set out in the Policy Schedule.

### At Work

Means the person:

1. Is engaged in his or her normal duties, without limitation or restriction due to injury or sickness, and is working normal hours on the day cover is to commence; and
2. Is not restricted by sickness or injury from being capable of performing their full and normal duties on a full time basis (for at least 30 hours per week) even though actual employment can be on a full-time, part-time, contract or casual basis; and
3. Is not in receipt of and/or entitled to claim income support benefits from any source including workers' compensation benefits, statutory transport accident benefits and disability income benefits.

The person will be considered to be **At Work** if on the applicable date, as the context requires, the person is on **Employer** approved leave for reasons other than injury or sickness, and not taking into account the leave, is able to meet the **At Work** definition.

A person who does not meet these requirements is considered to be not **At Work**.

### Australian Resident

Means:

- a person who resides in Australia and is either an Australian citizen or a holder of an Australian Permanent Resident visa; or
- a person who is a New Zealand citizen and is the holder of a **Special Category visa** while residing in Australia indefinitely.

### Automatic Acceptance Limit (AAL)

The amount of cover that applies to an **Insured Member** without having to provide **Evidence of Insurability**. The **AAL** includes **New Events Cover** which applies when an **Insured Member** is not **At Work** when first eligible to join the **Policy**. The **AAL** is as set out in the **Policy Schedule**.

### Benefit Design

As set out in the **Policy Schedule**, including but not limited to the **Monthly Benefit, SC Benefit, Waiting Period, Benefit Period, Maximum Monthly Benefit, Claims Escalation benefit, Insured Member Eligibility, definition of Income, minimum hours, Minimum Benefit Entry Age, Maximum Benefit Entry Age, Cover Expiry Age, Standard and/or Optional Benefits** (where included) and **Non-Standard Policy Terms & Conditions**.

### Benefit Period

Maximum period as set out in the **Policy Schedule** for which the **Monthly Benefit** will be paid in respect of an **Insured Member** for any one period of **Disability**.

### Casual(s)

A person who is not a **Permanent Employee** and is employed with an **Employer** on a casual basis and whose **Employer** is making superannuation guarantee contributions in respect of the **Casual Employee**. The **Casual Employee** must have been working for the **Employer** in the previous three months prior to the date of **Disability**.

The **Benefit Period** for **Casual Employees** will be limited to two years and the **Insured Member's Pre-Disability Income** from the Employer will be measured over the three months immediately prior to the date of **Disability**.

### Claims Escalation benefit

As set out in the **Policy Schedule**.

### Contractor(s)

A person who is employed under a written contract with an **Employer** for at least six months and whose **Employer**:

1. Requires the person to perform identifiable duties for a regular number of hours each week;
2. Provides the person with annual leave and sick leave entitlements; and
3. Is making superannuation guarantee contributions in respect of the person.

Where a **Contractor** is employed on a minimum contract period of 12 months or less, the **Benefit Period** will be limited to two years and the **Insured Member's Pre-Disability Income** from the **Employer** will be measured over the three months immediately prior to the date of **Disability**.

**Cover**

Salary Continuance Insurance cover provided to an **Insured Member** as set out in the **Policy Schedule** under the terms and conditions of this **Policy**.

**Cover Expiry Age**

The age at which **Cover** ceases as set out in the **Policy Schedule**.

**Disability or Disabled**

**Total Disability** or **Permanent Disability** or **Partial Disability** of the **Insured Member** as applicable.

**Employee(s)**

A person engaged by the **Employer** under a contract of employment to undertake identifiable duties.

**Employer(s)**

As set out in the **Policy Schedule**.

**Evidence of Insurability**

Such evidence of health and such other particulars of a person as AIA Australia may require and which is supplied or caused to be supplied in respect of that person to enable AIA Australia to determine whether the person is to be accepted for insurance and the terms of such acceptance.

**Forward Underwriting Limit (FUL)**

**Forward Underwriting Limit (FUL)** refers to the level determined by AIA Australia which may be provided under certain circumstances after the assessment of the **Evidence of Insurability** in respect of an **Insured Member**, whereby future increases in amounts of benefit formula cover (in line with the **Benefit Design**) up to this level may be provided without further **Evidence of Insurability**.

**Grace Period**

30 days of grace shall be allowed for the payment of each premium. If a claim arises within that period, no **Sum Insured** amount will become payable under the **Policy** in respect of such claim until the outstanding premium amount is paid to AIA Australia in full.

**Income**

Unless otherwise stated in the **Policy Schedule**, **Income** means:

Where the **Insured Member** is employed, the pre-tax remuneration package paid by the **Employer** to the **Insured Member** including base salary and fees, regular bonuses, regular overtime earnings and regular commissions (but excluding mandated superannuation contributions, allowances, irregular bonuses, irregular overtime earnings and irregular commissions and unearned income such as investment or interest earnings)\*.

Bonuses, overtime earnings and commissions will be calculated based on the average of the last three years' (or where the **Insured Member** has been employed for less than 3 years, averaged over the **Insured Member's** period of employment) bonuses, overtime earnings and commissions received by the **Insured Member** from the **Employer**.

\* The **Income** advised by the **Employer** to determine an **Insured Member's Sum Insured** may not always be the same as the remuneration the **Insured Member** receives from their **Employer**.

Where the **Insured Member** directly or indirectly owns all or part of the business, including all or part ownership through another legal entity, from which he or she earns his or her usual **Income**, the gross amount earned by the business in the 12 months immediately prior to the **Insured Member** becoming **Disabled**, as a direct result of the **Insured Member's** personal exertion or activities through his or her usual occupation after allowing for the costs and expenses incurred in deriving that **Income**. **Income** from the business will not include investment income, profit distributions or similar payments that may continue in the event of **Disability**.

**Insured Member(s)**

A person who meets the **Insured Member Eligibility** and is accepted by AIA Australia for **Cover** in accordance with the provisions of the **Policy**.

**Insured Member Eligibility**

As set out in the **Policy Schedule**.

**Maximum Benefit Entry Age**

As set out in clause 3.1 of this **Policy**.

### Maximum Monthly Benefit

As set out in clause 2.1 unless otherwise stated in the **Policy Schedule**.

### Maximum Super Contribution Base

Means the maximum limit on an **Employee's Income** that the superannuation guarantee (SG) rate is applied against. The **Maximum Super Contribution Base** is a quarterly amount set by the Australian Tax Office and is indexed every income year.

### Medical Condition

Means the **Insured Member** has been certified by a **Medical Practitioner** (specialising in the relevant field) as having one of:

- **Pulmonary Arterial Hypertension (Primary)**
- **Major Head Trauma**
- **Motor Neurone Disease**
- **Multiple Sclerosis**
- **Muscular Dystrophy**
- **Dementia**
- **Alzheimer's Disease**
- **Parkinson's Disease**
- **Diplegia**
- **Hemiplegia**
- **Paraplegia**
- **Quadriplegia**

as defined under Section 14 of the **Policy**.

### Medical Practitioner(s)

A legally qualified and registered doctor of medicine. It does not include the **Employer**, the **Insured Member**, an **Employee** of the **Employer** or the **Insured Member's** immediate family or business partner/s.

### Minimum Annual Premium

As set out in the **Policy Schedule**.

### Minimum Benefit Entry Age

As set out in clause 3.1 of this **Policy**.

### Minimum Insured Members

As set out in the **Policy Schedule**.

### Monthly Benefit

The **Sum Insured** amount calculated in accordance with the **Benefit Design** and subject to the **Maximum Monthly Benefit** which will become payable by AIA Australia in the event of an **Insured Member** satisfying the applicable definition of a claimable event under the **Policy**.

### Multinational Pooling

As set out in the **Policy Schedule** and clause 11 of this **Policy**.

### New Events Cover

The **Insured Member** is only covered for claims arising from a sickness which became apparent or an injury which occurred on or after the date the **Insured Member's Cover** commenced or most recently commenced under this **Policy**.

### Occupational Rehabilitation Program

Any program which AIA Australia deems appropriate in its sole discretion that will assist the **Insured Member** to improve their ability to return to work in their own occupation or where return to pre-disablement occupation is not appropriate another suitable occupation for which the **Insured Member** is, or may be at the conclusion of rehabilitation or retraining, be reasonably suited by education, training or experience through the skills acquired during any **Occupational Rehabilitation Program**.

In determining these rehabilitation services, AIA Australia may take into account the following criteria and any other criteria they consider appropriate:

- a) the **Insured Member's** current or potential vocational abilities; and
- b) available medical evidence; and
- c) the nature, scope, objective and costs of any rehabilitation or re-training program.

We may require, at our own cost, an independent examination(s) of the **Insured Member** to assist in designing and implementing an **Occupational Rehabilitation Program** that is appropriate for the **Insured Member** to participate in. The **Insured Member** will not be required to pay for any **Occupational Rehabilitation Program**.

Any **Occupational Rehabilitation Program** will not include any program providing 'hospital treatment' or 'general treatment' within the meaning of the Private Health Insurance Act 2007 (Cth) or any other program which might cause the policy to cease to be exempt from the relevant health insurance legislation.

Where an **Insured Member** ceases to participate in a required **Occupational Rehabilitation Program** on the advice of the **Insured Member's** treating **Medical Practitioner**, AIA Australia will consider whether it should vary the **Occupational Rehabilitation Program** or withdraw its requirement that the **Insured Member** participate in the **Occupational Rehabilitation Program** and in doing so will consider any independent evidence in its consideration as well as any written documentation from the **Insured Member's** treating **Medical Practitioner** addressing the following:

- (i) outlining the reasons that the **Insured Member** has been advised to cease participation in the **Occupational Rehabilitation Program**; and
- (ii) stipulating the duration of any required period of cessation and the anticipated timeframe for return to participation in the **Occupational Rehabilitation Program**; and
- (iii) whether any variations can be made to the **Occupational Rehabilitation Program** that would enable the **Insured Member** to participate; and
- (iv) all medical information relied upon by the treating **Medical Practitioner** in forming their opinion.

**Partial Disability or Partially Disabled (Applicable to the 2 year, 5 year, To Age 60 and To Age 65 Benefit Periods only)**

Means due to injury or sickness, the **Insured Member**:

1. Is unable to perform at least one Important Duty\* of his or her usual occupation but has returned to work in their usual or an alternative occupation; and
2. Is earning an income from his or her usual or alternative occupation which is less than his or her **Pre-Disability Income**; and
3. Remains under the regular care and attendance of a **Medical Practitioner** and is following the advice of that **Medical Practitioner** in relation to that injury or sickness. including following all recommended courses of treatment

\* Important Duty means a duty that involves 20% or more of the **Insured Member's** overall occupation tasks

**Partial Disability or Partially Disabled (Applicable to the 10 year Benefit Period only)**

Means due to injury or sickness the **Insured Member**:

For the first 2 years of the Benefit Period	After the expiry of the first 2 years and for the balance of the Benefit Period
<ol style="list-style-type: none"> <li>1. is unable to perform at least one Important Duty* of his or her usual occupation but has returned to work in their usual or an alternative occupation; and</li> <li>2. is earning an income from his or her usual or alternative occupation which is less than his or her <b>Pre-Disability Income</b>; and</li> <li>3. remains under the regular care and attendance and is following the advice of their treating <b>Medical Practitioner</b> in relation to that injury or sickness including following all recommended courses of treatment; and</li> <li>4. where deemed appropriate, is actively participating in an <b>Occupational Rehabilitation Program</b> required by AIA Australia.</li> </ol>	<ol style="list-style-type: none"> <li>1. is unable to perform at least one Important Duty* of his or her usual occupation and any other occupations for which he or she is reasonably able to perform with reference to their education, training or experience, but has returned to work in their usual or an alternative occupation; and</li> <li>2. is earning an income from his or her usual or alternative occupation which is less than his or her <b>Pre-Disability Income</b>; and</li> <li>3. remains under the regular care and attendance and is following the advice of their treating <b>Medical Practitioner</b> in relation to that injury or sickness including following all recommended courses of treatment; and</li> <li>4. where deemed appropriate, is actively participating in an <b>Occupational Rehabilitation Program</b> required by AIA Australia.</li> </ol>

\* Important Duty means a duty that involves 20% or more of the **Insured Member's** overall occupation tasks

**Permanent Disability or Permanently Disabled (Applicable to the 10 year Benefit Period only)**

Means we are satisfied that the **Insured Member**, due to one or more of the listed **Medical Conditions** as defined under the **Policy**, is unable ever to perform his or her usual occupation or any other occupation for which the **Insured Member** is reasonably able to perform with reference to their education, training or experience.

**Permanent Employee(s)**

A person who is employed on a permanent basis by the **Employer** to undertake identifiable duties and is paid sick leave and annual leave entitlements.

**Policy**

This group insurance Product Information Booklet, corresponding **Policy Schedule**, any riders or endorsements therein, any amendments thereto signed by AIA Australia and provided to the **Policy Owner**.

**Policy Commencement Date**

As set out in the **Policy Schedule**.

**Policy Owner**

As set out in the **Policy Schedule**.

**Policy Schedule**

The document issued by us to you, stating the details of your **Policy** including any Non-Standard **Policy** Terms and Conditions agreed by us.

**Policy Type**

Means either ordinary non-superannuation or superannuation business as set out in the **Policy Schedule**.

**Premium Rate(s)**

As set out in the **Policy Schedule**.

**Pre-Disability Income**

One of the following:

1. The gross monthly **Income** earned by the **Insured Member** immediately prior to becoming **Disabled**; or
2. For **Casuals** and **Contractors** with a minimum contract period of 12 months or less, the average gross monthly **Income** earned by the **Insured Member** in the three months immediately prior to becoming **Disabled**.

**Profit Share**

As set out in the **Policy Schedule** and clause 11 of this **Policy**.

**Rate Guarantee Period**

As set out in the **Policy Schedule**.

**Rehabilitation Program**

Means a program pre-approved by AIA Australia for the purpose of returning an **Insured Member** to the pre-disablement occupation, or where return to pre-disablement occupation is not appropriate, another suitable occupation. A Rehabilitation Program consists of occupational rehabilitation services such as initial rehabilitation assessment, physical conditioning program, graduated return to work program, vocational assessment, and other specific services to support return to pre-disablement occupation or an alternate occupation. Any occupational rehabilitation must be as part of a comprehensive return to work program comprising of a range of tailored services pre-approved by AIA Australia and evidenced by a documented Return to Work Plan prepared by an AIA approved Rehabilitation Provider.

**Renewal Date**

As set out in the **Policy Schedule**.

**Special Category visa (SCV)**

As per the guidelines provided under the Department of Immigration and Border Protection, a **Special Category visa** (subclass 444) is a temporary visa that allows a person to stay and work in Australia as long as that person remains a New Zealand citizen.

For avoidance of doubt, a New Zealand citizen who holds a **SCV** while residing in Australia and departs temporarily overseas will be treated the same as an **Australian Resident**. They will be entitled to the same provisions, Cover terms and conditions as an **Australian Resident** under this **Policy**.

**Sum Insured**

The amount of insured benefit as calculated in accordance with the **Benefit Design**.

**Super Contributions Benefit (SC Benefit)**

As set out in the **Policy Schedule** and clause 6.6 of this **Policy**.

**Terminal Illness**

The diagnosis of the **Insured Member** with an illness which in the opinion of an appropriate medical specialist(s), approved by AIA Australia, will result in the death of the **Insured Member** within 12 months of the diagnosis regardless of any treatment that may be undertaken.

**Total Disability or Totally Disabled Standard Definition (Applicable to the 2 year, 5 year, To Age 60 and To Age 65 Benefit Periods only)**

Means disablement which occurs while the **Policy** is in force resulting solely from injury or sickness and as a result of which the **Insured Member**:

1. Is unable to perform at least one Important Duty\* of his or her usual occupation, necessary to producing income; and
2. Remains under the regular care and attendance and is following the advice of a **Medical Practitioner** in relation to that injury or sickness including following all recommended courses of treatment; and
3. Is not engaged in any occupation, whether paid or unpaid.

\* Important Duty means a duty that involves 20% or more of the **Insured Member's** overall occupational tasks.

**Total Disability or Totally Disabled Standard Definition (Applicable to the 10 year Benefit Period only)**

Means disablement which occurs while the **Policy** is in force resulting solely from injury or sickness and as a result of which the **Insured Member**:

For the first 2 years of the <b>Benefit Period</b>	After the expiry of the first 2 years and for the balance of the <b>Benefit Period</b>
<ol style="list-style-type: none"> <li>1. is unable to perform at least one Important Duty* of his or her usual occupation, necessary to producing income; and</li> <li>2. remains under the regular care and attendance and is following the advice of their treating <b>Medical Practitioner</b> in relation to that injury or sickness including following all recommended courses of treatment; and</li> <li>3. where deemed appropriate, is actively participating in an <b>Occupational Rehabilitation Program</b> required by AIA Australia; and</li> <li>4. is not engaged in any occupation, whether paid or unpaid.</li> </ol>	<ol style="list-style-type: none"> <li>1. is unable to perform at least one Important Duty* of his or her usual occupation necessary to producing income and any other occupation for which the <b>Insured Member</b> is reasonably able to perform with reference to their education, training or experience; and</li> <li>2. remains under the regular care and attendance and is following the advice of their treating <b>Medical Practitioner</b> in relation to that injury or sickness including following all recommended courses of treatment; and</li> <li>3. where deemed appropriate, is actively participating in an <b>Occupational Rehabilitation Program</b> required by AIA Australia; and</li> <li>4. is not engaged in any occupation, whether paid or unpaid.</li> </ol>

\* Important Duty means a duty that involves 20% or more of the **Insured Member's** overall occupation tasks

### Total Disability or Totally Disabled Alternative Definition (Applicable to all Benefit Periods)

Means disablement which occurs while the **Policy** is in force resulting solely from injury or sickness and as a result of which the **Insured Member**:

1. Remains under the regular care and attendance and is following the advice of a **Medical Practitioner** in relation to that injury or sickness including following all recommended courses of treatment; and
2. Is not engaged in any occupation, whether paid or unpaid; and
3. In our opinion, after considering all medical evidence, is continuously and totally unable to perform (with or without aids or adaptations) at least two of the following activities of daily working:
  - a) **Mobility**: The ability to:
    - bend, kneel or squat to pick something up from the floor and straighten up again, and get into and out of a standard sedan; or car; or
    - walk more than 200 metres at a normal pace on a level surface without stopping due to breathlessness as a result of a medical condition or angina.
  - b) **Hearing**: The ability to hear such that an audiologist can certify that the **Insured Member** has a hearing ability of less than or equal to 40db in the better ear (averaged over the frequencies 0.5, 1, 2 and 3 KHz) in an audiometry test.
  - c) **Communicating through speech**: The ability to speak with sufficient clarity to be able to hold a conversation in a quiet room in the **Insured Member's** first language. This involves understanding a simple message and relaying that message to another person.
  - d) **Seeing**: The ability to see even when tested with visual aids, such that an ophthalmologist can certify that the **Insured Member's** visual acuity is better than 6/60 in the better eye or a visual field of greater than 10 degrees (i.e not legally blind).
  - e) **Manual Dexterity**: The ability to use:
    - at least one hand to pick up and/or manipulate small objects such as picking up a coin from a desk, using cutlery or fastening buttons; or
    - a pen or pencil or keyboard to write a short note that can be understood by another person.

### Visa

A current and valid visa issued in accordance with the *Migration Act 1958* (Cth) or any amending or replacing Act which enables an eligible person or **Insured Member** to work in Australia.

### Waiting Period

The number of continuous days, as set out in the **Policy Schedule**, which must elapse before the **Monthly Benefit** begins to accrue.

The **Waiting Period** commences from the later of the following:

1. The date the **Insured Member** is first examined and certified by a **Medical Practitioner** as **Totally Disabled** or **Permanently Disabled** in relation to an injury or sickness that gave rise to the claim; and
2. The date the **Insured Member** ceased work due to that injury or sickness.

If an **Insured Member** consults a **Medical Practitioner** within seven days of ceasing work due to the injury or sickness, the **Waiting Period** will commence from the date the **Insured Member** ceased work.

Refer to clause 6.13 for details regarding return to work provisions during the **Waiting Period**.

### War

Includes but is not limited to war (declared or undeclared) or war related activities, revolution, invasion or rebellion or civil unrest.

## 14. Medical Definitions

### Accidental HIV Infection

Infection with the Human Immunodeficiency Virus (HIV) acquired by accident or violence during the course of the **Insured Member's** normal occupation or through the medium of a blood transfusion, transfusion of blood products, organ transplant, assisted reproduction technique or other medical procedure or operation performed by a doctor or at a recognised medical facility. Sero-conversion evidence of the HIV infection must occur within six months of the accident and must be verified by an appropriate **Medical Practitioner**. HIV infection transmitted by any other means, including but not limited to sexual activity or non-medical intravenous drug use, is not Accidental HIV Infection under the **Policy**.

Any accident giving rise to a potential claim must be reported to AIA Australia within 30 days and be supported by a negative HIV antibody test taken within seven days after the accident.

AIA Australia must be given access to test independently all blood samples used, if it requires.

AIA Australia retains the right to take further independent blood tests or other medically accepted HIV tests.

### Activities of Daily Living

#### Bathing

The ability to wash themselves either in the bath or shower or by sponge bath without the assistance of another person. The **Insured Member** will be considered to be able to bathe himself or herself even if the above tasks can only be performed by using equipment or adaptive devices.

#### Dressing

The ability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them without the assistance of another person. The **Insured Member** will be considered able to dress himself or herself even if the above tasks can only be performed by using modified clothing or adaptive devices such as tape fasteners or zipper pulls.

#### Eating

The ability to feed themselves once food has been prepared and made available, without the assistance of another person.

#### Toileting

The ability to get to and from and on and off the toilet, to maintain a reasonable level of personal hygiene, and to care for clothing without the assistance of another person. The **Insured Member** will be considered able to toilet himself or herself even if he or she has an ostomy and is

able to empty it himself or herself, or if the **Insured Member** uses a commode, bedpan or urinal, and is able to empty and clean it without the assistance of another person.

#### Transferring

The ability to move in and out of a chair or bed without the assistance of another person. The **Insured Member** will be considered able to transfer himself or herself even if equipment such as canes, quad canes, walkers, crutches or grab bars or other support devices including mechanical or motorised devices is used.

#### Alzheimer's Disease

The diagnosis of Alzheimer's Disease as confirmed by a consultant neurologist or geriatrician resulting in significant cognitive impairment.

Significant cognitive impairment means deterioration in the **Insured Member's** mini-mental state examination, or equivalent thereof, scores to 20 or less.

#### Aplastic Anaemia

A definite diagnosis of chronic persistent bone marrow failure, confirmed by a bone marrow biopsy, which results in anaemia, neutropenia and thrombocytopenia requiring treatment by at least one of the following:

1. Blood production transfusion
2. Marrow stimulating agents
3. Immunosuppressive agents
4. Bone marrow transplantation.

#### Bacterial Meningitis

The diagnosis of the **Insured Member** with Bacterial Meningitis. The meningitis must produce neurological deficit causing permanent and significant functional impairment. 'Significant' shall mean at least a 25% impairment of whole person function as defined in Guides to the Evaluation of Permanent Impairment 5th edition, American Medical Association. Diagnosis must be confirmed by a consultant neurologist. Bacterial Meningitis in the presence of HIV is excluded. All other forms of meningitis including viral, are excluded.

#### Benign Brain Tumour

A non-cancerous tumour on the brain or spine giving rise to symptoms of permanent neurological deficit, resulting in the **Insured Member** either:

1. Suffering at least 25% impairment of whole person function, attributable to the above condition, as defined in Guides to the Evaluation of Permanent Impairment 5th edition, American Medical Association, or

2. Being totally and permanently unable to perform any one of the **Activities of Daily Living**.

The requirement for 1 and 2 will be waived if the tumour is surgically removed regardless of whether or not the symptoms of permanent neurological deficit apply.

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

Cysts, granulomas, cholesteatomas, malfunctions in or of the arteries or veins of the brain, haematomas and tumours in the pituitary gland are not covered.

### Blindness

As a result of disease or accident and certified by an ophthalmologist, the:

1. Visual acuity on the Snellen Scale after correction by suitable lenses is less than 6/60 in both eyes; or the
2. Field of vision is constricted to 20 degrees or less of arc around central fixation in the better eye irrespective of corrected visual activity (equivalent to 1/100 white test object); or the
3. Combination of visual defects results in the same degree of vision impairment as that occurring in 1 or 2 above.

### Cancer

The presence of one or more malignant tumours including Hodgkin's disease, leukaemia and other malignant bone marrow disorders, and characterised by the uncontrolled growth and spread of malignant cells and the invasion and destruction of normal tissue, but does not include the following:

1. Tumours which are histologically described as pre-malignant or showing the changes of 'carcinoma in situ';
2. 'Carcinoma in situ of the breast' is excluded;
3. Melanomas of less than 1 thickness, without ulceration as determined by histological examination;
4. All hyperkeratoses or basal cell carcinomas of the skin;
5. Cutaneous squamous cell carcinomas of T3N0M0 and below grade tumours, where the tumour is less than five cm in greatest diameter;
6. T1N0M0 papillary carcinoma of the thyroid less than one cm in diameter;
7. Polycythemia Rubra Vera requiring treatment by venesection alone, and
8. Tumours treated by endoscopic procedures alone.

Skin cancer – where diagnosed by an appropriate specialist acceptable to AIA Australia, AIA Australia will pay:

1. 100% of the **Sum Insured** for melanomas where the tumour is with ulceration or is diagnosed as 1 mm or greater in Breslow's depth of invasion; and
2. 100% of the **Sum Insured** for cutaneous squamous cell carcinomas where the tumour is diagnosed at greater than T3N0M0 or any TN1, 2 or 3 or metastases are present.

Carcinoma in situ of the breast is covered if it results directly in the removal of the entire breast or requires surgery and adjuvant therapy specifically to arrest the spread of malignancy and this procedure is considered the appropriate and necessary treatment as confirmed by an appropriate specialist acceptable to AIA Australia.

### Cardiomyopathy

A condition of impaired ventricular function of variable aetiology (often not determined) resulting in significant physical impairment i.e. Class III on the New York Heart Association classification of cardiac impairment.

The New York Heart Association classifications are:

Class I – no limitation of physical activity, no symptoms with ordinary physical activity.

Class II – slight limitation of physical activity, symptoms occur with ordinary physical activity.

Class III – marked limitation of physical activity and comfortable at rest, symptoms occur with less than ordinary physical activity.

Class IV – symptoms with any physical activity and may occur at rest, symptoms increased in severity with any physical activity.

### Chronic Liver Disease

End stage liver failure, together with two of the following conditions:

1. Permanent jaundice;
2. Ascites; or
3. Hepatic encephalopathy.

Such disease directly related to alcohol or drug abuse is excluded.

### Chronic Lung Disease

End stage respiratory failure requiring permanent oxygen therapy with FEV 1 test results consistently showing less than one litre.

### Coma

A definite diagnosis of a state of unconsciousness with no reaction to external stimuli or response to internal needs for a continuous period of at least 96 hours, and for which period the Glasgow coma score must be 6 or less. Excluded from this definition is coma resulting from alcohol or drug abuse.

The diagnosis of coma must be made by an appropriate medical specialist.

### Coronary Artery By-Pass Surgery

The actual undergoing of by-pass surgery (including saphenous vein or internal mammary graft(s) for the treatment of coronary artery disease). The operation must be for the treatment of one or more coronary arteries and angioplasty contra-indicated and must be considered necessary by a consultant cardiologist.

### Dementia

The diagnosis of Dementia as confirmed by a consultant neurologist or geriatrician resulting in significant cognitive impairment. Significant cognitive impairment means deterioration in the **Insured Member's** mini-mental state examination or equivalent thereof, scores to 20 or less.

Dementia as a result of alcohol or drug abuse is excluded.

### Diplegia

The total and permanent loss of function of both sides of the body due to spinal cord injury or disease, or brain injury or disease.

### Heart Attack (myocardial infarction)

The death of heart muscle as a result of inadequate blood supply to the relevant area. The diagnosis must be confirmed by a cardiologist and evidenced by:

1. Typical rise and fall of cardiac biomarker blood test (Troponin T, Troponin I or CK-MB) with at least one level above the 99th percentile of the upper reference limit; plus
2. Acute cardiac symptoms and signs consistent with myocardial infarction (e.g. chest pain); or
3. New serial ECG changes with the development of any of the following: ST elevation or depression, T wave inversion, pathological Q waves or Left Bundle Branch Block (LBBB).

If the above tests are inconclusive, AIA Australia will consider other appropriate and medically recognised tests.

Other acute coronary syndromes including but not limited to angina pectoris are excluded.

### Heart Valve Surgery

The actual undergoing of a procedure to replace or repair cardiac valves as a consequence of heart valve defects or abnormalities occurring after the **Policy Commencement Date** or last reinstatement date of the **Policy**. Valvotomy is specifically excluded.

### Hemiplegia

The total and permanent loss of function of one side of the body due to spinal cord injury or disease, or brain injury or disease.

### Kidney Failure

End stage renal failure, which presents as chronic irreversible failure of both kidneys to function, as a result of which regular renal dialysis is initiated or renal transplantation carried out.

### Loss of Hearing

A definite diagnosis, by an appropriate medical specialist, of:

1. The total and irreversible loss of hearing in both ears, even with amplification; or
2. Loss of hearing that has an average auditory threshold of 90 decibels or greater, even with amplification, calculated on the following frequencies: 500 hertz, 1000 hertz, 2000 hertz, 3,000 hertz and 4,000 hertz in the better ear.

### Loss of Independence

1. A condition as a result of injury or sickness, where the **Insured Member** is totally and irreversibly unable to perform at least two of the five **Activities of Daily Living**. The condition should be confirmed by a consultant physician; or
2. Cognitive impairment, meaning a deterioration or loss in the **Insured Member's** intellectual capacity which requires another person's assistance or verbal cueing to protect himself or herself as measured by clinical evidence and standardised tests which reliably measure the impairment in the following areas:
  - a) short or long term memory;
  - b) orientation as to person (such as personal identity), place (such as location) and time (such as day, date and year);
  - c) deductive or abstract reasoning.

or

3. Loss of Limbs and Sight of One Eye.

The **Insured Member** would be required to be under continuous care and supervision by another adult person

for at least six consecutive months. At the end of that six-month period, the **Insured Member** must, in

AIA Australia's opinion on the basis of medical evidence, require ongoing continuous care and supervision by another adult person.

### Loss of Limbs and Sight of One Eye

The total and irrecoverable loss by the **Insured Member** of any of the following:

1. Use of both hands;
2. Use of both feet;
3. Use of one hand and one foot;
4. Use of one hand and the sight of one eye; or
5. Use of one foot and the sight of one eye.

### Loss of Speech

The complete and irrecoverable loss of the ability to speak as a result of injury or sickness which must be established and the diagnosis reaffirmed after a continuous period of three months of such loss by an appropriate medical specialist.

### Major Burns

The **Insured Member** has suffered third degree burns to:

1. At least 20% of the body surface;
2. Whole of both hands, requiring surgical debridement and/or grafting; or
3. Whole of the head requiring surgical debridement and/or grafting.

### Major Head Trauma

A head injury, as a result of an **Accident**, resulting in neurological deficit, as certified by a consultant neurologist acceptable to AIA Australia, causing at least a permanent 25% impairment of whole person function as defined in Guides to the Evaluation of Permanent Impairment 5th edition, American Medical Association.

### Major Organ Transplant

Having received, from a human donor, a medically necessary transplant involving one or more of the following organs: kidney, heart, liver, lung, bone marrow and pancreas.

### Motor Neurone Disease

The unequivocal diagnosis of Motor Neurone Disease confirmed by a consultant neurologist.

### Multiple Sclerosis

The unequivocal diagnosis of Multiple Sclerosis confirmed by a consultant neurologist, evidenced by:

1. More than one episode of well-defined neurological deficit, and
2. Residual neurological impairment persisting for a continuous period of at least six months.

### Muscular Dystrophy

The unequivocal diagnosis of Muscular Dystrophy, confirmed by a consultant neurologist.

### Occupationally Acquired Hepatitis B or Hepatitis C Infection

The **Insured Member** is infected with Hepatitis B or Hepatitis C as a result of an **Occupational Accident**.

An **Occupational Accident** means an accident that happens while the **Insured Member** is performing the usual duties of his or her normal occupation and involves contact with a body substance which puts the **Insured Member** at risk of transmission of the infections.

This benefit will only be paid if all the following conditions for payment are satisfied. We require that:

1. The **Insured Member** reports the accident to us within 48 hours after it happens;
2. The **Insured Member** is tested for infections within 48 hours after the accident and the results are negative;
3. A **Medical Practitioner** diagnoses the **Insured Member** to be:
  - a) Positive to Hepatitis C within 180 days after the accident; or
  - b) Positive to Hepatitis B within 180 days after the accident and still be positive within 180 days after the first diagnosis;
  - c) The **Insured Member** complies with all infection control precautions that apply;
  - d) The **Insured Member** is vaccinated or immunised for the infections as required by us; and
  - e) All tests be carried out according to the procedures we specify.

### Other Serious Coronary Artery Disease

The narrowing of the lumen of at least three coronary arteries by a minimum of 60%, as proven for the first time by coronary arteriography, regardless of whether or not any form of coronary artery surgery has been performed.

### Paraplegia

Total and permanent loss of function of the lower limbs due to spinal cord injury or disease, or brain injury or disease.

### Parkinson's Disease

The unequivocal diagnosis of idiopathic Parkinson's Disease as confirmed by a consultant neurologist and requiring treatment. All other types of Parkinsonism are excluded.

### Pneumonectomy

Undergoing a surgical procedure in which an entire lung is removed due to underlying lung disease or disorder.

### Pulmonary Arterial Hypertension (Primary)

Primary pulmonary hypertension associated with right ventricular enlargement established by cardiac catheterisation, resulting in significant irreversible physical impairment of at least Class III of the New York Heart Association classification of cardiac impairment. Pulmonary Hypertension in association with chronic lung disease is specifically excluded.

Other forms of hypertension (involving increased blood pressure) are specifically excluded.

The New York Heart Association classifications are:

Class I – no limitation of physical activity, no symptoms with ordinary physical activity.

Class II – slight limitation of physical activity, symptoms occur with ordinary physical activity.

Class III – marked limitation of physical activity and comfortable at rest, symptoms occur with less than ordinary physical activity.

Class IV – symptoms with any physical activity and may occur at rest, symptoms increased in severity with any physical activity.

### Quadriplegia

The total and permanent loss of function of the lower and upper limbs due to spinal cord injury or disease, or brain injury or disease.

### Severe Rheumatoid Arthritis

The unequivocal diagnosis of rheumatoid arthritis by a rheumatologist that meets qualification for treatment by biological agents under PBS<sup>^</sup> requirements after treatment with conventional disease-modifying anti-rheumatic drugs (DMARDs) having failed and has failed to respond to treatment with a biological DMARD.

<sup>^</sup> Pharmaceutical Benefits Scheme - Rheumatoid Arthritis Initial PBS authority application.

### Stroke

An acute neurological event caused by a cerebral or subarachnoid haemorrhage, cerebral embolism or cerebral thrombosis, where the following conditions are met:

1. There is an acute onset of objective and ongoing neurological signs that last more than 24 hours, and
2. Findings on magnetic resonance imaging, computerised tomography, or other reliable imaging techniques, demonstrate a lesion consistent with the acute haemorrhage, embolism or thrombosis.

Excluded:

1. Brain damage due to an accident, infection or hypoxia;
2. Transient Ischaemic Attack;
3. Vasculitis or an inflammatory disease;
4. Vascular disease affecting the eye, optic nerve or vestibular functions only.

### Surgery to the Aorta

Surgical repair to the aorta to correct any narrowing, dissection or aneurysm of the thoracic or abdominal aorta but does not include angioplasty or non-surgical techniques.

### Terminal Illness

The diagnosis of the **Insured Member** with an illness which in the opinion of an appropriate medical specialist(s), approved by AIA Australia, will result in the death of the **Insured Member** within 12 months of the diagnosis regardless of any treatment that may be undertaken.

### Viral Encephalitis

Severe inflammation of the brain substance (cerebral hemisphere, brainstem or cerebellum) caused by viral infection resulting in the **Insured Member** either:

1. Being totally and permanently unable to perform any one of the **Activities of Daily Living**; or
2. Suffering at least a 25% impairment of whole person function, attributable to the above condition, as defined in Guides to the Evaluation of Permanent Impairment 5th edition, American Medical Association.

Diagnosis must be confirmed by a consultant neurologist.



**AIA Australia**

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