Asteron Life Personal Insurance

Policy Document

How to contact us

If you need to make a claim

Call us on 0800 737 101
Email us at claims@asteronlife.co.nz
Fax us on 0800 808 144 or 04 495 8851

Write to us at

Freepost Authority Number 795
Asteron Life Claims Department
PO Box 894
Wellington 6140

See page 5 for more information about what you need to send us when making a claim.

As part of our commitment to you, this policy document meets the WriteMark Plain English Standard. The WriteMark is New Zealand's plain English quality mark.

The WriteMark doesn't apply to the Medical terms section of this document.

For all other enquiries

Call or email us

Phone: 0800 737 101
(contact centre hours are Monday to Friday, 8am to 6pm)
Fax: 0800 808 116
Email: contactus@asteronlife.co.nz
Web: www.asteronlife.co.nz

Overseas customers

Phone: +64 4 495 8700
Fax: +64 4 470 8992

Write to us

Administration
Asteron Life Limited
PO Box 894
Wellington 6140

If you have any complaints concerning your policy

Write to us at

The Complaints Officer
Asteron Life Limited
PO Box 894
Wellington 6140

At the time this policy is issued, Asteron Life is part of the Insurance and Savings Ombudsman Scheme. This scheme means that policy owners are provided with a free complaints resolution service. If you are not satisfied that we've resolved your complaint, you may refer it to the Insurance and Savings Ombudsman. They will respond if the policy and issue is within their jurisdiction. Their contact details are:

Insurance and Savings Ombudsman
PO Box 10-845
Wellington 6143
Freephone: 0800 888 202
Facsimile: 04 499 7614
www.iombudsman.org.nz

Statutory information

We are required under the Insurance (Prudential Supervision) Act 2010 to establish a statutory fund. The statutory fund relevant to this policy is Asteron Life's Statutory Fund Number One, effective 1 July 2012.

Contents

1	Thank you for choosing Asteron Life for your personal insurance	4
2	A brief overview of covers available with Asteron Life Personal Insurance	6
3	Life Cover benefits in detail	16
4	Accidental Death Cover benefits in detail	17
5	Trauma Recovery Cover benefits in detail	18
6	Total and Permanent Disablement (TPD) Cover benefits in detail	23
7	Cancer Cover benefits in detail	27
8	Income Protection Cover benefits in detail	28
9	Mortgage and Rent Cover benefits in detail	35
10	Benefits shared by two or more covers	38
11	How your policy works	48
12	Medical terms and definitions	53

1 Thank you for choosing Asteron Life for your personal insurance

This policy document is an important part of your insurance contract with us. It explains how your insurance works. Read it together with your policy schedule, which tells you what cover types and benefits you have selected.

How to understand your policy

Your policy is made up of several important documents:

- This policy document explains all the different covers available under an Asteron Life Personal Insurance policy.
- Your policy schedule lists the cover types and benefits you have selected. Your policy schedule was sent to you when your policy was issued.
- Your application form; that is, the form you used to apply for personal life insurance with Asteron Life.
- Any endorsement notices. An endorsement notice is a written confirmation from Asteron Life of a change to your policy.

Common terms we use in this document

When we say 'you' or 'your', we mean the person who owns the policy. There can be more than one policy owner.

When we say 'the insured person', we mean the person who is insured by your policy. This can be you, or it can be another person who you have insured.

Sections 8 and 9 (Income Protection and Mortgage and Rent Cover) describe cover types where the insured person is normally the policy owner. For these sections only, 'you' or 'your' means the policy owner and it also means the insured person.

When we say 'we', 'our' and 'us', we mean Asteron Life Ltd.

When we say 'cover', we mean the type of insurance you have selected in your policy. There are several different types of insurance available under an Asteron Life Personal Insurance policy. You may have selected some of these but not others. See section 2 for a full list of the cover types you can select.

When we say 'benefit', we mean a payment we make or entitlement you have under the circumstances that are described in this document. Your cover has both built-in and optional benefits. Built-in benefits are part of the cover. Optional benefits are ones that you can choose to add.

When we say 'sum insured', we mean the amount of money that you will be paid for the type of insurance you have selected.

Some words throughout this document are in *italic font*. These words have a special meaning. The meaning is explained in the same section as the word, or in the Medical terms and definitions section on page 53.

Guarantee of satisfaction

We offer you a 17 day 'free look' period from the date we issued this policy. This means you can cancel your policy within 17 days and receive a full refund, provided no claim has been made. You can cancel during the free look period by writing to us. See the inside front cover for our contact details.

You are covered anywhere in the world

This policy provides you with worldwide cover, 24 hours a day.

We guarantee to upgrade your policy

If we make any future improvements to a cover or benefit in your policy, and the improvements don't result in an increase to our standard premium rates, we will automatically apply the improvements to your policy. If the improvements require extra premium, you can apply to add these improvements to your policy according to our normal business rules.

If you are experiencing a *pre-existing condition* at the time we make an improvement, the improvement will not apply when we assess any claim affected by that *pre-existing condition*.

We guarantee to continue your policy

We guarantee that your policy will continue until the covers within your policy expire (section 11.1). This means you can claim on your policy more than once. It also means we won't change the terms and conditions of your policy (apart from making improvements) even if your health, occupation or pastimes change. The only exceptions are changes:

- to government taxes or charges
- to our interpretation of how to manage those taxes and charges
- you choose to make in your policy.

We increase your cover to stay in line with inflation

We will increase your cover to stay in line with inflation unless you tell us not to. This means your *sum insured* and premium will increase each year to make sure your cover stays up to date. Full terms and conditions for how inflation adjustment works can be found in section 10.1.3.

How to make a claim on your policy

Call us on 0800 737 101 and tell us about your claim. Do this straight away. If you don't tell us as soon as the claimable event has happened, we may not be able to assess your claim.

Complete the claim form that we send you. You need to complete some sections, and your treating doctor needs to complete some sections.

Send us your claim form along with the following documents. Our postal address is on the inside front cover of this document.

If you are claiming on your Total and Permanent Disablement or Trauma Recovery or Cancer Cover

Send us your completed claim form and:

- copies of medical reports and results of investigations performed.

If you are claiming on your Income Protection or Mortgage and Rent Cover

Send us your completed claim form and:

- copies of medical reports and results of investigations performed
- any financial information that we have requested from you.

If you are claiming on your Life Cover or Accidental Death Cover

Send us your completed claim form and:

- a certified copy of the insured person's death certificate
- a certified copy of the insured person's will
- a certified copy of the letters of administration if the insured person was the sole owner of the policy and there is no will
- a certified copy of probate if the insured person was the sole owner of the policy and the *sum insured* is over $15,000.

If you don't have all of these documents, please send as much as you can so we can start assessing the claim.

2 A brief overview of covers available with Asteron Life Personal Insurance

Personal insurance provides you with several different ways to protect your life and income. You can choose some or all of these.

The different covers are summarised in the tables below. They include built-in and optional benefits. Sections 3 to 10 contain a detailed explanation of these benefits. This policy document forms part of your insurance contract. Read these sections carefully, and talk to your financial adviser about how they apply to you.

Life Cover

Life Cover pays you a lump sum of money if the insured person dies or becomes *terminally ill*.

Built-in benefit	What does it do?	Benefit in detail
Death benefit	Pays you the Life Cover *sum insured* if the insured person dies.	page 16
Terminal illness	Pays you the Life Cover *sum insured* if the insured person is diagnosed as *terminally ill*.	page 16
Funeral advancement	Provides an advance payment of $15,000 from your Life Cover to help meet immediate funeral expenses if the insured person dies.	page 16
Financial planning	Reimburses you up to $2,500 for financial advice about your Life Cover or Terminal illness payment.	page 41
Grief support	Reimburses up to $900 for you or your family to receive grief counselling from a professional counsellor.	page 41
Premium holiday	Lets you stop paying premiums for up to six months if you experience financial hardship. You can still make claims during this time.	page 42
Special events increase	Lets you increase your amount of cover whenever a special event occurs in the insured person's life. Special events include getting married, having children, taking out a mortgage or getting a pay rise. See page 38 for a full list of special events.	page 38
Special events conversion	Lets you add accelerated Trauma Recovery or accelerated Modified Total and Permanent Disablement (TPD) Cover to your policy if the insured person is under 50 years of age and they experience a special event.	page 39
Optional benefit	**What does it do?**	**Benefit in detail**
Kids Cover	Pays you the Kids Cover *sum insured* if the insured child becomes *terminally ill*, or experiences one of the medical events listed on page 46.	page 46
We pay your premiums	Waives your Life Cover premiums if the insured person is ill or injured, and can't work in their usual job for more than 10 hours a week.	page 45
Needlestick	Pays you the Needlestick *sum insured* if the insured person contracts Hepatitis B or C or HIV while working. Available to people in the medical and emergency services industries.	page 45
Terminal illness booster	Pays an extra 25% (up to a maximum of $100,000) if the insured person is diagnosed with a *terminal illness*.	page 16

Accidental Death Cover

Accidental Death Cover pays you a lump sum of money if the insured person dies as a result of an accident.

Built-in benefit	What does it do?	Benefit in detail
Accidental Death Cover	Pays you the entire Accidental Death Cover *sum insured* if the insured person dies as a result of an accident.	page 17
Financial planning	Reimburses you up to $2,500 for financial advice about your Accidental Death payment.	page 41
Premium holiday	Lets you stop paying premiums for up to six months if you experience financial hardship. You can still make claims during this time.	page 42
Grief support	Reimburses up to $900 for you or your family to receive grief counselling from a professional counsellor.	page 41
Special events increase	Lets you increase your amount of cover whenever a special event occurs in the insured person's life. Special events include getting married, having children, taking out a mortgage or getting a pay rise. See page 38 for a full list of special events.	page 38
Optional benefit	**What does it do?**	**Benefit in detail**
Kids Cover	Pays you the Kids Cover *sum insured* if the insured child becomes *terminally ill*, or experiences one of the medical events listed on page 46.	page 46
We pay your premiums	Waives your Accidental Death Cover premiums if the insured person is ill or injured, and can't work in their usual job for more than 10 hours a week.	page 45

Note: *Italic type words and expressions are explained in the back pages of this document.*

Trauma Recovery Cover

Trauma Recovery Cover pays you a lump sum of money if the insured person is diagnosed with a serious medical condition or undergoes a certain medical procedure. See the next page or page 18 for a list of conditions and procedures that we cover.

Built-in benefit	What does it do?	Benefit in detail
Trauma Recovery Cover	Pays you the entire Trauma Recovery Cover *sum insured* if the insured person experiences one of the medical events listed on page 18.	page 18
Early stage cancer cover	Pays you part of your Trauma Recovery Cover *sum insured* if you are diagnosed with an *early stage cancer*. The partial payment is the greater of $10,000 or 20% of your Trauma Recovery Cover *sum insured*.	page 27
Financial planning	Reimburses you up to $2,500 for financial advice about your Trauma Recovery Cover payment.	page 41
Grief support	Reimburses up to $900 for you or your family to receive grief counselling from a professional counsellor.	page 41
Premium holiday	Lets you stop paying premiums for up to six months if you experience financial hardship. You can still make claims during this time.	page 42
Special events increase	Lets you increase your amount of cover whenever a special event occurs in the insured person's life. Special events include getting married, having children, taking out a mortgage or getting a pay rise. See page 38 for a full list of special events.	page 38
Special events conversion	Lets you take out new Life Cover, Trauma Recovery Cover or Accelerated TPD Cover without any further health assessment, if a special event occurs in the insured person's life. See page 38 for a full list of special events.	page 39
Optional benefit	**What does it do?**	**Benefit in detail**
Kids Cover	Pays you the Kids Cover *sum insured* if the insured child becomes *terminally ill*, or experiences one of the medical events listed on page 46.	page 46
We pay your premiums	Waives your Trauma Recovery Cover premiums if the insured person is ill or injured, and can't work in their usual job for more than 10 hours a week.	page 45
Needlestick	Pays you the Needlestick *sum insured* if the insured person contracts Hepatitis B or C or HIV while working. Available to people in the medical and emergency services industries.	page 45
Early trauma benefit	Pays you 20% of your Trauma Recovery Cover if the insured person is diagnosed with a certain condition or needs surgical treatment for it. 19 events are covered, and these are listed on page 20.	page 20
Trauma reinstatement	Reinstates your Trauma Recovery Cover after you've claimed on it, so that you can claim it again in the future.	page 21
Life Cover buy back	Increases your Life Cover back to its original amount when your trauma claim comes out of your life insurance. Your trauma claim reduces your life insurance if you have accelerated Trauma Recovery Cover.	page 20

Trauma events you can claim on

Here is a list of the specified medical events for which we pay the Trauma Recovery Cover *sum insured*. We will pay a partial payment if you have chosen the Early trauma benefit, and these specified medical events are listed on the next page. Please see the Medical terms and definitions section (page 53).

Trauma Recovery Cover

General category	Medical condition or surgical procedure
Blood	Aplastic anaemia
	HIV – medically acquired
	HIV – occupationally acquired
Cancer and tumours	Benign tumour of the brain or spinal cord
	Cancer
	Early stage cancer
Connective tissue	Systemic sclerosis
Ear	Deafness
Eye	Blindness
	Loss of sight (one eye) and limb
Gastrointestinal	Chronic liver failure
Heart and artery	Cardiomyopathy
	Coronary artery angioplasty – triple vessel
	Coronary artery bypass surgery
	Heart surgery (open)
	Heart attack
	Out of hospital cardiac arrest
	Pulmonary hypertension
	Repair or replacement of aorta
	Repair or replacement of valves
Kidney and urogenital	Chronic kidney (renal) failure
Major organ transplant	Major organ transplant (placement on waiting list or undergoing transplant)
Musculoskeletal trauma	Loss of limbs
	Severe burns
Respiratory	Pneumonectomy
	Pulmonary hypertension
	Chronic lung failure
Stroke and nervous system	Alzheimer's disease
	Creutzfeldt-Jakob disease
	Coma
	Dementia
	Encephalitis
	Loss of speech
	Major head trauma

Note: *Italic type words and expressions are explained in the back pages of this document.*

General category	Medical condition or surgical procedure
Stroke and nervous system	Meningitis
	Motor neurone disease
	Multiple sclerosis
	Muscular dystrophy
	Paralysis
	Parkinson's disease
	Peripheral neuropathy
	Stroke
Other	Intensive care
Modified total and permanent disablement	Loss of limbs
	Loss of sight (one eye) and limb
	Loss of independent existence
	Significant cognitive impairment

Early trauma benefit

General category	Medical condition or surgical procedure
Connective tissue	Severe osteoporosis
	Severe rheumatoid arthritis
	Systemic lupus erythematosus (SLE) with nephritis
	Systemic sclerosis
Ear	Loss of hearing in one ear
Endocrine	Diabetes
Eye	Single loss of limb or eye
Gastrointestinal	Colostomy and/or ileostomy
	Severe Crohn's disease
	Severe ulcerative colitis
Heart and artery	Coronary artery angioplasty
	Pulmonary hypertension
Musculoskeletal trauma	Major burns
Stroke and nervous system	Dementia
	Hydrocephalus
	Multiple sclerosis
	Muscular dystrophy
	Parkinson's disease
Other	Serious accidental injury

Total and Permanent Disablement (TPD) Cover

Total and Permanent Disablement (TPD) Cover pays you a lump sum of money if the insured person becomes totally and permanently disabled.

Built-in benefit	What does it do?	Benefit in detail
TPD Cover	Pays you the entire TPD Cover *sum insured* if the insured person becomes totally and permanently disabled.	page 23
Single loss of limb or eye	Pays you 25% of the TPD Cover *sum insured* if the insured person loses a limb or an eye.	page 25
Financial planning	Reimburses you up to $2,500 for financial advice about your TPD payment.	page 41
Grief support	Reimburses up to $900 for you or your family to receive grief counselling from a professional counsellor.	page 41
TPD fast track	Waives the wait period requirement and pays you your TPD cover immediately if the insured person experiences one of 13 medical conditions. These conditions are listed on page 26.	page 25
Premium waiver	Waives your Life Cover premiums if the insured person becomes totally and permanently disabled.	page 44
Premium holiday	Lets you stop paying premiums for up to six months if you experience financial hardship. You can still make claims during this time.	page 42
Special events increase	Lets you increase your amount of cover whenever a special event occurs in the insured person's life. Special events include getting married, having children, taking out a mortgage or getting a pay rise. See page 38 for a full list of special events.	page 38
TPD Life Cover buy back	Increases your Life Cover back to its original amount when your TPD claim comes out of your life insurance. Your TPD claim reduces your Life Cover if you have accelerated TPD Cover.	page 25
Optional benefit	**What does it do?**	**Benefit in detail**
Kids Cover	Pays you the Kids Cover *sum insured* if the insured child becomes *terminally ill*, or experiences one of the defined medical events listed on page 46.	page 46
We pay your premiums	Waives TPD Cover premiums if the insured person is ill or injured, and can't work in their usual job for more than 10 hours a week.	page 45
Needlestick	Pays you the Needlestick *sum insured* if the insured person contracts Hepatitis B or C or HIV while working. Available to people in the medical and emergency services industries.	page 45

Note: *Italic type words and expressions are explained in the back pages of this document.*

Cancer Cover

Cancer Cover pays you a lump sum of money if the insured person is diagnosed with *cancer*.

Built-in benefit	What does it do?	Benefit in detail
Cancer Cover	Pays you the entire Cancer Cover *sum insured* if the insured person is diagnosed as having *cancer*.	page 27
Early stage cancer	Pays you the greater of $10,000 or 20% of your Cancer Cover *sum insured* if the insured person is diagnosed with an early stage *cancer*.	page 27
Financial planning	Reimburses you up to $2,500 for financial advice about your Cancer Cover payment.	page 41
Grief support	Reimburses up to $900 for you or your family to receive grief counselling from a professional counsellor.	page 41
Premium holiday	Lets you stop paying premiums for up to six months if you experience financial hardship. You can still make claims during this time.	page 42
Special events increase	Lets you increase your amount of cover whenever a special event occurs in the insured person's life. Special events include getting married, having children, taking out a mortgage or getting a pay rise. See page 38 for a full list of special events.	page 38
Optional benefit	**What does it do?**	**Benefit in detail**
Kids Cover	Pays you the Kids Cover *sum insured* if the insured child becomes *terminally ill*, or experiences one of the medical events listed on page 46.	page 46
We pay your premiums	Waives your Cancer Cover premiums if the insured person is ill or injured, and can't work in their usual job for more than 10 hours a week.	page 45
Needlestick	Pays you the Needlestick *sum insured* if the insured person contracts Hepatitis B or C or HIV while working. Available to people in the medical and emergency services industries.	page 45

Income Protection Cover

Income Protection Cover pays you a regular monthly payment if you are unable to work because you are sick or injured. Income Protection Cover is designed to provide you with money to live on while you're not receiving your salary or wages.

When we talk about Income Protection Cover, we use 'you' to mean the policy owner and the insured person. We do this because payments for the total or partial disability benefit will be made to the insured person.

We pay income protection benefits to you if you continue to be disabled after a *waiting period*. You choose how long you want the *waiting period* to be. We will pay you until you can return to work, or until you reach the end of the payment period on your policy.

Built-in benefit	What does it do?	Benefit in detail
Totally disabled	Pays you a *monthly benefit* if you are totally disabled as a result of *sickness* or *injury*, and remain totally disabled after the *waiting period*.	page 28
Partially disabled	Pays you a *monthly benefit* if you are totally disabled as a result of *sickness* or *injury*, and remain partially disabled after the *waiting period*.	page 29
Premium waiver	Pays your Income Protection Cover premiums for you if we're already paying you a benefit because you are disabled.	page 44
Pregnancy premium waiver	Waives your premiums for up to six months if you become pregnant while your policy is in force.	page 44
Recurrent disability	Restarts your *monthly benefit* without requiring a new *waiting period* if you suffer from the same *sickness* or *injury* within 12 months.	page 43
Disability reset	Allows you to claim again for the full *benefit period* for a new or related *sickness* or *injury* under certain circumstances.	page 43
Payment while overseas	Pays your *monthly benefit* if you are disabled while overseas.	page 31
Retraining and support	Reimburses you for retraining and support costs if you are totally disabled or partially disabled.	page 44
Funeral assistance	Reimburses up to four times the *monthly benefit* for funeral costs if the insured person dies.	page 31
Grief support	Reimburses up to $900 for you or your family to receive grief counselling from a professional counsellor.	page 41
Elective surgery	Pays you a *monthly benefit* if you are disabled as a result of a specific elective surgical procedure. These are listed on page 31.	page 31
Premium and cover suspension	Lets you stop your premiums and cover for up to 12 months if you experience financial hardship, are unemployed, or are on sabbatical, maternity, or long-term leave from work.	page 43
Overseas assist	Reimburses costs of up to $10,000 for you and your immediate family members to return to New Zealand or Australia. Overseas assist is available if the insured person becomes disabled while overseas, and if you are eligible to receive monthly payments under this policy.	page 31
Return to work	Rewards you if you can return to work full-time. We'll pay you a bonus of one month's benefit after your first three months back at work, and a further two months' benefit after your first six months back at work.	page 32

Note: *Italic type words and expressions are explained in the back pages of this document.*

Built-in benefit	What does it do?	Benefit in detail
25% Income bonus	Pays you a bonus of 25% of your *monthly income* while you are partially disabled. This bonus will continue for up to 12 months.	page 32
Income update	Allows you to increase your cover by up to 10% each year without needing further medical assessment. This helps you keep your level of cover up to date with pay rises.	page 31
Child care assistance	Helps with child care costs incurred as a result of *sickness* or *injury*. If you are totally disabled and require additional child care assistance, we'll reimburse up to $800 in extra child care costs.	page 30
Claiming while on a period of leave without pay	Pays a *monthly benefit* if you are disabled while on *leave without pay*. The *waiting period* before we pay the *monthly benefit* will begin from the date you are due to return to work from *leave without pay*.	page 42
Claiming while on a period of involuntary unemployment	Pays a benefit if you are disabled within the first three months of being *involuntarily unemployed*.	page 42
Optional benefit	**What does it do?**	**Benefit in detail**
Extras package • **Accommodation** • **Bed confinement** • **Crisis** • **Family assist** • **Transportation** • **Unemployment**	Gives you extra benefits for greater protection, including: • an accommodation benefit, which pays for your family to be with you if they live more than 100km away • a family assist benefit, which pays for a nurse or a family member to look after you at home • a crisis benefit, which pays you if you suffer from a listed condition such as *cancer*, *heart attack* or *stroke*, even if you're able to keep working • a number of other valuable benefits – see pages 32–34 for a full list of what's available and how much money you'll receive for each benefit.	page 32
Increasing claim	Increases your *monthly benefit* payments each year while you're receiving a benefit under an active claim. This is useful because it keeps your benefit up to date with changes like inflation.	page 47
Income booster	Pays you an extra 33% of your *monthly benefit* for the first three months that you have an active claim. The Income booster benefit is useful because it helps you adjust to your new routine and helps with extra expenses.	page 32
Needlestick	Pays you the Needlestick *sum insured* if the insured person contracts Hepatitis B or C or HIV while working. Available to people in the medical and emergency services industries.	page 45
Mental health discount	Gives you a premium discount if you chose to have a maximum *benefit period* of two years for any mental illness claim.	page 47

Mortgage and Rent Cover

Mortgage and Rent Cover pays you a regular monthly payment if the insured person is unable to work because they're sick or injured, or they have been made *redundant* or bankrupt.

When we talk about Mortgage and Rent Cover, we use 'you' to mean the policy owner and the insured person. We do this because payments for the total or partial disability benefit will be made to the insured person.

Built-in benefit	What does it do?	Benefit in detail
Totally disabled	Pays you a *monthly benefit* if you are totally disabled as a result of *sickness* or *injury*, and remain totally disabled after the *waiting period*.	page 35
Partially disabled	Pays you a *monthly benefit* if you are totally disabled as a result of *sickness* or *injury*, and remain partially disabled after the *waiting period*.	page 35
Redundancy/ bankruptcy	Pays you a *monthly benefit* if you are made *redundant* or bankrupt.	page 36
Premium waiver	Waives your Mortgage and Rent Cover premiums if we're already paying you a benefit because you have been disabled.	page 44
Pregnancy premium waiver	Waives your premiums for up to six months if you become pregnant while your policy is in force.	page 44
Claiming while on a period of leave without pay	Pays a *monthly benefit* if you are disabled while on *leave without pay*. The *waiting period* before we pay the *monthly benefit* will begin from the date you are due to return to work from *leave without pay*.	page 42
Claiming while on a period of involuntary unemployment	Pays a benefit if you are disabled within the first three months of being *involuntarily unemployed*.	page 42
Disability reset	Allows you to claim again for the full *benefit period* for a new or related *sickness* or *injury* under certain circumstances.	page 43
Recurrent disability	Restarts your *monthly benefit* without requiring a new *waiting period* if you suffer from the same *sickness* or *injury* within 12 months.	page 43
Retraining and support	Reimburses you for retraining and support costs if you are totally disabled or partially disabled.	page 44
Optional benefit	**What does it do?**	**Benefit in detail**
Mental health discount	Gives you a premium discount if you chose to have a maximum *benefit period* of two years for any mental illness claim.	page 47
Increasing claim	Increases your *monthly benefit* payments each year while you're receiving a benefit under an active claim. This is useful because it keeps your benefit up to date with changes such as inflation.	page 47

Note: *Italic type words and expressions are explained in the back pages of this document.*

3 Life Cover benefits in detail

Section 2 gave you an overview of the features and benefits that apply to Life Cover. This section gives you more detail about Life Cover. It is important you read this section of your policy carefully as it forms a part of your insurance contract. This section tells you when we will pay a benefit. To receive a benefit, you will also need to meet our claim requirements (section 11.8.5).

3.1 Built-in benefits

This section gives you detail about benefits that are built into your Life Cover. These benefits apply if your policy schedule states that Life Cover applies.

3.1.1 Death benefit

We will pay you the *sum insured* for Life Cover if the insured person dies, minus any payments we have made for:

- *terminal illness*
- accelerated Cancer Cover (section 7.1.1)
- accelerated Trauma Recovery Cover (section 5.1.1)
- accelerated TPD Cover (section 6.1.1)
- funeral advancement benefit (section 3.1.3).

3.1.2 Terminal illness benefit

We will pay the *sum insured* for Life Cover if the insured person becomes *terminally ill*.

3.1.3 Funeral advancement benefit

We will advance $15,000 to you for the insured person's funeral if they die.

A Funeral advancement benefit payment will reduce the Life Cover *sum insured* by the same amount. We will need acceptable written evidence of the insured person's death before paying the benefit.

3.1.4 When we will not pay the Life Cover sum insured or Funeral advancement benefit

We will not pay the Life Cover *sum insured* or Funeral advancement benefit if the insured person's death is caused by an intentional self-inflicted act within 13 months of any of the following:

- the Life Cover *commencement date*
- an increase to the *sum insured* (for the increased portion only)
- the most recent reinstatement of the Life Cover.

This applies whether the act caused the death directly or indirectly, and whether the person was sane or insane.

3.1.5 Built-in benefits your Life Cover shares with other covers

- Special events increase (section 10.1.1)
- Special events conversion (section 10.1.2)
- Inflation adjustment (section 10.1.3)
- Financial planning (section 10.1.4)
- Grief support (section 10.1.5)
- Premium holiday (section 10.1.6)

3.2 Optional additional benefits

This section tells you about benefits you can choose to add to your Life Cover. See your policy schedule to confirm which optional benefits you have selected.

3.2.1 Terminal illness booster benefit

We will pay the *sum insured* for the Terminal illness booster benefit if the insured person:

- is diagnosed with a *terminal illness*; and
- survives at least 30 days after being diagnosed as *terminally ill*.

Your *sum insured* for your Terminal illness booster benefit will reduce by the same proportion as your Life Cover *sum insured* if we pay you a claim for any of:

- accelerated Trauma Recovery Cover (section 5.1.1)
- accelerated Total and Permanent Disablement Cover (section 6.1.1)
- accelerated Cancer Cover (section 7.1.1).

When the Terminal illness booster benefit ends

Cover for the Terminal illness booster benefit will end on the earlier of:

- the date we receive your written request to cancel the Terminal illness booster benefit
- when your Life Cover ends (section 3.3).

3.2.2 Optional benefits you can add to your Life Cover that are also available with other covers

- Needlestick (section 10.2.1)
- We pay your premiums (section 10.2.2)
- Kids Cover (section 10.2.3)

3.3 When Life Cover ends

Life Cover under this policy will end on the earliest of:

- the date we receive your written request to cancel Life Cover
- the date the *sum insured* for Life Cover reduces to nil
- your death.

See section 11.1 for more information about when your policy begins and ends.

4 Accidental Death Cover benefits in detail

Section 2 gave you an overview of the features and benefits that apply to Accidental Death Cover. This section gives you more detail about Accidental Death Cover. It is important you read this section of your policy carefully as it forms a part of your insurance contract. This section tells you when we will pay a benefit. To receive a benefit, you will also need to meet our claim requirements (section 11.8.5).

4.1 Built-in benefits

This section gives you detail about benefits that are built into your Accidental Death Cover. These benefits apply if your policy schedule states that Accidental Death Cover applies.

4.1.1 Accidental Death Cover

We will pay you the Accidental Death Cover *sum insured* if the insured person's death is an accidental death.

Accidental death means their death is solely a result of an accident where death occurs from a visible *injury*.

For cover to apply, death must occur within 90 days from the date of the accident.

4.1.2 Built-in benefits that Accidental Death Cover shares with other covers

- Special events increase (section 10.1.1)
- Inflation adjustment (section 10.1.3)
- Financial planning (section 10.1.4)
- Grief support (section 10.1.5)
- Premium holiday (section 10.1.6)

4.1.3 When we will not pay an Accidental Death Cover benefit

We will not pay a benefit for Accidental Death Cover if the death is a result of or contributed to by *terminal illness*, *sickness* or a self-inflicted act, whether sane or insane.

4.2 Optional additional benefits

You can choose to add the following benefits to your Accidental Death Cover:

- We pay your premiums (section 10.2.2)
- Kids Cover (section 10.2.3)

See your policy schedule to confirm which optional benefits you have selected.

4.3 When Accidental Death Cover ends

Accidental Death Cover under this policy will end on the earliest of:

- the date we receive your written request to cancel the Accidental Death Cover
- the expiry date of the Accidental Death Cover
- payment of the *sum insured* for Accidental Death Cover.

See section 11.1 for more information about when your policy begins and ends.

Note: *Italic type words and expressions are explained in the back pages of this document.*

5 Trauma Recovery Cover benefits in detail

Section 2 gave you an overview of the features and benefits that apply to Trauma Recovery Cover. This section gives you more detail about Trauma Recovery Cover. It is important you read this section of your policy carefully as it forms a part of your insurance contract. This section tells you when we will pay a benefit. To receive a benefit, you will also need to meet our claim requirements (section 11.8.5).

Check your policy to see whether you have chosen accelerated Trauma Recovery Cover or stand alone Trauma Recovery Cover. Accelerated Trauma means that if we pay you a claim under your Trauma Recovery Cover, then your Life Cover *sum insured* will reduce by the same amount. Stand alone Trauma means that if we pay you a claim under your Trauma Recovery Cover, your Life Cover *sum insured* will not reduce.

5.1 Built-in benefits

This section gives you detail about benefits that are built into your Trauma Recovery Cover. These benefits apply if your policy schedule states that Trauma Recovery Cover applies.

5.1.1 Trauma Recovery Cover benefit

We will pay the Trauma Recovery Cover *sum insured* if the insured person has one of the serious medical conditions listed under (a) below, or they undergo one of the major surgeries listed under (b) below. The *sum insured* will only be paid once.

(a) Serious medical conditions

The insured person is diagnosed as having one of the following serious medical conditions (as defined in the Medical terms and definitions section) while covered for that condition under this policy, and survives at least 14 days from the date of diagnosis:

- *Alzheimer's disease*
- *aplastic anaemia*
- *benign tumour of the brain or spinal cord*
- *blindness*
- *cancer**
- *cardiomyopathy*
- *chronic kidney (renal) failure**
- *chronic liver failure*
- *chronic lung failure*
- *coma*
- *Creutzfeldt-Jakob disease*
- *deafness*
- *dementia*
- *encephalitis*
- *heart attack**
- *HIV – medically acquired*
- *HIV – occupationally acquired*
- *intensive care*
- *loss of independent existence*
- *loss of limbs*
- *loss of sight (one eye) and limb*
- *loss of speech*
- *major head trauma*
- *major organ transplant (placement on waiting list)**
- *meningitis*
- *motor neurone disease*
- *multiple sclerosis*
- *muscular dystrophy*
- *out of hospital cardiac arrest*
- *paralysis*
- *Parkinson's disease*
- *peripheral neuropathy*
- *pulmonary hypertension*
- *severe burns*
- *significant cognitive impairment*
- *stroke**
- *systemic sclerosis.*

(b) Major surgical procedures

The insured person undergoes any of the following types of major surgery and survives at least 14 days from the date of surgery:

- *coronary artery angioplasty – triple vessel**
- *coronary artery bypass surgery**
- *heart surgery (open)**
- *major organ transplant (undergoing the transplant)**
- *pneumonectomy**
- *repair or replacement of aorta**
- *repair or replacement of valves*.*

Unless this cover is a *replacement benefit*, cover does not start for medical conditions or surgical procedures marked * until three months after the most recent of:

- the *commencement date* of this cover
- an increase to the *sum insured* (for the increased portion only)
- the most recent reinstatement of the Trauma Recovery Cover.

This means that any serious medical conditions or major surgical procedures marked * are only covered if they occur, are diagnosed or diagnosed as being required, three months after the applicable event above.

Accelerated Trauma Recovery Cover

If any payment is made for accelerated Trauma Recovery Cover (section 5.1.1), then:

- the *sum insured* for Life Cover will reduce by the amount paid
- the *sum insured* for the Terminal illness booster benefit (if applicable) will reduce by the same proportion the *sum insured* for Life Cover reduces
- the accelerated Cancer Cover (if applicable) will reduce (if required) to be no greater than the Life Cover *sum insured*
- the accelerated TPD Cover (if applicable) will reduce (if required) to be no greater than the Life Cover *sum insured*
- future premiums will adjust to reflect the reduced Life Cover *sum insured* and other covers (if applicable)
- if the Life Cover *sum insured* reduces to nil, cover ends.

Stand alone Trauma Recovery Cover

Any benefit payments for stand alone Trauma Recovery Cover (section 5.1.1) will not reduce the Life Cover *sum insured*.

5.1.2 Early stage cancer benefit

We will pay the greater of $10,000 or 20% of the Trauma Recovery Cover *sum insured*, if the insured person is diagnosed with *early stage cancer* (as defined in the Medical terms and definitions section).

Unless this policy is a *replacement policy*, cover does not start until three months after the latest of:

- the *commencement date* of this benefit
- an increase to the *sum insured* (for the increased portion only)
- the most recent reinstatement of this benefit.

This means that *early stage cancer* is only covered if it occurs or is diagnosed three months after the applicable event above.

The *sum insured* for Trauma Recovery Cover will reduce by any payment for *early stage cancer*, and premiums will adjust accordingly.

If the Trauma Recovery Cover *sum insured* is less than $10,000, we will pay you the full *sum insured*.

This benefit will be paid once only for each type of *early stage cancer*. Any *early stage cancer* that is the same or similar to, related to, or directly or indirectly caused by an *early stage cancer* for which a Trauma Recovery Cover benefit has been paid will not be covered.

5.1.3 Built-in benefits that Trauma Recovery Cover shares with other covers

- Special events increase (section 10.1.1)
- Special events conversion (section 10.1.2)
- Inflation adjustment (section 10.1.3)
- Financial planning (section 10.1.4)
- Grief support (section 10.1.5)
- Premium holiday (section 10.1.6)

5.1.4 When we will not pay a Trauma Recovery Cover benefit

We will not pay a Trauma Recovery Cover benefit if the event being claimed for was directly or indirectly caused by an intentional self-inflicted act, whether sane or insane.

If your policy schedule states Trauma Recovery Cover applies, it will not apply to:

- HIV – medically acquired, where a cure for HIV or Acquired Immune Deficiency Syndrome (AIDS) has become available prior to the medical procedure that causes the claim
- HIV – occupationally acquired, where a cure for HIV or Acquired Immune Deficiency Syndrome (AIDS) has become available prior to the accident or malicious act that causes the claim.

5.2 Optional additional benefits

This section tells you about benefits you can choose to add to your Trauma Recovery Cover. See your policy schedule to confirm which optional benefits you have selected.

Note: *Italic type words and expressions are explained in the back pages of this document.*

5.2.1 Early trauma benefit

We will pay the greater of $10,000 or 20% of the Trauma Recovery Cover *sum insured*, if the insured person survives at least 14 days from the date of diagnosis or the surgical procedure, and one of the following applies:

- the insured person is unequivocally diagnosed by a *specialist medical practitioner* as having one of the listed conditions below
- the insured person undergoes one of the listed surgical procedures below
- the insured person experiences one of the other listed trauma conditions below.

Serious medical conditions – payment on diagnosis

Payment on diagnosis recognises the medical expenses and distress associated with being diagnosed with one of the following serious medical conditions.

The insured person must have an unequivocal medical diagnosis from a *specialist medical practitioner* to be eligible for an Early trauma benefit. To be eligible for a full Trauma Recovery Cover benefit, the criteria defined in the Medical terms and definitions section must be met.

- *dementia**
- *hydrocephalus*
- *multiple sclerosis**
- *muscular dystrophy**
- *Parkinson's disease**
- *pulmonary hypertension**
- *severe Crohn's disease*
- *severe osteoporosis*
- *severe rheumatoid arthritis**
- *severe ulcerative colitis*
- *systemic lupus erythematosus (SLE) with nephritis**
- *systemic sclerosis*.*

Surgical procedure or other trauma conditions

- *coronary artery angioplasty**
- *serious accidental injury*
- *single loss of limb or eye*
- *loss of hearing in one ear*
- *colostomy and/or ileostomy*
- *major burns*
- *diabetes (adult insulin-dependent diabetes mellitus).*

Unless this benefit is a *replacement benefit*, cover does not start under the Early trauma benefit for medical conditions, surgical procedures or other trauma conditions marked * until three months after the latest of:

- the *commencement date* of this benefit
- an increase to the Trauma Recovery Cover *sum insured* (for the increased portion only)
- the most recent reinstatement of Trauma Recovery Cover.

This means that any medical conditions, surgical procedures or other trauma conditions marked * are only covered if they occur, are diagnosed or are diagnosed as being required, three months after the applicable event above.

We will pay the Early trauma benefit once only for each of the listed conditions or surgical procedures other than coronary artery angioplasty. We will pay the Early trauma benefit for coronary artery angioplasty for:

- the first coronary artery angioplasty procedure to occur after the cover for this procedure starts
- each subsequent coronary artery angioplasty procedure which occurs at least six months after the previous coronary artery angioplasty procedure.

Each Early trauma benefit payment will reduce the *sum insured* for Trauma Recovery Cover. We will adjust the premiums accordingly.

5.2.2 Life Cover buy back benefit

If we have paid an accelerated Trauma Recovery Cover benefit, you can reinstate the Life Cover *sum insured* (for death and *terminal illness* only) up to the amount of the accelerated Trauma Recovery Cover payment without further medical evidence, if both the following are true:

- your *policy anniversary* during the year in which the insured person turns 65 had not taken place when the accelerated Trauma Recovery Cover payment was made
- the insured person is still alive.

The benefit can be used once only, and only 12 months after the accelerated Trauma Recovery Cover benefit is paid.

We will contact you before the first anniversary of the Trauma Recovery Cover payment to let you know that the Life Cover buy back benefit is available. You can also contact us directly.

Using Life Cover buy back

To enable you to use the Life Cover buy back benefit,

we will give you an application form and the terms and conditions of the new cover.

The Life Cover buy back benefit is only available during the 30 days after the 12 month anniversary of the date we made an accelerated Trauma Recovery Cover payment. To take up the benefit, ensure that we receive your completed application form and first premium payment within this time.

We will calculate premiums for the new Life Cover *sum insured* using rates that apply at the time the Life Cover buy back benefit is used for Life Cover. Premiums will be increased by any loading factors that applied to your policy immediately before the accelerated Trauma Recovery Cover claim. The new cover will begin when we receive the first premium. Any other special terms which applied to your cover immediately before the accelerated Trauma Recovery Cover claim will also apply to your new Life Cover.

5.2.3 Trauma reinstatement benefit

You can ask us to reinstate the Trauma Recovery Cover if all of the following apply:

- we make a payment that reduces the Trauma Recovery Cover *sum insured* to nil
- this payment is made before the commencement anniversary during the year the insured person is 65
- the insured person is still alive.

The maximum *sum insured* of the new Trauma Recovery Cover is the lowest of:

- the original Trauma Recovery Cover
- if accelerated Trauma Recovery Cover applies, the amount of Life Cover (section 3.1.1) remaining at the time the *trauma* reinstatement is used
- $2,000,000.

The benefit can be used once only, and only 12 months after the accelerated Trauma Recovery Cover benefit is paid. The Trauma Recovery Cover benefit must have reduced the *sum insured* to nil.

When the Trauma Recovery Cover *sum insured* reduces to nil, we will contact you before the first anniversary of the Trauma Recovery Cover payment to let you know the Trauma reinstatement benefit is available. You can also contact us directly.

Using Trauma reinstatement

To enable you to use the Trauma reinstatement benefit, we will give you an application form and the terms and conditions of the reinstated cover.

The benefit is only valid for 30 days from the first anniversary of the Trauma Recovery Cover payment that reduces the Trauma Recovery Cover *sum insured* to nil. To take up the benefit, ensure that we receive your completed application form and first premium payment within this time.

We will calculate premiums using rates that apply to Trauma Recovery Cover at the time the Trauma reinstatement benefit is used. Premiums will be increased by any loading factors that applied to your original Trauma Recovery Cover. The new cover will begin when we receive the first premium.

We will let you know about any premium discount applied to the premium when there is a previous Trauma Recovery Cover claim paid for one of the following conditions:

- *cancer (excluding Early stage cancer benefits paid)*
- *heart attack*
- *coronary artery angioplasty – triple vessel*
- *coronary artery bypass surgery*
- *heart surgery (open)*
- *repair or replacement of aorta*
- *repair or replacement of heart valves.*

Restrictions on Trauma reinstatement benefit

The Trauma Recovery Cover available after the Trauma reinstatement benefit is used (that is, Trauma Recovery Cover is reinstated) is subject to the following restrictions:

- reinstated benefits are not eligible for increases under the Special events increase benefit (section 10.1.1)
- reinstated benefits are not eligible to have the We pay your premiums benefit (section 10.2.2) and if premiums were being waived under the We pay your premiums benefit on this policy, the waiver will not apply to the reinstated benefits
- we will not pay a claim for reinstated benefits on a listed medical condition or listed major surgery (section 5.1.1) unless you have taken up the benefit before the condition became apparent. This means we must have received your completed application form and first premium for reinstatement before the event occurred, or the condition was diagnosed, or the symptoms leading to diagnosis first became apparent. Any exclusions or restrictions that applied to the original Trauma Recovery Cover will also apply to the reinstated benefits.

Note: *Italic type words and expressions are explained in the back pages of this document.*

We will not pay a claim for the reinstated benefits if any of the following apply:

- the event is the same event for which a previous Trauma Recovery Cover payment was made under the original Trauma Recovery Cover. For example, if a full claim was previously paid because the insured person was diagnosed with a certain type of *cancer*, no further claims for *cancer* can be made
- the Early trauma benefit event (section 5.2.1) is the same event for which an Early trauma benefit was previously paid under the original Trauma Recovery Cover
- the event is directly or indirectly caused by or related to the event for which a previous Trauma Recovery Cover payment was made, or
- symptoms or condition(s) are related to the event for which a previous Trauma Recovery Cover payment was made
- the event is a heart condition and a previous Trauma Recovery Cover payment was also for a heart condition
- the event is a stroke or paralysis (directly or indirectly resulting from a stroke) and a previous Trauma Recovery Cover payment was for a heart condition.

Heart condition means any of the following serious medical conditions or types of major surgery:

- *cardiomyopathy*
- *coronary artery angioplasty – triple vessel*
- *coronary artery angioplasty*
- *coronary artery bypass surgery*
- *heart attack*
- *heart surgery (open)*
- *out of hospital cardiac arrest*
- *pulmonary hypertension*
- *repair or replacement of aorta*
- *repair or replacement of valves.*

5.2.4 Other optional benefits shared by other covers

- Needlestick (section 10.2.1)
- We pay your premiums (section 10.2.2)
- Kids Cover (section 10.2.3)

5.3 When Trauma Recovery Cover ends

Trauma Recovery Cover under this policy will end on the earliest of:

- the date we receive your written request to cancel Trauma Recovery Cover
- the expiry date of Trauma Recovery Cover
- payment of the *sum insured* for Trauma Recovery Cover
- a payment is made for Terminal illness benefit.

See section 11.1 for more information about when your policy begins and ends.

6 Total and Permanent Disablement (TPD) Cover benefits in detail

Section 2 gave you an overview of the features and benefits that apply to Total and Permanent Disablement (TPD) Cover. This section gives you more detail about TPD Cover. It is important you read this section of your policy carefully as it forms a part of your insurance contract. This section tells you when we will pay a benefit. To receive a benefit, you will also need to meet our claim requirements (section 11.8.5).

Check your policy schedule to see which type of TPD Cover you have. You will have one of modified TPD, own occupation TPD or any occupation TPD. In addition, you will have either stand alone or accelerated TPD Cover.

The following table shows the different combinations of TPD that are available. These are described in more detail in this section.

	Modified TPD	Own occupation TPD	Any occupation TPD
Accelerated TPD	✓	✓	✓
Stand alone TPD	✓	✓	✓

6.1 Built-in benefits

This section gives you detail about benefits that are built into your TPD Cover. These benefits apply if your policy schedule states that TPD Cover applies.

6.1.1 TPD Cover benefit

We will pay the *sum insured* for the TPD Cover if the insured person becomes totally and permanently disabled. We will assess your claim depending on the circumstances and the TPD Cover type shown on your policy schedule.

Modified TPD Cover

If your policy schedule states that modified TPD applies, the insured person needs to meet one of the following criteria to be considered totally and permanently disabled under this cover.

a) They suffer *loss of limbs or sight*.

b) They are constantly and permanently unable to perform at least two of the numbered *activities of daily living* without the physical assistance of someone else. If they can perform the activity on their own by using special equipment, we will not treat them as unable to perform that activity.

c) They suffer *significant cognitive impairment*.

If you have any one of the TPD cover types and you need to make a claim, we will assess it using the criteria for modified TPD if any of the following apply:

- your policy schedule states that modified TPD applies
- the insured person experiences the *sickness* or *injury* giving rise to the claim after they have permanently retired from the workforce
- you make a claim after the *policy anniversary* when the insured person is 65.

Own occupation TPD Cover

If your policy schedule states that own occupation TPD applies, the insured person needs to have suffered a *sickness* or *injury* and meet one of the following criteria (a or b) to be totally and permanently disabled under this cover.

a) They have not been engaged full-time in *normal domestic duties* in their own residence for more than six months before suffering that *sickness* or *injury*, and both of the following apply:

  - they have been absent from and unable to work in their *usual occupation* solely because of the *sickness* or *injury* for a continuous period of at least three months
  - we have considered medical and any other evidence we have requested, and believe that they are incapacitated solely because of the *sickness* or *injury*. This incapacity is such that they are unlikely ever to be able to work again in their *usual occupation*.

Note: *Italic type words and expressions are explained in the back pages of this document.*

b) They have been engaged full-time in *normal domestic duties* in their own residence for more than six months (excluding any periods of parental leave) before suffering that *sickness* or *injury*, and both of the following apply:

- they are unable to engage in *normal domestic duties* solely because of the *sickness* or *injury* for a continuous period of at least three months
- we have considered medical and any other evidence we have requested, and believe that they are incapacitated solely because of the *sickness* or *injury*. This incapacity is such that they are unlikely ever to be able to:
  - perform *normal domestic duties*; and
  - engage in any occupation for which they are reasonably suited by education, training or experience.

If you have own occupation TPD and the insured person doesn't meet any of these criteria, you are eligible to make a claim if they meet the criteria listed under modified TPD on page 23.

Any occupation TPD Cover

If your policy schedule states that any occupation TPD applies, the insured person needs to have suffered a *sickness* or *injury* and meet one of the following criteria (a or b) to be considered totally and permanently disabled under this cover.

a) They have suffered a *sickness* or *injury* and:

- they have been absent from and unable to work solely because of the *sickness* or *injury* for a continuous period of at least three months
- we have considered medical and any other evidence we have requested, and believe that they are incapacitated solely because of the *sickness* or *injury*. This incapacity is such that they are unlikely ever to be able to work again in any occupation:
  - for which they are reasonably suited by education, training or experience; and
  - that would pay remuneration at a rate greater than 25% of their earnings during their last 12 months of work.

b) They have been engaged full-time in *normal domestic duties* in their own residence for more than six months (excluding any periods of parental leave) before suffering the *sickness* or *injury* and both of the following apply:

- they are unable to engage in *normal domestic duties* solely because of the *sickness* or *injury* for a continuous period of at least three months
- we have considered medical and any other evidence we have requested, and believe that they are incapacitated solely because of the *sickness* or *injury*, to such an extent that they are unlikely ever to:
  - be able to perform *normal domestic duties*; or
  - engage in any occupation for which they are reasonably suited by education, training or experience.

If you have any occupation TPD and the insured person doesn't meet any of these criteria, you are eligible to make a claim if they meet the criteria listed under modified TPD on page 23.

Accelerated TPD Cover

If your policy schedule states that accelerated TPD Cover applies and we pay the accelerated TPD benefit, then:

- the *sum insured* for your Life Cover will reduce by the amount paid
- the *sum insured* for the Terminal illness booster benefit (if applicable) will reduce by the same proportion as the Life Cover *sum insured*
- the *sum insured* for the accelerated Trauma Recovery Cover (if applicable) will reduce (if required) to be no greater than the Life Cover *sum insured*
- the *sum insured* for accelerated Cancer Cover (if applicable) will reduce (if required) to be no greater than the Life Cover *sum insured*
- future premiums will adjust to reflect the reduced *sum insured* for Life Cover and other covers (as applicable)
- if the *sum insured* for Life Cover is reduced to nil, cover ends.

Stand alone TPD Cover

If your policy schedule states stand alone TPD Cover applies and we pay the stand alone TPD Cover benefit, we will:

- pay you the TPD Cover *sum insured*
- not reduce your Life Cover *sum insured*
- waive all future premiums for the Life Cover *sum insured* up to the TPD Cover *sum insured* paid.

We will not waive premiums for any increases to the Life Cover *sum insured* after the date the insured person was first diagnosed with the *sickness* or *injury* causing them to be totally and permanently disabled.

We will let you know what the new premium is for the portion of the Life Cover the premium is not waived for. We will calculate the new premium using rates that apply at that time for Life Cover. Premiums will be increased by any loading factors which applied to the insured person immediately before they became totally and permanently disabled. The new cover will begin when we receive the first premium. Any other special terms that applied to your cover immediately before the insured person became totally and permanently disabled will also apply to your Life Cover.

6.1.2 TPD Life Cover buy back benefit

If we have paid an accelerated TPD Cover benefit, you can restore your Life Cover *sum insured* only, without further medical evidence, if both of the following are true:

- your *policy anniversary* during the year in which the insured person turns 65 had not taken place when the accelerated TPD Cover payment was made
- the insured person is still alive.

The benefit can be used once only, and only 12 months after the accelerated TPD Cover benefit is paid.

We will contact you before the first anniversary of the accelerated TPD Cover payment to let you know that the Life Cover buy back benefit is available. You can also contact us directly.

Using TPD Life Cover buy back

To enable you to use the TPD Life Cover buy back benefit, we will give you an application form and the terms and conditions of the new cover.

The TPD Life Cover buy back benefit is only available during the 30 days after the first anniversary of the date we made an accelerated TPD Cover payment. To take up the benefit, ensure that we receive your completed application form and first premium payment within this time.

We will calculate premiums for your new Life Cover *sum insured* using rates that apply at the time the TPD Life Cover buy back benefit is used for Life Cover. Premiums will be increased by any loading factors that applied to the insured person immediately before they became totally and permanently disabled. The new cover will begin when we receive the first premium. Any other special terms which applied to your Life Cover immediately before the insured person became totally and permanently disabled will also apply to your new Life Cover.

6.1.3 Single loss of limb or eye benefit

We will pay the Single loss of limb or eye benefit if the insured person experiences *single loss of limb or eye* and survives at least 14 days.

The minimum we will pay is $10,000. The maximum we will pay is the lesser of:

- 25% of the TPD Cover *sum insured*
- $250,000.

We will pay the Single loss of limb or eye benefit only once.

The TPD Cover *sum insured* will reduce by the Single loss of limb or eye benefit payment. Premiums will adjust accordingly.

6.1.4 TPD fast track benefit

The TPD fast track benefit applies if:

- your policy schedule states that any occupation TPD or own occupation TPD applies
- the insured person has a firm diagnosis from a *specialist medical practitioner* for any of the medical conditions listed below.

Note: *Italic type words and expressions are explained in the back pages of this document.*

If TPD fast track applies, we will waive the requirement for the insured person to be unable to work or engage in *normal domestic duties* for a continuous period of at least three months before you are eligible for a TPD Cover benefit.

Medical conditions eligible for the TPD fast-track benefit

- *Alzheimer's disease*
- *blindness*
- *cardiomyopathy*
- *chronic lung failure*
- *deafness*
- *dementia*
- *major head trauma*
- *multiple sclerosis*
- *muscular dystrophy*
- *Parkinson's disease*
- *pulmonary hypertension*
- *severe rheumatoid arthritis*
- *systemic lupus erythematosus (SLE) with nephritis.*

To qualify for a TPD Cover payment, the remaining criteria applicable to the TPD Cover shown in your policy schedule (section 6.1.1) still apply.

6.1.5 Other built-in benefits shared by other covers

- Special events increase (section 10.1.1)
- Inflation adjustment (section 10.1.3)
- Financial planning (section 10.1.4)
- Grief support (section 10.1.5)
- Premium holiday (section 10.1.6)

6.1.6 When we will not pay a TPD Cover benefit

We will not pay a TPD Cover benefit if total and permanent *disablement* was caused, directly or indirectly, by:

- an intentional self-inflicted act, whether sane or insane
- participation in any *criminal activity*.

6.2 Optional additional benefits

You can choose to add the following benefits to your TPD Cover.

- Needlestick (section 10.2.1)
- We pay your premiums (section 10.2.2)
- Kids Cover (section 10.2.3)

See your policy schedule to confirm which optional benefits you have selected.

6.3 When TPD Cover ends

TPD Cover under this policy will end on the earliest of:

- the date we receive your written request to cancel the TPD Cover
- the expiry date of the TPD Cover
- payment of the *sum insured* for the TPD Cover
- the date a payment is made for Terminal illness benefit.

See section 11.1 for more information about when your policy begins and ends.

7 Cancer Cover benefits in detail

Section 2 gave you an overview of the features and benefits that apply to Cancer Cover. This section gives you more detail about Cancer Cover. It is important you read this section of your policy carefully as it forms a part of your insurance contract. This section tells you when we will pay a benefit. To receive a benefit, you will also need to meet our claim requirements (section 11.8.5).

Check your policy schedule to see whether you have chosen accelerated or stand alone Cancer Cover. Accelerated Cancer Cover means that if we pay you a claim under your Cancer Cover, then your Life Cover *sum insured* will reduce by the same amount. Stand alone Cancer Cover means that if we pay you a claim under your Cancer Cover, your Life Cover *sum insured* will not reduce.

7.1 Built-in benefits

This section gives you detail about benefits that are built into your Cancer Cover. These benefits apply if your policy schedule states that Cancer Cover applies.

7.1.1 Cancer Cover benefit

We will pay you the accelerated Cancer Cover or stand alone Cancer Cover *sum insured* if the insured person is diagnosed as having *cancer*.

Unless this policy is a *replacement policy*, cover does not start until three months after the last of:

- the *commencement date* of this benefit
- an increase to the *sum insured* (for the increased portion only)
- the most recent reinstatement of this benefit.

This means that *cancer* or *early stage cancer* is only covered if it occurs or is diagnosed three months after the applicable event above.

If any payment (including the Early stage cancer benefit) is made for accelerated Cancer Cover:

- the *sum insured* for Life Cover will reduce by the amount paid
- the *sum insured* for the Terminal illness booster benefit (if applicable) will reduce by the same proportion the *sum insured* for Life Cover reduces
- the accelerated Trauma Recovery Cover (if applicable) will reduce (if required) to be no greater than the Life Cover *sum insured*
- the accelerated TPD Cover (if applicable) will reduce (if required) to be no greater than the Life Cover *sum insured*
- future premiums will adjust to reflect the reduced Life Cover *sum insured* and other covers (if applicable)
- if the Life Cover *sum insured* reduces to nil, cover ends.

Any benefit payments for stand alone Cancer Cover (including the Early stage cancer benefit) will not reduce the Life Cover *sum insured*.

7.1.2 Early stage cancer benefit

We will pay the greater of $10,000 or 20% of the Cancer Cover *sum insured* if the insured person is diagnosed with *early stage cancer* (as defined in the Medical terms and definitions section).

The *sum insured* for Cancer Cover will reduce by any payment for *early stage cancer* and premiums will adjust accordingly.

We will pay the Early stage cancer benefit only once, for any type of *early stage cancer* diagnosed.

If the Cancer Cover *sum insured* is less than $10,000, we will pay the full Cancer Cover *sum insured*.

7.1.3 Other built-in benefits shared by other covers

- Special events increase (section 10.1.1)
- Inflation adjustment (section 10.1.3)
- Financial planning (section 10.1.4)
- Grief support (section 10.1.5)
- Premium holiday (section 10.1.6)

7.2 Optional additional benefits

You can choose to add the following benefits to your Cancer Cover.

- Needlestick (section 10.2.1)
- We pay your premiums (section 10.2.2)
- Kids Cover (section 10.2.3)

See your policy schedule to confirm which optional benefits you have selected.

7.3 When Cancer Cover ends

Cancer Cover will cease on the earliest of:

- the date we receive your written request to cancel the Cancer Cover
- the expiry date of the Cancer Cover
- payment of the *sum insured* for the Cancer Cover
- the date a payment is made for *terminal illness*.

See section 11.1 for more information about when your policy begins and ends.

Note: *Italic type words and expressions are explained in the back pages of this document.*

8 Income Protection Cover benefits in detail

Section 2 gave you an overview of the features and benefits that apply to Income Protection Cover. This section gives you more detail about Income Protection Cover. It is important you read this section of your policy carefully as it forms a part of your insurance contract. This section tells you when we will pay a benefit. To receive a benefit, you will also need to meet our claim requirements (section 11.8.5).

When we talk about income protection, we use 'you' to mean the policy owner and the insured person. We do this because payments for the total or partial disability benefit will be made to the insured person.

If your policy schedule states Income Protection Cover applies and you are disabled, we will pay you the *monthly benefit*. There are two types of Income Protection Cover – Loss of Earnings and Loss of Earnings Plus. Check your policy schedule to see which one you have.

8.1 Loss of Earnings Cover

If your policy schedule states that Loss of Earnings Cover applies and you are disabled, we will calculate your benefit payments as the lesser of:

(i) the *monthly benefit*

(ii) (A – B) × 75%; where:

- A = *pre-disability income*
- B = *monthly income* and *other income* received while disabled.

8.2 Loss of Earnings Plus Cover

If your policy schedule states Loss of Earnings Plus Cover applies and you are disabled, we will calculate your benefit payments as the greater of:

(i) (*monthly benefit* – B); and

(ii) (A – B) × 75%; where:

- A = *pre-disability income*
- B = *monthly income* and *other income* received while disabled.

We will pay no more than the maximum of the *monthly benefit*.

If you are receiving Asteron Life Mortgage and Rent Cover, we will not consider this benefit as *other income* when calculating (i) above.

8.3 Built-in benefits

8.3.1 Totally disabled benefit

We will pay the Totally disabled benefit if all of the following apply:

- you have been continuously totally disabled for at least 14 days during the *waiting period*
- including the period you were totally disabled, you have been continuously disabled for the *waiting period*
- unless your disablement is a recurring disability (section 10.1.10), you have been continuously disabled since the end of the *waiting period*; and
- you are totally disabled.

For the purpose of the Totally disabled benefit, we will consider you to be totally disabled if, solely due to *injury* or *sickness*, you are either:

- unable to perform your *usual occupation* for more than 10 hours per week
- unable to perform one or more of the *important income-producing duties* of your *usual occupation*.

In both cases, you must not be working for more than 10 hours per week in any *gainful occupation*. Your *monthly income* must be less than 75% of your *pre-disability income*, and you must be following advice about that *sickness* or *injury* from a *registered doctor*.

Following the advice of a *registered doctor* means you are following the regular advice of the *registered doctor* on an ongoing basis, including recommended courses of treatment and rehabilitation.

Payments will begin from the end of the waiting period. After the end of the *waiting period*, payments will accrue from the first day of each period during which you are totally disabled, and will normally be paid monthly in advance, unless another method has been agreed upon by you and Asteron Life at the time of claim. Payment is conditional on Asteron Life having received all relevant information and the claim being accepted.

8.3.2 Partially disabled benefit

We will pay the Partially disabled benefit if all of the following apply:

- you have been continuously totally disabled for at least 14 days during the *waiting period*
- including the period you were totally disabled, you have been continuously disabled for the *waiting period*
- unless your disablement is a recurring disability (section 10.1.10), you have been continuously disabled since the end of the *waiting period*
- you are partially disabled.

We will waive the requirement for you to be continuously totally disabled for at least 14 days during the *waiting period* if, in our opinion, your partial disability is permanent, or you will be partially disabled for at least 12 months.

We will consider you to be partially disabled if all of the following are true:

- you are able to perform or are working in your *usual occupation*, or you are working in a *gainful occupation*, for more than 10 hours per week
- you are working (or are only capable of working) in your *usual occupation* in a reduced capacity or for fewer hours than you worked before becoming disabled
- your partial disability is solely due to the same *injury* or *sickness* which caused you to be previously totally disabled
- your *monthly income* is less than 75% of your *pre-disability income* (or, if you are not actually working, it would be less than 75% of your *pre-disability income*).

You must be following the advice about that *sickness* or *injury* from a *registered doctor*.

Following the advice of a *registered doctor* means you must be following the regular advice of the *registered doctor* on an ongoing basis, including recommended courses of treatment and rehabilitation.

If you are partially disabled and not working to your capability, *monthly income* and *other income* received while disabled will be calculated based on what we consider you could reasonably be expected to earn if you were working to the extent of your capability. This must be based on medical advice, including the opinion of your *registered doctor* or any other *registered doctor* approved by us.

Payments will begin from the end of the waiting period. After the end of the *waiting period*, payments will accrue from the first day of each period during which you are totally disabled, and will normally be paid monthly in arrears, unless another method has been agreed upon by you and Asteron Life at the time of claim. Payment is conditional on Asteron Life having received all relevant information and the claim being accepted.

8.3.3 When we will not pay an Income Protection Cover benefit

A benefit will not be paid if the event giving rise to the claim is caused directly or indirectly by any of:

- a self-inflicted act, whether sane or insane
- your participation in any *criminal activity*
- pregnancy, miscarriage or childbirth, unless you are disabled for more than three months from the later of the date your pregnancy finishes and the date your disablement begins (the later date being the date we will consider your disablement to have started).

We will not pay for any period while you are in jail or home detention.

Note: *Italic type words and expressions are explained in the back pages of this document.*

8.3.4 When we will limit an Income Protection Cover benefit

The amount payable under the Totally disabled benefit or Partially disabled benefit, as applicable, ('benefit') will be calculated to reflect any *other income* and *monthly income* you receive or are entitled to receive. Every arrangement entered into shall be void for the purposes of this policy if its purpose or effect is to alter *pre-disability income*, *other income*, or *monthly income* while disabled.

Where the arrangement has two or more purposes or effects and one of its purposes or effects is to alter *pre-disability income*, *other income* or *monthly income* while disabled, then – regardless of whether another purpose or effect relates to ordinary business or family dealings – the arrangement shall be void for the purposes of this policy.

Where an arrangement is void, your benefits shall be adjusted in such manner as we consider appropriate so as to counteract any advantage obtained by you from the arrangement for the purposes of this policy.

For the purpose of setting the level of monthly benefit at the *commencement date* and calculating *pre-disability income*, we may take into account income you earn or are entitled to receive from any business partnership, family trust, company or other entity as a result of your personal exertion.

We may adjust your benefits as we consider appropriate if we consider that, while you are disabled, you are not receiving a reasonable level of income from any business partnership, trust, company or other entity. When deciding a reasonable level of income, we consider your level of *pre-disability income* from that source. We do not consider the reason for the change in level of income.

When disablement Income Protection Cover benefits end

Payment of the Totally disabled or the Partially disabled benefit (as applicable) stops on the first to occur of:

- you are no longer totally disabled or partially disabled (as applicable)
- the end of the *benefit period*
- the date cover ends under the policy (section 11.1).

8.3.5 Concurrent wait period benefit

If you are disabled and entitled to receive an Income Protection Cover payment under this Personal Insurance policy, and you also hold a Business Insurance policy with Business Disability or Farmers Disability Cover (if applicable), the *waiting periods* on both benefits will start at the same time.

If you return to *full-time work* during your *waiting period* for this Income Protection Cover, but then suffer a recurring disability under your Business Disability or Farmers Disability Cover (if applicable), only the remaining part of the *waiting period* for the Income Protection Cover will apply.

8.3.6 Child care assistance benefit

We'll reimburse costs you incur for additional child care assistance, if you're totally disabled and need additional child care assistance solely as a result of your *sickness* or *injury*.

The amount payable will be in addition to the Income Protection Cover benefit payable and will be the lesser of:

- $800 per month
- the actual additional child care costs.

Payments will be made monthly in arrears after the terms of this benefit are met.

The Child care assistance benefit is payable for a maximum of six months while you are covered under Income Protection Cover.

Each child must be under the age of 14 at the time additional child care costs are incurred, unless the child has special needs which require additional assistance.

Evidence of the additional child care costs to be reimbursed must be provided to us each month. We cover only child care costs you incur in addition to your pre-disability child care arrangements.

8.3.7 Income update benefit

You have the option to increase the *monthly benefit* each *policy anniversary*, without needing to provide further medical evidence, if both of the following are true:

- you are younger than age 55
- no benefit is being received or payable under this policy and premiums are not being waived.

In addition to any increase under the Inflation adjustment benefit, you can increase the *monthly benefit* by up to 10% by providing us with financial evidence to justify the increase.

The total of all increases in the *monthly benefit* made using the Income update benefit cannot exceed the original *monthly benefit* at the *commencement date* of this policy. For example, if your *monthly benefit* was $3,000 per month when your cover began, the total of all increases using the Income update benefit cannot make your *monthly benefit* more than $6,000 per month.

You can use this benefit by writing to us (including financial evidence) within 90 days of the *policy anniversary*.

If the *monthly benefit* equals or is greater than $12,000, you can't use the Income update benefit.

8.3.8 Funeral assistance benefit

If you die while on claim for Income Protection Cover, we will reimburse direct funeral costs up to four times the *monthly benefit*.

Direct funeral costs include (but are not limited to) funeral director fees, flowers, a coffin, cremation, death notices or plot fees.

For payment of this benefit we need to be sent the following:

- a request for reimbursement of direct funeral costs
- receipts confirming payment of direct funeral costs, and
- acceptable written evidence of your death.

If you have multiple Asteron Life products with funeral benefits, we will reimburse each direct funeral cost only once.

8.3.9 Elective surgery benefit

We will pay the Totally disabled or Partially disabled benefit (as applicable) if your disability is as a result of having one of the following elective surgical procedures, rather than a *sickness* or *injury*:

- transplanting part of your body to someone else
- improving your appearance
- preventing disfigurement.

The elective surgical procedure must have been undertaken on the advice of a *registered doctor*.

8.3.10 Overseas assist benefit

The Overseas assist benefit applies if you are overseas and become disabled, and you are entitled to receive payments from us under Income Protection Cover. We will reimburse reasonable expenses up to $10,000 for you and your immediate family members to return to either your home address in New Zealand or Australia or a medical facility in New Zealand or Australia.

You must advise us in advance of your return journey to New Zealand or Australia. Payment will be made after appropriate evidence is received.

This benefit will not apply if either of the following are true:

- if your journey overseas before becoming disabled was taken against the advice of the treating *registered doctor*; or
- expenses are covered by any other policy of insurance, for example travel insurance.

8.3.11 Payments while overseas benefit

If you are disabled while overseas and you are entitled to receive payments from us, we will pay you while you are overseas, but only if you are able to meet our claim requirements (section 11.8).

Note: *Italic type words and expressions are explained in the back pages of this document.*

8.3.12 Return to work benefit

We will pay the Return to work benefit if both of the following apply:

- we have agreed to pay a Retraining and support benefit (section 10.1.14)
- you start a *gainful occupation* immediately following retraining or support.

We will make up to two payments:

- one payment of one times the *monthly benefit* after you have returned *full-time* to a *gainful occupation*, for three continuous months
- one payment of two times the *monthly benefit* after you have returned *full-time* to a *gainful occupation*, for six continuous months.

8.3.13 25% Income bonus benefit

If you are partially disabled, we will pay a bonus of 25% of your *monthly income*.

The bonus will be payable for each month during the first 12 months following the end of your *waiting period*. You must be continuously disabled during this time.

We will limit this bonus so your total income, including the combined Partially disabled benefit (including this bonus), *monthly income* and *other income*, while partially disabled, will not exceed 100% of your *pre-disability income*.

8.3.14 Other built-in benefits shared by other covers

- Inflation adjustment (section 10.1.3)
- Grief support (section 10.1.5)
- Claim on leave without pay (section 10.1.7)
- Involuntary unemployment (section 10.1.8)
- Premium and cover suspension (section 10.1.9)
- Recurrent disability (section 10.1.10)
- Disability reset (section 10.1.11)
- Pregnancy premium waiver (section 10.1.13)
- Retraining and support (section 10.1.14)
- Premium waiver (section 10.1.15)

8.4 Optional additional benefits

This section tells you about benefits you can choose to add to your Income Protection Cover. See your policy schedule to confirm which optional benefits you have selected.

8.4.1 Income booster benefit

If you have selected the Income booster benefit and we are paying the Totally disabled benefit under Income Protection Cover, we will pay an additional one-third of the *monthly benefit* for the first three months of your Income Protection Cover claim.

If you suffer from a new *disablement* while you are covered for the Income booster benefit, the Income booster benefit will apply again. If you suffer from a recurring disability (section 10.1.10), the benefit will only be available for the remaining benefit payment period.

If your policy schedule gives more than one *waiting period*, the Income booster option is only payable on the shortest *waiting period*.

8.4.2 Extras package

If you have selected the Extras package, a number of benefits (listed below) will also apply to your Income Protection Cover.

Accommodation benefit

We will reimburse actual costs of up to $200 per day that an immediate family member directly incurs for accommodation near where you are bed confined, if you are bed confined as a result of being totally disabled and you either:

- are totally disabled more than 100km from your usual place of residence; or
- travel, on the advice of a *registered doctor*, to a place more than 100km from your usual place of residence.

We will pay the Accommodation benefit for a maximum of 30 days in any 12 month period. We will not reimburse amounts that are reimbursed from elsewhere.

Payments will be made monthly in arrears after the terms of this benefit are met.

Bed confinement benefit

We will pay one-thirtieth of the *monthly benefit* for each day (including the first 72 hours) you are bed confined during the *waiting period*, if you are bed confined for more than 72 hours in a row as a result of being totally disabled during the *waiting period*. We will pay the Bed confinement benefit for the shorter of:

- the *waiting period*
- the time you are bed confined
- 90 days.

If you become bed confined as a result of a recurrent disability (section 10.1.10), any further benefits will take into account the benefits already paid under this benefit.

Payments will be made monthly in advance, unless another method has been agreed upon by you and Asteron Life at the time of claim. Payment is also conditional on Asteron Life having received all relevant information and the claim being accepted.

The Bed confinement benefit is not paid in conjunction with any other payment under this policy.

Crisis benefit

If you suffer from a condition listed under this benefit, we will treat you as if you are totally disabled and make payments for the applicable payment period shown in the table below. We will not make payments beyond the date that cover under this policy ends (section 11.1). We will do this without applying the *waiting period*. If you are disabled during the applicable payment period, no additional Totally disabled or Partially disabled benefit will be paid during that payment period for the disability.

Waiting period in your policy schedule	Payment period
30 days or less	6 months
60 days	4 months
90 days	3 months

The Crisis benefit does not apply if the *waiting period* stated in your policy schedule is more than 90 days.

Conditions and procedures benefit

The conditions and procedures covered under the Crisis benefit are:

- *cancer**
- *chronic kidney (renal) failure**
- *coronary artery angioplasty – triple vessel**
- *coronary artery bypass surgery**
- *heart attack**
- *heart surgery (open)**
- *major organ transplant**
- *paralysis*
- *repair or replacement of aorta**
- *repair or replacement of valves**
- *stroke**.

Cover does not start for medical conditions, surgical procedures or other conditions marked * until three months after the latest of:

- the *commencement date* of this benefit
- an increase to the *monthly benefit* (for the increased portion only)
- the most recent reinstatement of the policy.

This means that any medical conditions, surgical procedures or other conditions covered under the Crisis benefit marked * are only covered if they occur, are diagnosed or are diagnosed as being required, three months after the applicable event above.

You can choose to have this benefit paid as either:

- monthly payments in advance (if you die before the end of the payment period, we will pay the remainder of the monthly payments and the Funeral assistance benefit)
- a lump sum calculated by multiplying the *monthly benefit* by the number of applicable monthly payments. If you die before the end of the payment period, we will pay the Funeral assistance benefit.

Note: *Italic type words and expressions are explained in the back pages of this document.*

If you suffer from another condition under this benefit during the payment period, payment for the earlier condition will cease. The new payment period will be adjusted for any advance payments made for the earlier condition, and will start for the subsequent condition.

We do not pay the Crisis benefit in conjunction with any other benefit payment under Income Protection Cover.

At the end of the applicable payment period, we will determine your eligibility for any other benefits under the appropriate terms of Income Protection Cover.

Family assist benefit

If we have paid the Totally disabled benefit for at least 30 days and you continue to be totally disabled and in our opinion need someone to look after you at home, we will pay for either:

- an immediate family member who was in a *full-time gainful occupation* immediately before you became totally disabled to cease all paid employment to care for you
- a registered nurse (who is not an immediate family member) to care for you at home at least three times per week.

We will pay for up to six months the lower of:

- $2,100 a month
- the *monthly benefit* while covered under Income Protection Cover.

Payments will accrue from the first day the requirements of this benefit are met and will be paid monthly in advance, unless another method has been agreed on by you and Asteron Life at the time of claim.

Transportation benefit

We will reimburse up to three times the *monthly benefit* for actual costs directly incurred for transporting you within New Zealand, if you become disabled and require emergency transportation. This benefit is payable only once in any 12 month period and will not cover expenses reimbursed from elsewhere.

Payments will be made when the requirements of this benefit are met, and after sufficient evidence is received.

Unemployment benefit

We will waive the daily proportion of premiums monthly in arrears for your Income Protection Cover from the first day of unemployment, if you are *involuntarily unemployed* for reasons other than being disabled.

This benefit will cease under the conditions given in section 11.1, and also on the earlier of:

- the date you are no longer unemployed
- the date when a total of six months premium, including the premium waived during any earlier periods of unemployment, has been waived.

8.4.3 Other optional benefits shared by other covers

- Needlestick (section 10.2.1)
- Mental health discount (section 10.2.4)
- Increasing claim (section 10.2.5)

8.5 When Income Protection Cover ends

Income Protection Cover ends on the earliest of:

- the date you permanently leave the workforce or permanently cease being available for *full-time work*. This is for any reason other than disablement leading to benefits being payable under the policy
- the date we receive your letter asking us to cancel your Income Protection Cover
- the date on which all benefit entitlements under Income Protection Cover end
- the benefit expiry date
- you attain age 70, unless your schedule states the payment period is age 65, in which case the cover ends when you attain age 65
- your death.

See section 11.1 for more information about when your policy begins and ends.

9 Mortgage and Rent Cover benefits in detail

Section 2 gave you an overview of the features and benefits that apply to Mortgage and Rent Cover. This section gives you more detail about Mortgage and Rent Cover. It is important you read this section of your policy carefully as it forms a part of your insurance contract. This section tells you when we will pay a benefit. To receive a benefit, you will also need to meet our claim requirements (section 11.8.5).

When we talk about Mortgage and Rent Cover, we use 'you' to mean the policy owner and the insured person. We do this because payments for Mortgage and Rent Cover will be made to the insured person.

9.1 Built-in benefits

If your policy schedule states the Mortgage and Rent Cover – Disability benefit applies and you are disabled, we will pay the *monthly benefit*. Payments for the Disability benefit will be made to the insured person.

9.1.1 Totally disabled benefit

We will pay the Totally disabled benefit if, while covered under this policy:

- you have been continuously totally disabled for at least 14 days during the *waiting period*
- including the period you were totally disabled, you have been continuously disabled for the *waiting period*
- unless your disablement is a recurring disablement (section 10.1.10), you have been continuously disabled since the end of the *waiting period*
- you are totally disabled.

For the purpose of the Totally disabled benefit, we will consider you to be totally disabled if, solely due to *injury* or *sickness*, you are either:

- unable to perform your *usual occupation* for more than 10 hours per week
- unable to perform one or more of the *important income-producing duties* of your *usual occupation*.

In both cases, you must not be working for more than 10 hours per week in any *gainful occupation*. You must also be following advice about that *sickness* or *injury* from a *registered doctor*.

We will also consider you to be totally disabled if you have suffered a *sickness* or *injury* while you have been engaged *full-time* in *normal domestic duties* in your own residence for more than 12 months and:

- you are continuously unable to perform at least three of the *normal domestic duties* solely because of the *sickness* or *injury*
- you are following advice about that *sickness* or *injury* from a *registered doctor*.

Following the advice of a *registered doctor* means you are following the regular advice of the *registered doctor* on an ongoing basis, including recommended courses of treatment and rehabilitation.

Payments will begin from the end of the waiting period. After the end of the *waiting period*, payments will accrue from the first day of each period during which you are totally disabled. Payments will normally be paid monthly in advance, unless another method has been agreed upon by you and Asteron Life at the time of claim. Payment is conditional on Asteron Life having received all relevant information and the claim being accepted.

9.1.2 Partially disabled benefit

We will pay the Partially disabled benefit if all of the following apply:

- you have been continuously totally disabled for at least 14 days during the *waiting period*
- including the period you were totally disabled, you have been continuously disabled (totally or partially) for the *waiting period*
- unless your disablement is a recurring disablement (section 10.1.10), you have been continuously disabled since the end of the *waiting period*
- you are partially disabled.

We will waive the requirement for you to be continuously totally disabled for at least 14 days during the *waiting period* if, in our opinion, your partial disability is permanent, or you will be partially disabled for at least 12 months.

Note: *Italic type words and expressions are explained in the back pages of this document.*

We will consider you to be partially disabled if all of the following are true:

- you are able to perform or are working in your *usual occupation*, or you are working in a *gainful occupation*, for more than 10 hours per week
- you are working (or are only capable of working) in your *usual occupation* for the lesser of:
  - 30 hours per week
  - 75% of the hours you worked before your disablement occurred
- your partial disability is solely due to the same *injury* or *sickness* which caused you to be previously totally disabled.

Following the end of your *waiting period*, we will calculate the Partially disabled benefit when you are partially disabled as:

- the *monthly benefit* × (1 – [hours worked while partially disabled / hours worked on average in the three months prior to being totally disabled]).

If you are partially disabled and not working to your capability, hours worked will be calculated based on what we consider your capability to be. We will consider medical advice, including the opinion of your *registered doctor* or any other *registered doctor* approved by us.

You must be following the advice about that *sickness* or *injury* from a *registered doctor*. Following the advice of a *registered doctor* means following the regular advice of the *registered doctor* on an ongoing basis, including recommended courses of treatment and rehabilitation.

Payments will begin from the end of the *waiting period*. After the end of the *waiting period*, payments will accrue from the first day of each period during which you are totally disabled. Payments will normally be paid monthly in arrears, unless another method has been agreed on by you and Asteron Life at the time of claim. Payment is conditional on Asteron Life having received all relevant information and the claim being accepted.

9.1.3 When disablement benefits end

Payment of the Totally disabled or the Partially disabled benefit (as applicable) stops on the first to occur of the date on which:

- you are no longer totally disabled or partially disabled (as applicable)
- the *benefit period* ends
- cover ends under the policy (section 11.1).

9.1.4 Redundancy and bankruptcy benefit

If your policy schedule states that the Redundancy and bankruptcy benefit applies, we will pay the *sum insured* for the Redundancy and bankruptcy benefit if you:

- are made *redundant*
- are adjudicated bankrupt as a result of creditors' application under the Insolvency Act 2006.

We pay the benefit after a 30-day wait period that begins on the date you became *redundant* or were adjudicated bankrupt.

We will pay the benefit until the earliest date that:

- six payments ('the *benefit period*') have been made for the redundancy or bankruptcy event
- you attain age 65
- you start *full-time* or part-time paid employment
- you stop seeking employment
- you leave New Zealand for more than 30 days during the *benefit period* without Asteron Life's consent
- you are discharged from bankruptcy.

You can claim up to two times under the Redundancy and bankruptcy benefit. You must be employed for six consecutive months before you are eligible to make your second claim under this benefit.

Cover does not start for the Redundancy and bankruptcy benefit until six months after the last of:

- the *commencement date* of this benefit
- an increase to the *sum insured* (for the increased portion only)
- the most recent reinstatement of the cover.

When we will not pay a Redundancy and bankruptcy benefit

A Redundancy and bankruptcy benefit will not be paid if any of the following apply:

- you had reasonable knowledge of the possibility that you were going to become *redundant* or bankrupt at the time of taking out this benefit
- your redundancy results from a strike or labour dispute involving you or your employer
- your redundancy relates to seasonal, or part-time, or relief work, or the expiry or non renewal of a fixed-term employment contract
- we consider that you are self-employed
- your redundancy results from you taking voluntary redundancy, being dismissed or voluntarily resigning
- you have not registered as being unemployed with Work and Income New Zealand, or its equivalent (or with an appropriate recruitment organisation that we approve) at the time you ceased employment.

9.1.5 Other built-in benefits shared by other covers

- Inflation adjustment (section 10.1.3)
- Claim on leave without pay* (section 10.1.7)
- Involuntary unemployment* (section 10.1.8)
- Premium and cover suspension* (section 10.1.9)
- Recurrent disability* (section 10.1.10)
- Disability reset* (section 10.1.11)
- Pregnancy premium waiver* (section 10.1.13)
- Retraining and support* (section 10.1.14)
- Premium waiver* (section 10.1.15)

Benefits marked * are available with Mortgage and Rent Cover – Disability only.

9.2 Optional additional benefits

Other optional benefits shared by other covers

You can choose to add the following benefits to your Mortgage and Rent Cover – Disability:

- Mental health discount (section 10.2.4)
- Increasing claim (section 10.2.5).

See your policy schedule to confirm which optional benefits you have selected.

9.3 When Mortgage and Rent Cover ends

Mortgage and Rent Cover ends on the earliest of:

- the date we receive your letter asking us to cancel the Mortgage and Rent cover
- the date on which all benefit entitlements under Mortgage and Rent Cover end
- the benefit expiry date
- you attain age 65.

See section 11.1 for more information about when your policy begins and ends.

Note: *Italic type words and expressions are explained in the back pages of this document.*

10 Benefits shared by two or more covers

In sections 3 to 9, we've described the built-in and optional benefits specific to each of the seven types of cover. This section gives you more detail about the benefits shared by two or more covers. It is important you read this section of your policy carefully as it forms a part of your insurance contract. This section tells you when we will pay a benefit. To receive a benefit, you will also need to meet our claim requirements (section 11.8.5).

10.1 Built-in benefits

For each of the benefits detailed below, we've listed the covers the benefits belong to. See your policy schedule to find out which covers you have.

10.1.1 Special events increase benefit L AD T CC TPD

You can use the Special events increase benefit to increase the *sum insured* for Life Cover, Accidental Death, Trauma Recovery Cover, TPD Cover or Cancer Cover (as applicable) without the need for further medical evidence. This benefit is available when any of the special events in the following table occur to the insured person, provided that the insured person is younger than 60 years of age when the event occurs.

Event	Evidence required
The insured person decides to permanently live with someone in the nature of marriage or civil union.	Certified copy of their marriage or civil union certificate, or other evidence satisfactory to us that confirms the permanent nature of their relationship.
The insured person divorces or dissolves a registered civil union. You cannot apply for more than one increase if the insured person marries or enters into a de facto relationship, or divorces or separates from a marriage or a de facto relationship, with the same person more than once.	Certified copy of the dissolution order.
Death of the insured person's spouse or partner.	Certified copy of the death certificate for the insured person's spouse or partner.
The insured person or their spouse gives birth to a child.	Certified copy of the birth certificate, which must name the insured person as a parent.
The insured person adopts a child.	Certified copy of the adoption certificate, which must name the insured person as an adopting parent.
The insured person takes out or increases a loan of at least $25,000 for their primary residence, a new residential investment property, a holiday home, or a bare block of land zoned as residential.	Certified copy of the mortgage documents.
The insured person's annual salary increases by at least $5,000. Annual salary means regular remuneration, excluding extra income such as, but not limited to, bonuses or overtime payments.	Sufficient evidence confirming the salary increase; for example, payslips or letter from their employer. or letter from their employer.
Becoming a carer for the first time.	A statutory declaration from the person being cared for, or the dependant's legal representative. This statutory declaration must detail the nature of the dependency. It must also document the close personal relationship held with the insured person, confirm that the dependant permanently resides with them, and confirm that they are personally providing financial and domestic support to the dependant. A statement from the dependant's doctor verifying the need for and nature of the care required, and that such care is required for at least six months.
Financially supporting a dependent child starting private secondary school or a first course of full-time tertiary education.	Birth certificate and enrolment confirmation.
Every fifth *policy anniversary*, if you have held the policy continuously since that date.	No evidence is required.

You cannot use the Special events increase benefit to increase the *sum insured* for any of the following:

- Terminal illness booster benefit (section 3.2.1)
- Needlestick benefit (section 10.2.1)
- Kids Cover (section 10.2.3)

When the Special events increase benefit does not apply

The Special events increase benefit does not apply in any of the following circumstances:

- if the person insured qualifies for a claim under any Asteron Life policy
- if we have previously paid a trauma or cancer benefit for the person insured under any Asteron Life policy
- if we have previously paid a TPD Cover benefit to the person insured under any Asteron Life policy.

In addition, events that occur while we are paying premiums under the We pay your premiums benefit (section 10.2.2) will not qualify for this benefit. The benefit will not be available until the *policy anniversary* immediately after the insured person stops being disabled and premium payments begin.

Minimum and maximum increase

The minimum increase per special event for Life Cover, Accidental Death Cover and TPD Cover is $25,000. The minimum increase per special event for Trauma Recovery Cover and Cancer Cover is $5,000.

The maximum increase per special event for Life Cover, Accidental Death Cover, Trauma Recovery Cover, TPD Cover and Cancer Cover (as applicable) is the lowest of:

- 50% of the *sum insured* for Life Cover, Accidental Death Cover, Trauma Recovery Cover, TPD Cover or Cancer Cover (whichever is applicable) at the *commencement date*
- $200,000
- five times your increase in salary (if applicable)
- the loan amount or the amount of the loan increase (if applicable).

The total of all increases to the *sum insured* for Life Cover, Accidental Death Cover, Trauma Recovery Cover, Cancer Cover, TPD Cover and Cancer Cover using the Special events increase benefit cannot exceed the *sum insured* at the commencement date of the relevant benefit(s).

Qualifying period

The Special events increase benefit can only be used once in any 12 month period for each of Life Cover, Accidental Death Cover, Trauma Recovery Cover, TPD Cover and Cancer Cover.

To use the Special events increase benefit, you must send us a written request within:

- 180 days after the special event; or
- 30 days either side of the policy anniversary following a special event which occurred within the 12 months before that anniversary.

With your written request, you must include evidence of the special event (as detailed in section 10.1.1).

Premium(s) will increase to reflect the increase in cover. The most recent acceptance terms applied to the existing cover will also apply to the increase in cover. The increased cover commences on the date we confirm the new *sum insured* to you, subject to payment of the additional premium.

10.1.2 Special events conversion benefit

You can choose to add accelerated Trauma Recovery Cover or accelerated modified TPD Cover to your Life Cover when a special event occurs (as detailed on page 38), without increasing the Life Cover *sum insured* or giving further medical evidence.

If you do not have Life Cover, you can convert stand alone Trauma Recovery Cover (if applicable) to Life Cover with accelerated Trauma Recovery Cover.

The maximum cover allowed for the accelerated Trauma Recovery Cover or the accelerated modified TPD Cover will be the lesser of:

- 50% of the Life Cover *sum insured*
- $50,000.

You cannot use the Special events conversion benefit to add or convert to any of the following:

- Terminal illness booster benefit (section 3.2.1).
- Needlestick benefit (section 10.2.1)
- Kids Cover (section 10.2.3)

Note: *Italic type words and expressions are explained in the back pages of this document.*

When the Special events conversion benefit does not apply

The Special events conversion benefit does not apply in any of the following circumstances:

- if a Special events increase benefit (section 10.1.1) has been taken in the last 12 months
- if the insured person is aged over 50
- if the insured person is entitled to make a claim under any Asteron Life policy
- if we have previously paid a trauma or cancer benefit for the insured person under any Asteron Life policy
- if we have previously paid a TPD cover benefit for the insured person under any Asteron Life policy.

In addition, events that occur while we are paying premiums under the We pay your premiums benefit (section 10.2.2) will not qualify for this benefit. The benefit will not be available until the *policy anniversary* immediately after the insured person stops being disabled and premium payments begin again.

Qualifying period

The Special events conversion benefit can only be used once.

To use the Special events conversion benefit, you must send us a written request within:

- 180 days after the special event; or
- 30 days either side of the policy anniversary following a special event which occurred within the 12 months before that anniversary.

With your written request, you must include evidence for the special event (as detailed in section 10.1.1).

Premium(s) will adjust to reflect the cover added using the Special events conversion benefit. The most recent acceptance terms applied to the existing cover will also apply to the added cover. The added cover begins on the date we confirm the new cover to you, subject to payment of the additional premium.

For the first six months after the added cover commences, we will only pay a benefit for accelerated Trauma Recovery Cover or accelerated modified TPD Cover in the event of *injury*.

10.1.3 Inflation adjustment benefit

L AD T CC TPD

On each *policy anniversary*, we will offer to increase the *sum insured* without considering any changes to your health, occupation or pastimes. We will offer the increase for any of the following covers or benefits that apply:

- Life Cover
- Terminal Illness Booster
- Accidental Death Cover
- Trauma Recovery Cover
- TPD Cover
- Cancer Cover
- Income Protection Cover
- Mortgage and Rent Cover.

The increase in the *sum insured* will be the greater of the *indexation factor* and 2%.

Premiums will increase to reflect the adjusted *sum insured*.

The Inflation adjustment benefit will not apply if:

- premium freeze applies (section 11.6.2)
- premiums have been waived under stand alone TPD Cover, if applicable (section 6.1.1)
- you tell us in writing not to apply the increase (we will let you know beforehand and give you the opportunity to tell us).

The Inflation adjustment benefit does not apply to any of:

- the Kids Cover *sum insured*
- the Needlestick benefit *sum insured*
- the *monthly benefit* for Income Protection Cover when you are receiving a disability benefit from us
- the *monthly benefit* for Mortgage and Rent Cover when you are receiving a disability or redundancy/bankruptcy benefit from us.

10.1.4 Financial planning benefit

L AD T CC TPD

We will reimburse you up to $2,500 for financial planning advice obtained from an authorised financial adviser approved by us, if we pay a benefit because the insured person has:

- suffered a *trauma*
- suffered total and permanent disablement
- been diagnosed with *cancer*
- been diagnosed with a condition under the Needlestick benefit
- been diagnosed as *terminally ill*
- died.

Financial planning advice involves needs identification, plan preparation and plan presentation, but excludes any cost incurred when dealing with the claim or implementation of the plan.

If there is more than one policy owner, each will receive an equal share of the Financial planning benefit. We will not pay more than $2,500 in total, and this benefit is only payable once.

The Financial planning benefit must be claimed within 12 months of receiving the payment from us for any of death, *trauma*, *cancer*, TPD, *terminal illness* or Needlestick benefit.

For payment of the benefit we need you to send us all of the following:

- a request for reimbursement for financial planning advice
- a copy of the invoice detailing the services provided to the recipient
- details of the qualifications that the accredited adviser holds
- a receipt confirming payment.

Payment of the Financial planning benefit will not reduce any other benefit payable under this policy, and is subject to our normal claim requirements.

10.1.5 Grief support benefit

L AD T CC TPD IP

We will reimburse you or your immediate family members ('the recipients') up to $900 for the cost of receiving grief counselling from an accredited counsellor approved by us, if we pay a benefit because the insured person has:

- suffered a *trauma*
- suffered total and permanent disablement
- been diagnosed with *cancer*
- been diagnosed with a condition under the Needlestick benefit
- been diagnosed as *terminally ill*
- died.

This benefit will be paid on no more than two occasions while the insured person is covered under Income Protection Cover, and is payable only once for any particular claim.

The counsellor cannot be:

- you or any other policy owner
- a business partner of you or any other policy owner
- an immediate family member or a person otherwise related to you or any other policy owner.

The first counselling session must be within 13 months of the applicable event, that is:

- 13 months of the insured person's death
- 13 months of payment from us for *trauma*, *cancer*, TPD, Needlestick, or *terminal illness*.

All counselling must be complete within two years of the first counselling session.

For payment of the benefit we need the recipients to send us all of the following:

- a request for reimbursement for grief counselling
- a receipt confirming payment
- the details of the qualifications the counsellor holds.

Payment of the Grief support benefit will not reduce any other benefit payable under this policy, and is subject to our normal claim requirements.

Note: *Italic type words and expressions are explained in the back pages of this document.*

10.1.6 Premium holiday benefit

L AD T CC TPD

You can apply for a premium holiday and, if we accept, we will waive premiums for a maximum of six months from the time you tell us in writing.

A Premium holiday benefit is only available if you have paid premiums and the policy has been continuously in force for at least six consecutive months, and:

- the insured person becomes *involuntarily unemployed*
- the insured person is made bankrupt
- the insured person experiences financial hardship as we in our sole discretion find reasonable.

A Premium holiday benefit is only available once over the life of policy.

Once accepted, the insured person will continue to be covered and you will be able to claim during the premium holiday period.

The cover will automatically reinstate on the expiry of the premium holiday, and you will be required to begin paying premiums again.

10.1.7 Claiming while on leave without pay benefit

IP M

We will pay the Income Protection Cover or Mortgage and Rent Cover disability benefit while you are on a period of *leave without pay* for less than 12 months from your *usual occupation*, if:

- you are totally or partially disabled
- we have accepted your claim.

Benefit payments will be calculated as if you had become disabled immediately before beginning leave.

We will pay the Income Protection Cover or Mortgage and Rent Cover disability benefit while you are on a period of *leave without pay* for more than 12 months from your *usual occupation*, if:

- you are totally disabled
- we have accepted your claim.

Benefit payments will be calculated as the lowest of:

- the *monthly benefit* less *monthly income* and *other income* received while disabled
- 75% of your loss of earnings (as defined in section 8.1)
- $2,500 less *monthly income* and *other income* received while disabled.

We will consider you totally disabled if, solely due to *injury* or *sickness*, either (a) or (b) below apply:

(a) you have not been engaged full-time in *normal domestic duties* in your own residence for more than 12 months before suffering that *sickness* or *injury* and you are both:

- unable to perform at least two of the *activities of daily living*
- following the advice about that *sickness* or *injury* from a *registered doctor*.

(b) you have been engaged *full-time* in normal domestic duties in your own residence for more than 12 months before suffering that *sickness* or *injury* and you are both:

- unable to perform at least three of the *normal domestic duties*
- following advice about that *sickness* or *injury* from a *registered doctor*.

The *waiting period* will begin on the date you are due to return to your *usual occupation*.

10.1.8 Claiming while on a period of involuntary unemployment

IP M

We will pay the Income Protection Cover or Mortgage and Rent Cover disability benefit, while you are in a period of *involuntary unemployment* of less than or equal to three months from your *usual occupation*, if:

- you are totally disabled
- we have accepted your claim.

Benefit payments will be calculated as if you had become disabled immediately before your *involuntary unemployment*.

We will pay the disability benefit, while you are in a period of involuntary unemployment of more than three months but less than 12 months, if:

- you are totally disabled
- we have accepted your claim.

Benefit payments will be calculated as the lowest of:

- the *monthly benefit* less monthly and *other income* received while disabled
- 75% of your loss of earnings (as defined in section 8.1)
- $2,500 less monthly and *other income* received while disabled.

We will consider you totally disabled if either (a) or (b) below apply when you are *involuntarily unemployed* solely due to *sickness* or *injury*:

(a) you have not been engaged *full-time* in *normal domestic duties* in your own residence for more than 12 months before suffering that *sickness* or *injury* and you are both:

- unable to perform at least three of the *normal domestic duties*
- following advice about that *sickness* or *injury* from a *registered doctor*.

(b) you have been engaged *full-time* in normal domestic duties in your own residence for more than 12 months before suffering that *sickness* or *injury* and you are both:

- unable to perform at least three of the *normal domestic duties*
- following advice about that *sickness* or *injury* from a *registered doctor*.

If you are *involuntarily unemployed* for longer than 12 months, no benefit is payable.

10.1.9 Premium and cover suspension benefit

IP M

You can tell us to suspend cover and premiums for Income Protection Cover and Mortgage and Rent Cover – Disability. We will suspend cover and premiums for a minimum of three months and a maximum of 12 months from the time you tell us in writing.

Premium and cover suspension benefit is only available if you have paid premiums for, and the policy has been continuously in force for, at least 12 consecutive months, and either:

- you are unemployed
- you are on *leave without pay*.

If cover is suspended, it is not automatically reinstated. In order to reinstate cover, you must, within 12 months of the date the cover was suspended, ask us to reinstate the cover and pay the next premium. Otherwise, we will cancel the cover.

If you are suffering a *pre-existing condition* at the time the cover is reinstated, no benefit is payable for any claim affected by that *pre-existing condition*.

10.1.10 Recurrent disability benefit IP M

If we consider your *disablement* under Income Protection Cover or Mortgage and Rent Cover – Disability as recurring, we will begin assessment of benefit without applying a new *waiting period*, but only for the remaining part of the *benefit period*.

We will consider your *disablement* as recurring if you suffer from the same *sickness* or *injury* within 12 months of a disability claim ending.

The *benefit period* will reduce by the previous periods for which we paid benefits for the *disablement* and each recurrence of the *disablement*.

10.1.11 Disability reset benefit

IP M

Unless your *disablement* is a recurring disability (section 10.1.10), if you return to *full-time work* during or after the *benefit period* and perform all of the important income-producing duties of your *usual occupation* without restriction, you will become eligible to submit a new claim if you become disabled. A new *waiting period* will apply if you become disabled again. If the *benefit period* is five years or less, a new *benefit period* will also apply.

If you suffer from the same or related *sickness* or *injury* 12 continuous months or longer after a disability claim ends, and perform all of the important income-producing duties of your *usual occupation* without restriction, you will be eligible to submit another claim if you become disabled again. A new *waiting period* and *benefit period* will then apply.

If the *benefit period* is five years or less and we have made payments for the full *benefit period*, you must return to *full-time work* for at least six continuous months and perform all of the important income-producing duties of your *usual occupation* without restriction before becoming eligible to submit another claim for the same or a related *sickness* or *injury*. A new *waiting period* and *benefit period* will then apply.

10.1.12 Concurrent wait period benefit

IP

If you are disabled and are entitled to receive an Income Protection Cover benefit payment from us under the Personal Insurance policy and you also hold a Business Insurance policy with Business Disability or Farmers Disability cover (if applicable), the *waiting periods* on both covers will commence concurrently.

Note: *Italic type words and expressions are explained in the back pages of this document.*

If you return to *full-time work* during your *waiting period* on this benefit, but then suffer a recurring disability under your Business Disability or Farmers Disability benefit (if applicable), only the remaining part of the *waiting period* under this Income Protection Cover will apply.

10.1.13 Pregnancy premium waiver benefit

IP M

We will waive the premiums for Income Protection and Mortgage and Rent Cover – Disability (as applicable) for up to six months, if you become pregnant and you give us confirmation of pregnancy from a *registered doctor*; and all of the following apply:

- you did not become pregnant within six months of either:
  – the *commencement date*
  – the most recent reinstatement of your cover.
- you are on maternity leave from your *gainful occupation*
- you tell us in writing when the benefit is to start.

You can use the Pregnancy premium waiver benefit at any stage between the second trimester and six months after your pregnancy finishes; you choose when.

Unless cover has ended under section 11.1, the Pregnancy premium waiver benefit will end when a total of six months' premiums, including any premiums waived during an earlier pregnancy, have been waived.

10.1.14 Retraining and support benefit

IP M

We will reimburse any retraining expenses (up to 12 times the *monthly benefit*) and support expenses (up to 12 times the *monthly benefit*) to help you to return to a *gainful occupation* and help you recover, if all of the following apply:

- we agree to your retraining or support expenses before they are incurred
- you incur the expenses while receiving payments for disablement from us under Income Protection Cover or Mortgage and Rent Cover – Disability
- these expenses are not being reimbursed from elsewhere.

Any reimbursement will begin on the first day you meet the terms of this benefit and will be made monthly in arrears.

- Retraining expenses may include (but are not limited to) government-sponsored or approved rehabilitation programme fees and vocational training expenses.
- Support expenses may include (but are not limited to) wheelchairs, artificial limbs, prosthetic devices as well as house and car modifications.

If you are suffering from a recurring disability (section 10.1.10), we will only reimburse expenses up to the remainder (if any) of the 12 months' potential payment under each benefit. If you suffer a new *disablement*, a new maximum payment under each benefit will apply.

10.1.15 Premium waiver benefit

IP M

We will waive the premiums for Income Protection and Mortgage and Rent Cover (as applicable) if you are disabled and are entitled to receive an Income Protection or Mortgage and Rent Cover benefit (as applicable).

The premiums payable for Income Protection and Mortgage and Rent Cover (as applicable) will be waived or refunded until the earlier of:

- the date you are no longer disabled
- the date you are not entitled to receive payments for that disablement under this policy.

The Premium waiver benefit applies to any payments for the Crisis benefit (if applicable) under Income Protection Cover during the Crisis benefit payment period. Otherwise, the Premium waiver benefit is backdated to the first day of the *waiting period*, if a benefit is payable after the end of the *waiting period*. Premiums paid by you during the waiting period will be refunded with the first payment from us.

When premiums become payable again, the premium will be calculated in accordance with section 11.3.1.

10.2 Optional additional benefits

Check your policy schedule to see which of the following benefits apply.

10.2.1 Needlestick benefit

L T CC TPD IP

The Needlestick benefit is for selected occupations in the health and medical sector.

We will pay the *sum insured* if, while working in their normal occupation, the insured person becomes infected with either:

- Hepatitis B or C – occupationally acquired; or
- HIV – occupationally acquired.

When we will not pay a Needlestick benefit

We will not pay the Needlestick benefit if the claim event was caused directly or indirectly by an intentional self-inflicted act, whether the insured person is sane or insane.

Cover for the Needlestick benefit will not apply to either:

- Hepatitis B or C – occupationally acquired, where a cure for Hepatitis B or C has become available prior to the accident or malicious act that causes the claim
- HIV – occupationally acquired, where a cure for HIV or Acquired Immune Deficiency Syndrome (AIDS) has become available prior to the accident or malicious act that cause the claim.

When the cover ends

The Needlestick benefit under this policy will end under the circumstances in section 11.1, and otherwise on the earliest of:

- the date we receive your written request to cancel the Needlestick benefit
- the expiry date of the Needlestick benefit
- the date we make payment of the *sum insured* for the Needlestick benefit
- the date a payment is made for Terminal illness benefit
- the date the insured person stops working in an approved occupation under the Needlestick benefit.

10.2.2 We pay your premiums benefit

L AD T CC TPD

We will pay the premiums for the applicable covers during any period for which the insured person is disabled, as long as they have been continuously disabled for the previous three months.

The insured person is disabled for the purposes of this section if, while covered for the We pay your premiums benefit:

- they suffer a *sickness* or *injury*
- we believe, after consideration of medical and any other evidence requested by us, that they are unable to work for more than 10 hours per week in their *usual occupation* solely because of that *sickness* or *injury*.

If they suffer a *sickness* or *injury* while they have been engaged *full-time* in *normal domestic duties* in their own residence or not in regular employment then, to determine if they are disabled, occupation will be deemed to be any occupation for which they are reasonably suited by education, training or experience.

You must pay the premium for the first three months while the insured person is disabled, but we will refund any premium paid for this period if we accept the We pay your premiums benefit claim.

We will not pay the premium if the insured person's disability is directly or indirectly caused by an intentional self-inflicted act, whether they are sane or insane.

Inflation adjustment while we are paying your premium

If we are paying the premium because the insured person is disabled, we will continue to make annual adjustments to the *sum insured* under the inflation adjustment benefit (section 10.1.3).

Recurring disablement

We will consider the insured person's *disablement* as recurring if we have paid the premiums because of *disablement* and, within 12 months of the date your entitlement to the We pay your premiums benefit ended, the insured person becomes disabled again from the same cause.

If the insured person's *disablement* recurs, we will begin paying the premium again without them needing to be disabled for another continuous period of three months.

Note: *Italic type words and expressions are explained in the back pages of this document.*

If there is more than 12 months between two periods of *disablement*, we will treat the later period as a new *disablement*, even if it is from the same cause. This means that the insured person will need to be continuously disabled for three months before we will pay the premium.

Recommencement of premiums

You must begin paying premiums again on the earlier of:

- the date the insured person stops being disabled
- the *policy anniversary* after the insured person attains age 70.

If needed, premiums will adjust to reflect the cover applicable from the date of recommencement.

When the We pay your premiums benefit ends

Cover for the We pay your premium benefit ends on the *policy anniversary* after the insured person attains age 70.

10.2.3 Kids Cover

If your policy schedule states the Kids Cover applies, we will pay the *sum insured* if an insured child suffers one of the following serious medical conditions or procedures (as defined in the Medical terms and definitions section):

- *benign tumour of the brain or spinal cord*
- *blindness*
- *brain damage*
- *cancer**
- *cardiomyopathy*
- *chronic kidney (renal) failure**
- *deafness*
- *encephalitis*
- *intensive care*
- *loss of limbs or sight*
- *loss of speech*
- *major head trauma*
- *major organ transplant**
- *meningitis*
- *paralysis*
- *severe burns*
- *stroke**
- *terminal illness*

The *sum insured* will be paid for each insured child once only.

Unless this cover is a *replacement policy*, cover does not start for an insured child under Kids Cover for medical conditions or surgical procedures marked * until the date three months after the latest of:

- the *commencement date* of the Kids Cover
- an increase to the Kids Cover *sum insured* (for the increased portion only)
- the most recent reinstatement of the policy.

This means that any medical conditions or surgical procedures marked * are only covered if they occur, are diagnosed or diagnosed as being required, three months after the applicable event above.

Kids Cover partial benefit

We will pay $10,000 if the insured child suffers a *serious accidental injury* or *single loss of limb or eye* while covered under this benefit.

We will only pay this benefit once for each insured child for *serious accidental injury* and once for *single loss of limb or eye*.

The Kids Cover *sum insured* for an insured child will reduce by the amount paid for *serious accidental injury* or *single loss of limb or eye* and the premium will adjust accordingly.

Kids Cover funeral benefit

We will reimburse up to $10,000 of direct funeral costs if an insured child dies while covered under this benefit.

Direct funeral costs include funeral director fees, flowers, death notices and plot fees.

For payment of this benefit we need you to send us all of the following:

- a request for refund for direct funeral costs
- receipts confirming payment of direct funeral costs
- acceptable written evidence of the insured child's death.

If the insured child is covered under other Asteron Life products with funeral benefits, we will reimburse each direct funeral cost only once.

Kids Cover increase benefit

You can increase the *sum insured* for an insured child by $10,000 without the need for further medical evidence when the insured child turns 6, 10, 14 and 18 years old.

We will need a certified copy of the insured child's birth certificate or passport.

The Kids Cover increase benefit does not apply if you have made or are entitled to make a claim for the insured child under this policy.

The total of all increases to the *sum insured* for the insured child cannot exceed the *sum insured* for the insured child at the *commencement date*. The maximum the *sum insured* can be increased to is $200,000.

You can use Kids Cover increase benefit by writing to us (including proof of age) within:

- 180 days of the insured child's relevant birthday; or
- 30 days either side of a *policy anniversary* if the relevant birthday occurred within the previous 12 months.

The premium will increase to reflect the increase in cover. The most recent acceptance terms applied to the existing cover will also apply to the increased cover. The increased cover begins on the date we confirm the new cover to you, subject to payment of the additional premium.

Kids Cover conversion benefit

You can buy a new cover with the insured child as the insured person without further medical evidence, if no benefits have been paid for an insured child before the Kids Cover ends.

You can buy Life Cover, accelerated modified TPD Cover or accelerated Trauma Recovery Cover (or their closest equivalents) at the time the benefit is used.

The *sum insured* for the new cover will be the same as the *sum insured* for the insured child when the Kids Cover ends, if the *sum insured* is more than or equal to $100,000.

The *sum insured* for the new cover can be up to a maximum of $100,000, if the *sum insured* for the insured child is less than $100,000 when the cover ends.

Premiums will be calculated using the rates applying at that time for the new cover, increased by any loading factors that applied under this policy immediately before the Kids Cover expired. The new cover will begin once we have received the first premium. Any other special terms that applied under this policy immediately before conversion for the insured child will also apply under the new policy.

To use the new cover benefit, you must send us a completed application form within 30 days of the Kids Cover ending. We must receive the completed application form and first premium within this time, otherwise the option will lapse. We will send you a new policy document.

When Kids Cover ends

Kids Cover for an insured child ends on the earliest of:

- the date we receive your written request to cancel Kids Cover
- the expiry date, as per your policy schedule
- payment of the full *sum insured* for the insured child
- the death of the insured child.

See section 11.1 for more information when your policy begins and ends.

When we will not pay a Kids Cover benefit

We will not pay a claim if the event giving rise to the claim (including death) was caused directly or indirectly, by:

- a congenital condition
- an intentional act by you or the insured child's parent or guardian
- an intentional act by someone who lives with or supervises the insured child.

10.2.4 Mental health discount benefit

If your policy schedule states that the Mental health discount benefit applies, the *benefit period* for disability that is caused by, or arises in connection to, *mental illness* will be a maximum of 24 months.

10.2.5 Increasing claim benefit

If your policy schedule states the Increasing claim benefit applies, the *monthly benefit* for a disability payment under Income Protection and Mortgage and Rent Cover – Disability (as applicable) will increase at *policy anniversary* while you are receiving payments from us. The Unemployment benefit within the Extras package is not considered to be a payment for this purpose.

The increase will be at the *indexation factor*.

When you are no longer disabled, the *monthly benefit* will not reduce unless you ask us in writing for it to be reduced.

When premiums become payable again, the premium will be calculated in accordance with section 11.3.1.

Note: *Italic type words and expressions are explained in the back pages of this document.*

11 How your policy works

11.1 When your policy begins and ends

Your policy begins on the *commencement date* noted on your policy schedule. This is usually the date we receive your first premium payment.

Your policy will end as described for specific covers and benefits in sections 3 to 10, and on any of the following:

- if we receive your written request to cancel the policy
- if we cancel your policy because the premium hasn't been paid (section 11.8.2)
- if the insured person dies
- if you (and any other policy owners) die.

11.2 Who we pay benefits to

We will pay all claims under this policy to you, unless you have provided a written request for someone else to be a nominated beneficiary of the cover. If you have died, we will pay any nominated beneficiary. If there is no nominated beneficiary, we will pay any surviving policy owner. If there is no nominated beneficiary and no surviving policy owner, we will make payment under the provisions of the Life Insurance Act 1908 or the Administration Act 1969.

11.3 Understanding your premiums

11.3.1 How you pay for your policy

The premium payable is the total regular amount that you need to pay us for this policy. It includes the premium amount for each cover and benefit you have selected. Those premiums include any policy administration fee, and any government taxes or charges. Premiums can be stepped or level. Your policy schedule tells you what your premium is, and whether you have chosen stepped or level premiums.

You can choose to pay fortnightly, monthly, quarterly, half-yearly or yearly.

Your premium amount will depend on the payment frequency that you have chosen. For example, a yearly premium costs less per year than a premium that is paid monthly or fortnightly.

You must pay your premiums on or before the due date. The due date is the same date of the month as your *policy anniversary*. If your *policy anniversary* is on the 29th, 30th or 31st and there is no such date in a particular month, your premium is due on the last day of that month.

How stepped premiums work

Stepped premiums increase over time. We recalculate them every year on your *policy anniversary*. We advise you of the new premium in writing. We will base your new premium on:

- our stepped premium rates at that time
- the insured person's sex, occupation, smoking status and any premium loading factors that we have agreed
- any discounts you or the insured person qualify for
- the amount of cover (or *sum insured*) you have at that time; and the insured person's age on their next birthday.

You can choose to increase your amount of cover each year so it stays consistent with inflation. If you choose to do this, you will pay additional premium for the additional cover being added (section 10.1.3).

How level premiums work

Level premiums stay the same each year until your level premium term expires. They will not increase during this time unless:

- you choose to increase or decrease your amount of cover
- you choose to change your payment frequency from yearly to half-yearly, quarterly, monthly or fortnightly
- we change the premium rates because of the cost of providing protection (we won't ever do this for level premiums on Life Cover)
- we change the premium rates because of increases to government taxes or charges (section 11.3.2, 11.3.3)
- you choose to increase your amount of cover each year in line with inflation. If you choose to do this, you will pay additional premium for the additional cover being added (section 10.1.3).

If there is an increase in the *sum insured*, we will increase your policy premium and let you know about this.

The increase in policy premium will be based on:

- our level premium rates at that time
- the insured person's sex, occupation, smoking status and any agreed premium loading factors
- any discounts you or the insured person have qualified for
- the amount of cover (or *sum insured*) you have at that time
- the insured person's age on their *next birthday*.

If you choose to change your cover in a way that requires additional health or financial assessment, and your current terms and conditions change as a result, your level premium will adjust. Your new premium will be based on:

- our level premium rates at that time for the applicable cover
- the insured person's sex, occupation, smoking status and any agreed premium loading factors
- any discounts you or the insured person have qualified for
- the amount of cover (or *sum insured*) you have at that time
- and the insured person's age on their next birthday.

You can choose how long your premiums stay level

Level premium option	Cover types and benefits available
Level to age 65	Trauma Recovery Cover, stand alone TPD Cover, Cancer Cover
Level to age 70	Life Cover, TPD Cover, Trauma Recovery Cover, Cancer Cover
Level to age 80	Life cover, accelerated TPD Cover
Level to the age that your cover expires	Income Protection Cover

11.3.2 Your premiums can change following a review of our rates

We review our premium rates from time to time.

When this happens, we may increase or decrease our standard rates for any cover type. If we change our standard rates or change the policy fee, your policy premium will change accordingly.

If you have chosen level premiums on your Life Cover, your Life Cover premium will not change unless one of the events listed in section 11.3.1 happens. Your level premiums may increase for other cover types if we increase rates for these cover types. These products include Trauma Recovery Cover, Total and Permanent Disablement Cover, Kids Cover and Cancer Cover.

If your premium changes as the result of us changing our rates or policy fee, the new premium will take effect from your next *policy anniversary*. The only exception to this is if the premium change is a result of an increase in government taxes or charges. If this happens, we may change your premium after giving 30 days written notice.

11.3.3 How government taxes and charges are applied to your policy

Government taxes and charges that we have to pay in relation to this policy will be included in your premium.

Some premiums may be tax deductible. These include premiums for the Totally disabled and Partially disabled benefits sections if you have Loss of Earnings Cover (section 8.1) or Loss of Earnings Plus Cover (section 8.2). This means you would be liable to pay tax on any benefit you receive from these products.

Some premiums also include GST, and you may be able to claim back that GST portion if you are GST-registered. See your financial adviser or accountant for more information about this.

If you pay premiums that we consider to be tax deductible, we will send you a tax certificate as at 31 March each year to confirm the amount paid. If you are GST-registered and do not have benefits we consider to be tax deductible, you can request a tax certificate from us after 31 March each year. We recommend you discuss your specific tax situation with a tax adviser or the Inland Revenue Department.

This is our interpretation of the law on the date this document was written, and it may change if the law or our interpretation of the law changes. If this happens and it affects our liability to pay tax or the tax treatment of premiums or claims, then we may, on a reasonable basis, change the terms and conditions of your policy to reflect this.

11.4 How we contact you

We will send information about your policy to the most recent address that we have for you. Let us know if your contact details change. If we do not have a valid address for you, you may miss important policy updates.

Occasionally we may also telephone or email you about your policy.

Note: *Italic type words and expressions are explained in the back pages of this document.*

11.5 Paying claims

11.5.1 When we will pay a claim

We will pay your claim under this policy when we have received the documents that we need from you and we have confirmed you are eligible for a payment. See section 11.8.5 to see what you need to send us.

11.5.2 How you will receive payment of a claim

We will pay claims for the following cover types in a lump sum payment to you:

- Life Cover
- Accidental Death Cover
- Kids Cover
- Total and Permanent Disablement Cover
- Trauma Recovery Cover
- Cancer Cover

We will pay claims for the following cover types monthly in advance to you, except when the *disablement* is partial. Then payments will be made in arrears.

- Income Protection Cover
- Mortgage and Rent Cover

If one of your *monthly benefit* payments is assessed as being payable for less than a month, we will divide your normal *monthly benefit* by 30 and then multiply it by the number of days that it is payable for that month.

The amount we pay you will be the amount of cover that you have at the date that the claimable event happened.

11.6 Making changes to your policy

11.6.1 How to increase your cover

Your financial adviser can help you with this. Call them directly, or give us a call on 0800 737 101 and we can put you in touch with them.

11.6.2 How to freeze your premiums

If you have stepped premiums, you can freeze them so they don't increase each year. You need to give us 30 days' notice in writing to freeze your premiums. The premium freeze will start on your next *policy anniversary*.

If you freeze your premiums, your amount of cover will decrease each year. The decrease will happen on your *policy anniversary*. The decrease is based on the amount of cover that you would be able to purchase at that time for the frozen premium. We calculate the amount of cover based on:

- our premium rates at that time
- the insured person's sex, occupation, smoking status and any premium loading factors that already apply to the policy
- any discounts you or the insured person may be eligible for
- the insured person's age on their *next birthday*.

You can contact us at any time in writing to end the premium freeze. The premium freeze will then end on your next *policy anniversary* after we receive your request. Stepped premiums will then apply, and will be based on the reduced amount of cover that you have at that date.

11.6.3 How to change the date that you pay your premium

You can choose to pay your premiums fortnightly, monthly, quarterly, half-yearly or yearly. Check your policy schedule to see the frequency you have chosen. If you want to change the date or frequency of your premium payment, let us know in writing and we will make this change for you. Your premium payments must be up to date for this to happen. See the inside front cover for our contact details.

11.6.4 How to change the smoking status of the insured person

Smoking can make your insurance premiums more expensive. If the insured person on your policy was a smoker at the time you applied for this policy, the premium for their cover will be higher than for a non-smoker.

If the insured person stops smoking

You can change their smoking status if they stop smoking for 12 months or more. If this happens, you can apply to have their cover re-assessed and premiums reduced. This re-assessment is considered a new insurance contract and while your premiums may decrease, other terms and conditions may also change.

If the insured person starts smoking

If the insured person was not a smoker at the time of application but then starts smoking, there is no need to update your policy. However, if you apply to increase your amount of cover, the additional cover will have smoker premium rates applied. Also, if we cancel the policy because you haven't paid your premiums and you apply to reinstate your cover, the insured person's smoking status could affect whether the cover is able to be reinstated. If the cover is reinstated, new terms and conditions and/or smoker premium rates may be applied.

11.7 How to get a copy of your policy schedule

Your policy schedule is the letter that you received with your policy document after your policy was issued. It's an important document, as it tells you which cover types and benefits you have on your policy. If you don't know where your policy schedule is, give us a call on 0800 737 101 or email us on contactus@asteronlife.co.nz and we will send you another copy.

11.8 Understanding your responsibilities

Here are your responsibilities as a policy owner. They can affect whether or not you are eligible to claim on your policy. Make sure you read and understand them.

11.8.1 Give us complete and accurate information

Make sure you tell us everything that might affect your cover with us. If you or the insured person doesn't disclose information that is material to us, or if any information provided is substantially incorrect and material, this can affect your cover with us. If this happens, we can reduce your benefits or decide not to accept a claim. We may also exercise any legal rights we have to cancel or avoid the policy.

If at any time you think you or the insured person may not have provided complete and accurate information in your application, please let us know so we can address it before you need to claim.

11.8.2 Pay your premiums on time

To start and maintain the cover provided under the policy, you must pay your premiums payable on time.

If you don't pay your premiums on time, we can cancel your cover. If you miss a payment, we will write to you and tell you the date that you need to make payment by. If we haven't received your payment by that date, we may cancel your policy by giving you written confirmation that your cover has ended. You can apply in writing to reinstate your policy within 12 months of cancellation. Reinstatement is not guaranteed, and we may require health details and other information from you or the insured person. If we decide to reinstate your policy, the terms and conditions of your policy may change.

It is therefore important to keep your payments up to date and to let us know if you are unable to pay on time for any reason. We may be able to provide options that can help.

11.8.3 Tell us the correct age of the insured person

If you have understated the age of the insured person, this can affect your cover with us. We have the right to adjust the benefits provided under the policy to reflect their correct age and actual premiums paid. Alternatively, if their age has been overstated, we may, at our discretion, refund any extra premiums paid.

11.8.4 Tell us about a claim as soon as possible after the claimable event happens

You must advise us of a claim as soon as possible after the claimable event happens.

We may reduce the amount we pay or may refuse to pay the claim if we:

- are not notified within 30 days of the claimable event
- are disadvantaged because of the delay.

For example, we may be disadvantaged if we need the insured person to be examined by a doctor of our choice to assist with our assessment of your claim. If you don't tell us about the claimable event straight away, we may be unable to carry out a medical examination. This might disadvantage us in assessing the claim. If that occurs, we may be entitled to not pay the claim, or we may take other action.

11.8.5 Give us all the information we need to assess your claim

You and a *registered doctor* must complete an initial claim form. You can get a claim form from your adviser, by calling our Customer Service Team on 0800 737 101, or by emailing claims@asteronlife.co.nz.

You also need to send us supporting documents. These must give us enough information to be able to assess your claim properly. The documents you need to send us are:

- your properly completed claim form(s)
- proof of the event or condition for which the claim is being made
- proof of payment if a claim is made for reimbursement
- proof of the diagnosis, recommendation or prognosis leading to the claim by a *registered doctor* who is a *specialist medical practitioner* (we may need this information more than once)
- copies of all investigations performed. This may include (but is not limited to) clinical, radiological, histological and laboratory evidence. This applies where a claim is being made for *terminal illness* (see the Medical terms and definitions section),

Note: *Italic type words and expressions are explained in the back pages of this document.*

Cancer Cover (section 7.1), Trauma Recovery Cover (section 5.1.1), Total and Permanent Disablement Cover (section 6.1.1), Mortgage and Rent Cover – Disability benefit (section 9.1), Needlestick benefit (section 10.2.1), Kids Cover (section 10.2.3) or We pay your premiums benefit (section 10.2.2) or Crisis benefit (section 8.4.2).

We might also ask you for the insured person's medical history, business or personal income and expenses, activities, and other insurance policies and claims. Any costs associated with these must be paid by you or the insured person.

We might also require:

- an examination by a *special medical practitioner* or other health professional of our choice
- an accountant of our choice to verify income and/or expenses before and during your disablement. This may involve a financial audit
- a meeting with the insured person to discuss the circumstances surrounding the claim
- information surrounding the insured person's employment circumstances
- a signed authority to enable us to seek and obtain information relevant to the claim from organisations including government departments (such as district health boards) or a *special medical practitioner*
- a letter or certificate acceptable to us from a *registered doctor* that the insured person satisfies our definition of disablement.

If you are making a claim on Income Protection Cover or Mortgage and Rent Cover:

- You must complete another claim form every month to keep us informed about your condition. These need to be completed by you and a *registered doctor*. You will need to pay for any cost of completing these forms with your doctor. If we don't receive your completed form every month, we may not be able to pay your *monthly benefit*.
- You must send us proof of the insured person's income for claims on Loss of Earnings Cover or Loss of Earnings Plus Cover. This is so we can calculate the claim amount that we pay you. This includes proof of the insured person's income from any business, partnership, trust, company or other entity they have control of. Proof of income that we require may include (but is not limited to):
  - payslips or a letter from the insured person's employer, confirming their income;
  - business and personal tax returns and assessment notices;
  - financial accounts (including but not limited to profit and loss accounts, balance sheets).

If you are making a claim because the insured person has been injured, you must make sure that they have applied for any payment they are eligible for under ACC before you submit your claim to Asteron Life.

We will only pay a lump sum claim or continue to pay a *monthly benefit* when we have received all the information we need and are satisfied that you and the insured person meet the criteria described in this policy document. Any relevant legal requirements must also be met.

If you are claiming a *monthly benefit* and don't provide us with the information we need, or fail to comply with any reasonable requirements under this clause 11.8.5 within 60 days of us making the relevant request, we may stop or refuse to start payments. If you don't provide us with the requested information or comply with any reasonable requirements within 120 days of us making the relevant request, we may end your claim.

If you are claiming a *monthly benefit* due to being disabled and you subsequently travel or live overseas, we will only continue to make payments if, in travelling or residing overseas, you are following the advice of the treating *registered doctor*. You must advise your Asteron Life case manager before you go overseas.

11.9 Other important information about your policy

11.9.1 Your privacy

We may collect medical and financial information to assist us in processing applications for insurance, making changes to the policy and assessing claims.

This information may then be disclosed in strictest confidence to our staff, consultants, reinsurance companies, your doctor or other qualified medical personnel.

11.9.2 Interpreting this policy

Headings are intended to help identify sections of this policy document but are not to be used to interpret the provisions of the policy.

Words indicating the singular can also be taken to mean the plural and vice versa.

All references to dollar amounts in this policy mean New Zealand currency.

All payments to and from us must be in New Zealand dollars.

This policy is to be interpreted in line with the law as it applies in New Zealand.

This policy has no cash value, so we will not pay any money if you decide to cancel it.

12 Medical terms and definitions

These definitions are used to help decide if the insured person is eligible for a claim to be paid under your policy. Words and phrases used in this document that appear in *italics* have the following meaning.

Medical terms

This section contains the definition for medical terms used in this policy. These definitions are used to help decide if the insured person is eligible for a claim to be paid under your policy. The references to 'you' in this section mean the insured person, and, where applicable, an insured child.

Alzheimer's disease means dementia resulting in permanent failure of brain function with significant cognitive impairment due to no recognisable cause, confirmed by a consultant neurologist.

aplastic anaemia means bone marrow failure that results in anaemia, neutropenia and thrombocytopenia requiring treatment.

benign tumour of the brain or spinal cord means a non-cancerous tumour in the brain or spinal cord which is histologically described and which:

- produces neurological damage and functional impairment which we consider is likely to be permanent; or
- requires surgery for its removal.

Neurological damage and functional impairment include but are not limited to: memory loss, impaired speech, weakness of limbs and visual field defects.

The following are excluded:

- cysts, granulomas and cerebral abscesses;
- malformations in, or of the arteries or veins of the brain;
- haematomas; or
- tumours in the pituitary gland unless it is sufficiently large that it requires open craniotomy to remove it, or in the opinion of a *specialist medical practitioner*, there is significant and permanent neurological damage such as visual field defects.

blindness means the total and permanent loss of sight in both eyes, whether aided or unaided, as a result of *sickness* or *injury*. This must be evidenced by:

a) visual acuity less than 6/60 in both eyes after correction;

b) a field of vision constricted to 20 degrees or less of arc; or

c) a combination of visual defects resulting in the same degree of visual impairment as that occurring in a) or b).

brain damage means the insured child suffers brain damage causing neurological and/or cognitive deficit, that results in the insured child suffering at least 25% impairment of whole person function* that is permanent.

* as defined in the current American Medical Association publication 'Guides to the Evaluation of Permanent Impairment'.

cancer means the presence of one or more invasive malignant tumours, including melanomas, leukaemia, malignant bone marrow disorders, Hodgkin's lymphoma and malignant lymphomas, characterised by:

- the uncontrolled growth and spread of malignant cells; and
- the invasion and destruction of normal tissue, and must also:
- require treatment (whether undertaken or not) that includes surgery, radiotherapy, chemotherapy, biological response modifiers or any other major treatment to arrest the spread of the malignancy and the treatment is the appropriate and necessary treatment; or
- be totally incurable.

Prostate cancer is only covered if it:

- has a TNM classification of at least T2, or
- has a Gleason score of 6 or more, or
- requires treatment, as stated above, to arrest the spread of malignancy; and this treatment has been undertaken.

The following cancers are excluded:

- chronic lymphocytic leukaemia which is histologically described as Rai Stage 0;
- melanomas which are less than 1.5mm depth of invasion using the Breslow method, less than Clark Level 3 and have no evidence of ulceration as determined by histological examination;
- all other types of skin cancers unless there is evidence of metastases;
- tumours which are histologically described as pre-malignant or show the malignant changes of 'carcinoma in situ' or cervical intraepithelial neoplasia, unless resulting in radical surgery.

The 'carcinoma in situ' or cervical intraepithelial neoplasia must be positively diagnosed by biopsy and be classified as Tis according to the TNM staging method or FIGO Stage 0.

cardiomyopathy means impaired ventricular function of variable aetiology, resulting in permanent and irreversible physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment.

chronic kidney (renal) failure means end stage renal failure presenting as chronic irreversible failure of the function of both kidneys, as a result of which regular renal dialysis is instituted or transplantation performed.

chronic liver failure means end stage liver failure with the following symptoms: permanent jaundice, ascites and encephalopathy.

chronic lung failure means end stage lung disease requiring permanent supplementary oxygen, with:

- FEV 1 test results of consistently less than 1 litre; or
- a *specialist medical practitioner* considers that as a result the insured person is permanently unable to perform any one of the five *activities of daily living* without assistance from someone else.

chronic lymphocytic leukaemia means overactivity of the lymphatic tissue with an increase in the number of lymphocytes in the blood and an abnormal proliferation of lymphatic cells in all lymphatic tissue.

clinical evidence means the observations of symptoms and course of a disease or *injury* recorded by a *registered doctor*.

colostomy and/or ileostomy means the creation of a permanent, non-reversible opening, linking the colon and/or ileum to the external surface of the body.

coma means a state of unconsciousness causing you to be incapable of sensing or responding to external stimuli or internal need, resulting in a documented Glasgow Coma Scale of 6 or less, for a continuous period of at least 72 hours.

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

coronary artery angioplasty means undergoing of angioplasty (with or without insertion of a stent) to the coronary arteries, to treat coronary artery disease. Intra-arterial investigative procedures are excluded.

coronary artery angioplasty – triple vessel means undergoing angioplasty (with or without insertion of a stent) to three or more coronary arteries within the same procedure to treat coronary artery disease.

Angiographic evidence, indicating obstruction of three or more coronary arteries, is required to confirm the need for this procedure.

coronary artery bypass surgery means bypass grafting performed to correct or treat coronary artery disease.

Creutzfeldt-Jakob disease (CJD) means the certain diagnosis of CJD confirmed as permanent irreversible failure of brain function and resulting in significant cognitive impairment.

deafness means the total and permanent loss of hearing, both natural and assisted, in both ears.

dementia means permanent failure of brain function with significant cognitive impairment confirmed by a consultant neurologist.

Dementia directly related to alcohol or drug abuse is excluded.

diabetes (adult insulin-dependent diabetes mellitus) means the unequivocal diagnosis of Insulin-Dependent Diabetes Mellitus Type 1 after age 30, confirmed by a *specialist medical practitioner*.

disabled, disability or disablement means totally disabled or partially disabled.

early stage cancer means:

a) carcinoma in situ* which is a cancer characterised by a focal autonomous new growth of carcinoma cells, which has not yet resulted in the invasion of normal tissue. 'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be confirmed by a tissue biopsy and classified as Tis according to the TNM staging method or FIGO stage 0;

b) chronic lymphocytic leukaemia which is histologically described as Rai Stage 0;

c) prostate cancer diagnosed as either TNM classification T1 or Gleason score of 5 or less. The tumour must be confined within the prostate; or

d) malignant melanoma that is less than 1.5mm depth of invasion using the Breslow method, and less than Clark Level 3 as determined by a histological examination.

* Including carcinoma in situ of the cervix uteri of Cervical Intraepithelial Neoplasia (CIN).

The following are excluded:

- Carcinoma in situ of the cervix uteri of Cervical Intraepithelial Neoplasia (CIN) classifications CIN1 and CIN2
- All forms of skin cancer that are not melanoma.

elective surgery means you undergo surgery to transplant part of your body to someone else or surgery to improve your appearance or to prevent disfigurement.

encephalitis means the severe inflammatory disease of the brain (cerebral hemisphere, brainstem or cerebellum), resulting in neurological deficit causing either:

- you to suffer at least 25% impairment of whole person function* that is permanent; or
- if Trauma Recovery Cover (section 5) applies, you to be constantly and permanently unable to perform at least one of the numbered *activities of daily living* without the physical assistance of someone else (if you can perform the activity on your own by using special equipment, we will not treat you as unable to perform that activity).

* as defined in the current American Medical Association publication 'Guides to the Evaluation of Permanent Impairment'.

heart attack means the death of heart muscle as a result of inadequate blood supply to the relevant area, confirmed by a cardiologist and evidenced by:

- typical rise and/or fall of cardiac biomarkers with at least one value above the 99th percentile of the upper reference range,

PLUS one of the following:

- signs and symptoms of ischaemia which are consistent with myocardial infarction; or
- new serial ECG changes with the development of any one of the following:
  - ST elevation or depression
  - T wave inversion
  - left bundle branch block (LBBB), or
  - pathological Q waves; or
- imaging evidence of new loss of viable myocardium or new regional wall motion abnormality.

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

Other acute coronary syndromes including but not limited to angina pectoris are excluded. A rise in biological markers as a result of an elective percutaneous procedure for coronary artery disease is also excluded.

heart surgery (open) means the undergoing of open heart surgery for treatment of a cardiac defect, cardiac aneurysm or benign cardiac tumour. Repair via catheter surgery, minimally invasive 'keyhole' or similar techniques is specifically excluded.

Hepatitis B or C – occupationally acquired means infection with Hepatitis B or C where the infection is acquired as a result of:

- an accident arising out of your normal occupation; or
- a malicious act of another person or persons arising out of your normal occupation; and
- proof of new Hepatitis B or C infection within six months of the accident or malicious act;

Any incident giving rise to a potential claim must:

- be reported to the relevant authority or employer within seven days of the incident;
- be reported to us with proof of the incident within seven days of the incident; and
- be supported by a negative Hepatitis B or C test taken within seven days of the incident.

Hepatitis B or C infection transmitted by any other means including sexual activity or recreational intravenous drug use is excluded.

histological evidence means the analysis of a microscopic examination of the minute structure of human tissue.

HIV – medically acquired is the accidental infection with the Human Immunodeficiency Virus (HIV) which we believe, on the balance of probabilities, arose from one of the following medically necessary events which must have occurred to you as a result of medical treatment performed by a recognised and registered health professional:

- a blood transfusion;
- transfusion with blood products;
- organ transplant to you;
- assisted reproductive techniques; or
- a medical procedure or operation performed by a doctor.

Notification and proof of the incident will be required via a statement from a district health board or equivalent statutory body that the infection was medically acquired. HIV infection transmitted, other than occupationally acquired as defined below, by any other means including sexual activity or recreational intravenous drug use is excluded.

HIV – occupationally acquired means infection with the Human Immunodeficiency Virus (HIV) where the HIV was acquired as a result of:

- an *accident* arising out of your normal occupation; or
- a malicious act of another person or persons arising out of your normal occupation; and
- sero-conversion to HIV occurs within six months of the accident or malicious act.

Any incident giving rise to a potential claim must:

- be reported to the relevant authority or employer within 30 days of the incident;
- be reported to us with proof of the incident within 30 days of the incident; and
- be supported by a negative HIV antibody test taken within seven days of the incident.

HIV infection transmitted, other than medically acquired, by any other means including sexual activity or recreational intravenous drug use is excluded.

hydrocephalus means an excessive accumulation of cerebrospinal fluid within the cranium requiring the insertion of a shunt.

intensive care means that a *sickness* or *injury* has resulted in you requiring continuous mechanical ventilation by means of tracheal intubation for seven consecutive days (24 hours per day), in an authorised intensive care unit of a hospital at the recommendation of a *specialist medical practitioner*. *Sickness* or *injury* which is directly or indirectly caused by alcohol or drug intake, or self-inflicted means, is excluded.

laboratory evidence means the analysis and data produced after the examination of material taken from the human body (such as fluids, tissues, or cells) for the purpose of providing information on diagnosis, prognosis, prevention, or treatment of disease.

loss of hearing in one ear means the total, irreversible and irreparable loss of hearing in one ear as a result of *sickness* or *injury*.

loss of independent existence means a condition where the insured person is totally and permanently unable to perform at least two of the *activities of daily living*, as a result of *sickness* or *injury*.

loss of limbs means the total and permanent loss of use of:

- both feet; or
- both hands.

loss of limbs or sight means the total and permanent loss of use of:

- both feet; or
- both hands; or
- blindness; or
- any combination of two of: a hand, a foot or sight in one eye (evidenced by visual acuity less than 6/60 in the eye after correction).

loss of sight (one eye) and limb means the total and permanent loss of use of:

- one foot; or
- one hand; and
- sight in one eye whether aided or unaided (evidenced by visual acuity less than 6/60 in the eye after correction).

loss of speech means the total loss of speech both natural and assisted as a result of *sickness* or *injury* for a continuous period of at least three months and the subsequent diagnosis that loss of speech both natural and assisted will be total and permanent. Loss of speech related to any psychological cause is excluded.

major burns means full thickness burns to at least 10% of the body surface area, but less than 20%.

major head trauma means that an *injury* to the head has caused either:

- you to suffer at least a 25% impairment of whole person function* that is permanent; or
- if Trauma Recovery Cover applies (section 5), you to be constantly and permanently unable to perform at least one of the numbered *activities of daily living* without the physical assistance of someone else. If you can perform the activity on your own by using special equipment, we will not treat you as unable to perform that activity.

* as defined in the current American Medical Association publication 'Guides to the Evaluation of Permanent Impairment'.

major organ transplant means the placement on a recognised New Zealand or Australian Waiting List for, or the undergoing of, an organ transplant from a human donor to you of one or more of the following: kidney, heart, liver, lung, pancreas, small bowel and bone marrow. The transplantation of all other organs or parts of any organ or of any other tissue is excluded.

meningitis means the unequivocal diagnosis of meningitis where the condition is characterised by severe inflammation of the meninges of the brain, causing either:

- you to suffer at least 25% impairment of whole person function* that is permanent; or
- if Trauma Recovery Cover (section 5) applies, you to be constantly and permanently unable to perform at least one of the numbered *activities of daily living* without the physical assistance of someone else. If you can perform the activity on your own by using special equipment, we will not treat you as unable to perform that activity.

* as defined in the current American Medical Association publication 'Guides to the Evaluation of Permanent Impairment'.

mental illness means a disability that occurs directly or indirectly by any mental disorder including, but not limited to, any of the following:

- anxiety disorders,
- chronic fatigue syndrome, fatigue or exhaustion,
- depression,
- stress,
- fibromyalgia,
- drug or alcohol abuse,
- psychiatric complications of physical disorders,
- behavioural disorders, or
- any other mental or functional nervous disorder.

motor neurone disease means the unequivocal diagnosis of motor neurone disease by a *specialist medical practitioner*.

multiple sclerosis means a disease characterised by demyelination in the brain and spinal cord. Multiple sclerosis must be unequivocally diagnosed. There must be more than one episode of well-defined neurological deficit with persisting neurological abnormalities causing either:

- you to suffer at least 25% impairment of whole person function* that is permanent; or
- you to be constantly and permanently unable to perform at least one of the numbered *activities of daily living* without the physical assistance of someone else. If you can perform the activity on your own by using special equipment, we will not treat you as unable to perform that activity; or
- being assigned a 7.5 or higher score on the Expanded Disability Status Scale (EDSS) by a consultant neurologist.

Neurological investigations such as lumbar puncture, MRI (Magnetic Resonance Imaging) evidence of lesions in the central nervous system, evoked visual responses, and evoked auditory responses are required to confirm diagnosis.

* as defined in the current American Medical Association publication 'Guides to the Evaluation of Permanent Impairment'.

muscular dystrophy means the unequivocal diagnosis of muscular dystrophy, where the condition causes either:

- you to suffer at least 25% impairment of whole person function* that is permanent; or
- you to be constantly and permanently unable to perform at least one of the numbered *activities of daily living* without the physical assistance of someone else. If you can perform the activity on your own by using special equipment, we will not treat you as unable to perform that activity.

* as defined in the current American Medical Association publication 'Guides to the Evaluation of Permanent Impairment'.

out of hospital cardiac arrest means cardiac arrest that is not associated with any medical procedure and is documented by an electrocardiogram and occurs out of hospital and is due to cardiac asystole, or ventricular fibrillation with or without ventricular tachycardia.

paralysis means the total and permanent loss of use of one or more limbs resulting from spinal cord injury or disease, or from brain injury or disease.

Included in this definition are paraplegia, tetraplegia, quadriplegia, diplegia, and hemiplegia.

Parkinson's disease means the unequivocal diagnosis of degenerative idiopathic Parkinson's disease as characterised by the clinical manifestation of one or more of the following: rigidity, tremor, akinesia, resulting in the degeneration of the nigrostriatal system causing either:

- you to suffer at least 25% impairment of whole person function* that is permanent; or
- you to be constantly and permanently unable to perform at least one of the numbered *activities of daily living* without the physical assistance of someone else. If you can perform the activity on your own by using special equipment, we will not treat you as unable to perform that activity.

* as defined in the current American Medical Association publication 'Guides to the Evaluation of Permanent Impairment'.

peripheral neuropathy means irreversible loss of function of peripheral nerves diagnosed by a *specialist medical practitioner* causing you to be constantly and permanently unable to perform at least one of the numbered *activities of daily living* without the physical assistance of someone else. If you can perform the activity on your own by using special equipment, we will not treat you as unable to perform that activity.

Peripheral neuropathy related to alcohol or drug use is specifically excluded.

pneumonectomy means the undergoing of surgery to remove an entire lung. The treatment must be considered medically necessary by a specialist medical practitioner.

pulmonary hypertension means primary pulmonary hypertension associated with right ventricular enlargement established by medical investigations including cardiac catheterisation.

radical surgery means an operation to arrest the spread of the malignancy is performed which involves the removal of the entire organ (which includes breast, cervix, uterus, ovary, fallopian tube, vagina, prostate, colon/rectum, bladder) affected that is considered medically necessary by a *specialist medical practitioner*.

radiological evidence means the imagery produced as a result of x-ray and the associated diagnosis of a radiographer.

repair or replacement of aorta means surgery to correct any narrowing, dissection, or aneurysm of the thoracic or abdominal aorta.

repair or replacement of valves means surgery to replace or repair a cardiac valve or valves as a consequence of heart valve defects or abnormalities.

This includes minimally invasive surgery, keyhole and all percutaneous valve replacement or repair procedures.

serious accidental injury means *injury* that has resulted in you being confined to an authorised intensive care unit of a hospital for a period of 20 consecutive days (24 hours per day) under the full-time care of a *registered doctor*.

Injury which is directly or indirectly caused by alcohol or drug intake, or other self-inflicted means, is excluded.

severe burns means full thickness burns to at least:

- 20% of the body surface area;
- 25% of the face, requiring surgical debridement and/or grafting; or
- 50% of both hands, requiring surgical debridement and/or grafting.

severe Crohn's disease means diagnosis of Crohn's disease that requires permanent immunosuppressive medication.

severe osteoporosis means:

- before the age of 50, you suffer at least two vertebral body fractures or a fracture of the neck or femur, due to osteoporosis, and
- you have a bone mineral density reading with a T-score of less than -2.5 (i.e. 2.5 standard deviations below the young adult mean for bone density). This must be measured in at least two sites by dual energy x-ray absorptiometry (DEXA).

severe rheumatoid arthritis means the unequivocal diagnosis of severe rheumatoid arthritis by a *specialist medical practitioner*. The diagnosis must be supported by, and evidence, all of the following criteria:

- at least a six week history of severe rheumatoid arthritis, which involves three or more of the following joint areas:
  - proximal interphalangeal joints in the hands;
  - metacarpophalangeal joints in the hands; and
  - metatarsophalangeal joints in the foot, wrist, elbow, knee, or ankle;
- simultaneous bilateral and symmetrical joint soft tissue swelling or fluid (not bony overgrowth alone);
- typical rheumatoid joint deformity; and
- at least two of the following criteria:
  - morning stiffness;
  - rheumatoid nodules;
  - erosions seen on x-ray imaging;
  - the presence of either a positive rheumatoid factor or the serological markers consistent with the diagnosis of severe rheumatoid arthritis.

Degenerative osteoarthritis and all other arthridities are excluded.

severe ulcerative colitis means diagnosis of ulcerative colitis that requires permanent immunosuppressive medication.

sickness is an illness or disease you suffer while cover for the applicable benefit was in force under this policy.

significant cognitive impairment means a permanent deterioration or loss of intellectual capacity that requires you to be under continual care and supervision by someone else for at least four hours per day.

Significant cognitive impairment which is directly or indirectly caused by alcohol or drug abuse is excluded.

single loss of limb or eye means the total and permanent loss of use of:

- one foot; or
- one hand; or
- sight in one eye whether aided or unaided (evidenced by visual acuity less than 6/60 in the eye after correction).

stroke means the suffering of a stroke as a result of a cerebrovascular event. There must be clear evidence on a CT (Computed Tomography), MRI, or similar appropriate scan that a stroke has occurred and of either:

- Infarction of brain tissue; or
- Intracranial or subarachnoid haemorrhage.

Cerebral symptoms due to transient ischaemic attacks, migraine, and cerebral injury resulting from trauma or hypoxia and vascular disease affecting the eye, optic nerve or vestibular functions are excluded.

systemic lupus erythematosus (SLE) with nephritis means the unequivocal diagnosis of SLE according to internationally accepted criteria by a *specialist medical practitioner*. Internationally accepted criteria would include the American College of Rheumatology revised criteria for the classification of SLE.

The following criteria apply:

- A diagnosis of SLE in the clinical setting requires the presence of any four or more of the 11 criteria listed below.
- In addition to the diagnosis of SLE, lupus nephritis must be confirmed by renal changes as measured by a renal biopsy, that it is grade 3 to 5 of the WHO classification of lupus nephritis, and be associated with persisting proteinuria (more than 2+).

Criteria:

1. Malar rash; 2. Discoid rash; 3. Photosensitivity;
4. Oral ulcers; 5. Arthritis; 6. Serositis;
7. Renal disorder; 8. Neurological disorder;
9. Hematologic disorder; 10. Immunologic disorder;
11. Antinuclear antibody

systemic sclerosis means an unequivocal diagnosis of systemic sclerosis by a *specialist medical practitioner* causing you to be constantly and permanently unable to perform at least one of the numbered *activities of daily living* without the physical assistance of someone else. If you can perform the activity on your own by using special equipment, we will not treat you as unable to perform that activity.

terminal illness and ***terminally ill*** means:

- in the opinion of a *specialist medical practitioner*; and
- if we require, in the opinion of one of our approved *specialist medical practitioner*s; and
- in our assessment, having considered medical or other evidence we may require,

your life expectancy is, due to *sickness* and regardless of any available treatment, not greater than 12 months.

Definitions of terms used in this policy

accident means a single, sudden, unintended, visible, external event that causes bodily *injury*.

accidental means caused by an accident.

accidental total and permanent disablement means total and permanent *disablement* (section 6) caused solely and directly by *injury*.

activities of daily living are:

1. bathing and showering
2. dressing and undressing
3. eating and drinking
4. maintaining continence with a reasonable level of personal hygiene
5. getting in and out of bed, a chair or wheelchair or moving from place to place by walking, wheelchair or walking aid.

bed confinement and ***bed confined*** means it is medically necessary for the insured person to remain in or near a bed for a substantial part of each day. It is also necessary for the insured person to be under the continuous care of a registered nurse, other than a member of your immediate family.

If confinement is not at the insured person's usual place of residence, there must be reasonable grounds for this.

benefit period is the maximum period of time for which we will pay any benefits to you when the insured person is disabled. The *benefit period* is stated on the policy schedule.

commencement date is the date on which cover under a policy benefit begins. The *commencement date* is stated in the policy schedule.

criminal activity means any crime for which the insured person is convicted where you receive a jail sentence or sentence of home detention.

disabled, disability or ***disablement*** includes totally disabled or partially disabled, The criteria to determine if the insured person is disabled are explained in this policy wording. These criteria are specific to:

- the cover or cover type shown on your policy schedule
- the insured person's situation when you claim.

estimated tax payable means the actual amount of tax paid on the income received or, when this information is not available, our estimate of the amount of tax payable if this income had been received each month over 12 consecutive months. No adjustments will be made to any benefit for any discrepancy between the actual tax paid and our estimate.

full-time means working at least 30 hours per week.

gainful occupation means:

- being an employee, working for salary, wages, commission or other remuneration; or
- being self-employed, working in a business or professional practice in a way that is capable of generating income for the business or professional practice.

immediate family members; we consider any of the following to be a person's immediate family members:

- spouse
- civil union partner
- de facto spouse (including same sex partner)
- fiancé
- children
- parents
- siblings.

important income-producing duties means those duties that generate 20% or more of your *pre-disability income*.

indexation factor is the percentage change in the Consumer Price Index (CPI) published by Statistics New Zealand or any body that succeeds that succeeds it, in respect of the 12 month period finishing on 31 March.

The indexation factor is for the 12 month period finishing on 31 March. It will be determined at 31 May each year and applied from 1 August in the following 12 months. If the CPI is not published by 31 May, the indexation factor will be calculated based on a retail price index that we consider most nearly replaces it. If the percentage change in the CPI, or any substitute for it, is negative, the indexation factor will be taken as zero.

injury means physical injury caused solely and directly by an accident while cover for the applicable benefit was in force under this policy.

involuntarily unemployed and ***involuntary unemployment*** means:

- you did not voluntarily cease employment;
- we do not consider you to be self-employed;
- you have registered as unemployed with Work and Income New Zealand, or its equivalent at the time of your disablement (or with an appropriate recruitment organisation that we approve).
- the unemployment did not occur within six months of the later of:
  – the start of the policy
  – the most recent reinstatement of the policy.

leave without pay means an employer-approved absence from work including but not limited to maternity, paternity, or sabbatical leave.

material means all relevant information that Asteron Life needed in order to decide the terms of your policy. Material includes, but is not limited to, information about the insured person's health, medical history, financial position, occupation, and leisure activities.

monthly benefit means the amount stated in the policy schedule, as adjusted from time to time under the policy or by agreement between you and us.

monthly income is the income earned each month by your own personal exertion, after deducting your share of expenses incurred in earning that income, but before tax.

Your *monthly income* includes:

- salary
- wages
- packaged fringe benefits
- commissions
- bonuses
- overtime payments
- superannuation contributions.

If you are self-employed, for example as a sole trader or as a partner in a business, *monthly income* also includes your share of the net profit (or loss) of the business, derived from your personal exertion (after deduction of all business expenses).

Business expenses will not include the cost of any person employed or otherwise contracted to perform the duties you would otherwise have performed, or any costs incurred in expanding the tasks of any existing employee or contractor to include those duties.

Monthly income does not include:

- unearned income such as investment income, interest, rental income or proceeds from the sale of assets
- royalties.

If there is a delay between the time you generated your *monthly income* and when you actually receive it, we will deem you to have received it in the month you actually generated the income.

other income means:

a) any payments, entitlements or benefits you receive because of the *sickness* or *injury* causing your *disablement*, including payments by way of:

   - disability compensation or other entitlement received from the Accident Compensation Corporation or any other form of compulsory insurance scheme for loss of income: you must use your best endeavours to pursue any entitlement you have
   - other disability, group sickness or accident insurance cover, including cover under a mortgage replacement policy or through a superannuation fund.

b) income you receive or are entitled to receive as a result of your personal exertion, from any business partnership, family trust or company, not including investment income or payments under this policy in respect of the Retraining and support benefits or the Extras package.

normal domestic duties are the domestic duties normally performed by a person who remains at home and is not working in regular employment for income. Domestic duties include:

- cleaning the home, doing the washing, shopping for food, cooking meals
- when applicable, looking after children.

parental leave means either maternity or paternity leave, and excludes extended leave; in each case as defined in the Parental Leave and Employment Protection Act.

partial disability or ***partially disabled*** – see 'disabled'.

policy anniversary means the anniversary of the date the policy began.

pre-disability income means income based on the highest average *monthly income* for any 12 consecutive months during the three years before the start of your *waiting period*.

For the purposes of calculating your pre-disability income, the three-year period will be extended by any period during which you receive a Disability benefit from us under this policy, and any such period will be ignored and not brought into account.

If you are an employee (for example not a sole trader or a partner in business), pre-disability income will be assessed as the highest of:

- your highest average *monthly income* for any 12 consecutive months during the three years before the start of your *waiting period*
- 12 times your *monthly income* at the *commencement date* or at the reinstatement date of your policy if the *commencement date* or reinstatement date was during the three years before the start of your *waiting period*
- 12 times your *monthly income* earned in the month before the start of your *waiting period* if an increase (excluding increases under the Inflation adjustment benefit) in your *monthly benefit* occurred in the 12 months before the start of your *waiting period*.

In addition, when you are disabled:

- if the schedule states the Increasing claim benefit was chosen, this figure will be increased by the indexation factor every 12 months following the date you become disabled.
- if you are *involuntarily unemployed* during any consecutive 12 month period, we will consider the *monthly income* for the first month during this period of *involuntary unemployment* to be the greater of your *monthly income* in that month or the *monthly income* from the month immediately preceding the start of your *involuntary unemployment*
- if you become disabled while you are on *leave without pay*, the calculation of your pre-disability income will exclude the months when you were on *leave without pay*.

pre-existing condition is a *sickness* or *injury* for which:

- symptoms existed that would cause a reasonable and prudent person to seek diagnosis, care or treatment from a *registered doctor* or other healthcare professional
- medical advice or treatment was recommended by, or received from, a *registered doctor* or other healthcare professional.

redundant means a situation where the employee's employment is terminated by the employer, wholly or mainly because the employer no longer needs the position filled by the employee. The employer no longer needs the position because the whole or any part of the employer's operation has ceased or the employee's job function is no longer required. Redundancy has a similar meaning.

registered doctor is a doctor who is legally qualified and properly registered in either New Zealand or Australia. The doctor cannot be:

- you or the insured person
- a business partner of either you or the insured person
- an immediate family member or person who is otherwise related to you or the insured person.

Asteron Life reserves the right to accept the advice of a medical practitioner if practising outside New Zealand or Australia.

The medical practitioner must have qualifications equivalent to New Zealand or Australian standards.

replacement benefit means, in respect of cover on the insured person's life, a benefit that is effected to replace a previous benefit on their life which:

- has been in force for at least three months immediately before the *commencement date*; and
- includes similar terms and conditions as offered by the relevant benefit in this policy and for a *sum insured* which is the same or greater than the *sum insured* under this relevant benefit.

replacement policy means:

a) for cover on the insured person's life, a policy which is effected to replace a previous policy on their life that:
   - has been in force for at least three months immediately before the *commencement date*; and
   - includes benefits that offer the same or similar terms as the benefits in this policy and for a *sum insured* which is the same or greater than the *sum insured* under this policy.

b) for cover for an insured child under the Kids Cover (if applicable), a policy effected to replace a previous policy on the insured child that:
   - has been in force for at least three months immediately before the *commencement date*; and
   - included a benefit that offers the same or similar terms as our Kids Cover (section 10.2.3) and for a *sum insured* that is the same or greater than the Kids Cover *sum insured* under this policy.

specialist medical practitioner means a *registered doctor* who is a Member or Fellow of an appropriately recognised Specialist College, and who has Medical Council of New Zealand vocational registration in the specialty that directly relates to the medical condition experienced by the insured person.

sum insured means the amount stated in the schedule as the *sum insured*, as adjusted from time to time under this policy or by agreement between you and us.

trauma means the medical conditions and procedures listed in Section 5.1.1.

usual occupation is the occupation in which the insured person was most recently engaged as their principal source of income from personal exertion before suffering a *sickness* or *injury* for which a claim on the Total and Permanent Disablement Cover or the Mortgage and Rent Cover – Disability benefit is made.

waiting period is the period of time stated in the policy schedule. The *waiting period* will not start before the insured person consults a *registered doctor* for the *sickness* or *injury* giving rise to the relevant claim.

Asteron Life Limited
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