Issue Date: 27 May 2019

ZURICH®

Zurich Sumo

Product Disclosure Statement including policy conditions

This PDS

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

- Zurich Life Insurance and
- Zurich Income Protection.

Defined terms

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

'Zurich', 'us', 'our', and 'we' means Zurich Australia Limited. Unless specified, 'You' means the person making the insurance decisions and applying for cover ie. generally the policy owner (including trustees of a self-managed superannuation fund). See the section 'Policy ownership' on page 6.

Policy conditions

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

Important notes

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

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

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

General information only

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

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

Up to date information

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

Issuer information

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

If you take out Zurich Sumo policies via a self-managed superannuation fund, Zurich issues life insurance policies to the trustee.

Preparation date: 1 May 2019

Contents

Introduction 1

Zurich Sumo at a glance 3

Zurich Life Insurance 7

Death cover 7

Total and Permanent Disablement (TPD) cover 8

Trauma cover 11

Zurich Income Protection 16

Applying for cover 22

Additional information 28

Making a claim 35

Definitions 37

Specified trauma condition definitions 42

How to contact us Inside back cover

Introduction

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

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

Zurich Life Insurance

Death cover	Death cover provides a lump sum payment if the life insured dies or is diagnosed with a *terminal illness*.
Total and permanent disablement (TPD) cover	TPD cover provides a lump sum payment if the life insured suffers total and permanent disablement in accordance with the TPD definition provided by your policy.
Trauma cover	Trauma cover provides a lump sum payment if the life insured suffers a specified trauma condition for which he/she is covered.

Zurich Income Protection

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

Cooling off period

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

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

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

Worldwide cover

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

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

Guaranteed renewable

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

Cover that keeps up with you

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

Life insurance code of practice

As a member of the Financial Services Council of Australia (the FSC), Zurich is bound by the Life Insurance Code of Practice. The Code outlines the standards that we are committed to in providing life insurance services to you.

The Code also sets out minimum standard trauma definitions which apply to some conditions covered under Zurich Life Insurance. The definitions create a minimum standard across all life insurance companies who are members of the FSC.

Minimum standard trauma definitions apply to the first $2 million of any trauma cover issued on or after 1 July 2017, which is when the Code began.

At claim time, where there is a minimum standard trauma definition in the Code for your trauma condition, we will assess your claim against:

- the applicable definition in our PDS and
- the corresponding minimum standard medical definition in the Code that is current at the time of the insured event.

You will qualify for a benefit if the life insured meets either of the definitions.

The minimum standard trauma definitions will be regularly reviewed and any updated definitions will automatically apply once they are adopted into the Code.

The Code can be found on the FSC website www.fsc.org.au.

Significant risks

There are certain risks associated with holding a Zurich Sumo policy:

- the insurance you have chosen might be inadequate to fully protect your financial needs based on your circumstances now or in the future
- if premiums are not paid when due, the policy will lapse, the life insured will no longer be covered and you cannot make a claim
- if you do not comply with your duty of disclosure, we may not pay your claim, pay only a portion of your claim, vary your cover or cancel your cover. The duty of disclosure is explained on page 24.

Zurich Sumo at a glance

Death cover

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

Entry ages	15 – 70	
Expiry age	99	
Benefit amount	Minimum $2 million No maximum (depends on individual needs)	
Included benefits and features	• Death & terminal Illness benefit	page 7
	• Funeral advancement benefit	page 7
	• Inflation protection	page 14
	• Future increases	page 14
	• Financial planning benefit	page 15

Total and Permanent Disablement (TPD) cover

Provides a lump sum if the life insured suffers total and permanent disablement

Entry ages	15 – 60	
Expiry age	99 – TPD definition changes on the policy anniversary following the life insured's 65th birthday	
Benefit amount	Minimum $3 million Maximum $15 million (but not more than the Death benefit amount) Cover will be structured in tiers: • standard TPD tier (up to $5 million) *own occupation TPD* definition • sumo TPD tier – *any occupation TPD* definition (up to $10m when combined with the standard TPD tier), then – *activities of daily working TPD* definition	
Included benefits and features	• TPD benefit	page 8
	• TPD advancement benefit	page 9
	• Inflation protection	page 14
	• Future increases	page 14
	• Financial planning benefit	page 15
	• Death cover buy back	page 15

Trauma cover

Provides a lump sum if the life insured suffers a *trauma condition* for which he/she is covered

Entry ages	15 – 65	
Expiry age	99 – cover changes on the policy anniversary following the life insured's 70th birthday	
Benefit amount	Minimum $2 million Maximum $10 million (but not more than the Death benefit amount) Cover will be structured in tiers: • standard Trauma tier – cover up to $2 million for *standard trauma conditions* • sumo Trauma tier – cover for *sumo trauma conditions*	
Included benefits and features	• Trauma benefit	page 11
	• Inflation protection	page 14
	• Future increases	page 14
	• Financial planning benefit	page 15
	• Death cover buy back	page 15

Income protection cover

Provides a benefit if the life insured is unable to work due to *sickness* or *injury* and is *disabled* for longer than the specified waiting period

Entry ages	19 – 60	
Expiry age	65	
Insured monthly benefit	The monthly equivalent of 75% of the first $320,000, 50% of the next $240,000 and 25% of the balance of the annual *income* of the life insured subject to a: • minimum *insured monthly benefit* $30,000 • maximum *insured monthly benefit* $60,000 (for the first 10 years, then reducing to $30,000 to the expiry of the benefit period)	
Benefit type	• up to $40,000 on an endorsed agreed value basis • up to an additional $20,000 on an indemnity basis	
Waiting periods available	• 60 days • 90 days	
Benefit periods available	• 1 year • 2 years • 5 years • 10 years • to age 65	
Included benefits and features	• Total disability benefit	page 17
	• Partial disability benefit	page 17
	• Inflation protection	page 17
	• Specified injury benefit	page 18
	• Trauma benefit	page 18
	• Bed confinement benefit	page 19
	• Home care benefit	page 19
	• Rehabilitation expenses benefit	page 19
	• Accommodation benefit	page 19
	• Death benefit	page 19
	• Premium waiver	page 19
	• Involuntary unemployment premium waiver	page 20
	• Cover extension	page 20
	• Claims escalation	page 20

The terms and conditions which apply to the Zurich Sumo policies are set out in this PDS.

Death cover

Death cover provides a lump sum (called the Death benefit amount) if the life insured dies or is diagnosed with a *terminal illness*.

Death cover is available in a policy on its own. Alternatively, Death cover is available in a policy that includes linked Total and Permanent Disablement (TPD) and/or Trauma cover.

Total and Permanent Disablement (TPD) cover

TPD cover provides a lump sum (called the TPD benefit amount) if the life insured suffers total and permanent disablement in accordance with the TPD definition applicable to your cover.

TPD cover is always linked to Death cover and any Trauma cover selected. Please refer to 'Structuring your insurance' on this page for more information.

Trauma cover

Trauma cover provides a lump sum (called the Trauma benefit amount) if the life insured suffers a covered *trauma condition* stated on pages 12 and 13 (for some conditions a partial benefit is payable).

Trauma cover is always linked to Death cover and any TPD cover selected. Please refer to 'Structuring your insurance' on this page for more information.

Income protection cover

Income protection cover provides a *monthly benefit* that replaces *income* if the life insured is *disabled*, in most cases, for longer than the specified waiting period.

Structuring your insurance

Zurich Life Insurance and Zurich Income Protection are issued as separate policies.

If you select TPD and/or Trauma cover as part of a Zurich Life Insurance policy, it will be linked to the Death cover by:

- including it under the same policy, or
- taking it under a separate, related policy via the superannuation optimiser feature.

Linked cover

Linked cover means that the cover interacts with some or all of the other covers held for the same life insured. A claim made under any one insurance reduces the benefit amount of any other cover with which it is linked.

Non-superannuation	Within superannuation
The policy is issued directly to an individual, a company, a family trust, or another entity other than a trustee of a superannuation fund. Any of the types of cover under Zurich Sumo can be held under a non-superannuation policy. If a benefit becomes payable, the benefit is generally paid to the policy owner. If the life insured and policy owner are the same, the amount payable on the death of the life insured will be paid to the legal personal representative, unless any beneficiaries have been nominated under the policy, in which case it will be paid to the nominated beneficiaries.	The policy is issued to a trustee of a self-managed superannuation fund as policy owner and the life insured is a member of the superannuation fund. Some Zurich Sumo cover cannot be held within superannuation. If a benefit under the policy becomes payable, it will be paid to the trustee of the self-managed superannuation fund as policy owner, who must distribute the benefit in accordance with the governing rules of the fund and superannuation laws current at the time of payment.

The Sumo policy structure

The Sumo policy structure allows for higher amounts of cover to be issued than are normally available and it does this by structuring cover in tiers.

Zurich Life Insurance

This is summary information only. Terms and conditions which apply to Zurich Life Insurance are set out on page 7.

Cover	How the tiering is set up	Additional restrictions apply to cover under the sumo tier (or above a certain threshold)
Death cover	Cover is issued as a single sum insured (not two tiers)	The exclusion for intentional self-inflicted act is applied as follows: • for the first $15m of cover, the exclusion applies in the first 13 months of the policy and • for any cover above $15m, the exclusion applies at all times.
TPD cover (cannot exceed Death cover) Note: Cover changes from the policy anniversary following your 65th birthday. Refer to page 9 for details.	At policy commencement, TPD cover is structured in two tiers: • the standard tier is the first $5m of cover across all policies issued in respect of the life insured • the sumo tier is any additional cover This structure can vary if you have other insurance, but the tiers will be shown on your policy schedule when the policy begins. The cover amount under each tier will increase if indexation increases are accepted. There are three definitions which apply at claim time. If the life insured is covered under more than one Sumo policy, these definitions and the limits across the definitions will apply across all policies. • the standard tier is assessed under the *own occupation TPD* definition • the sumo tier is assessed under: – *any occupation TPD* for the part of the cover amount up to $10m (when combined with cover under the standard TPD tier) and – *activities of daily working (ADW) TPD* for any remaining cover.	A TPD benefit is not payable under the sumo tier for a *mental health condition*, *fatigue syndromes*, *alcohol abuse*, *alcohol dependence* or *drug use*, and the definition of this tier changes to activities of daily working (ADW) TPD following a claim on the standard tier for any of these conditions.
Trauma cover (cannot exceed Death cover) Note: Cover changes from the policy anniversary following your 70th birthday. Refer to page 11 for details.	At policy commencement, Trauma cover is structured in two tiers: • the standard tier is the first $2m of cover across all policies issued in respect of the life insured • the sumo tier is any additional cover This structure can vary if you have other insurance, but the tiers will be shown on your policy schedule when the policy begins. The cover amount under each tier will increase if indexation increases are accepted. There are two sets of trauma definitions which apply at claim time: *standard trauma conditions* (which apply only to the standard tier) and *sumo trauma conditions*.	A Trauma benefit is not payable under the sumo tier for any trauma event caused by or attributed to: *alcohol abuse*, *alcohol dependence* or *drug use*.

Zurich Income Protection

This is summary information only. Terms and conditions which apply to Zurich Income Protection are set out on page 16.

Cover	How the tiering is set up	Additional restrictions apply to cover above a certain threshold
Income protection cover	Cover is issued as a single insured monthly benefit amount (not two tiers): • the first $40,000 per month is endorsed agreed value cover • any excess cover is indemnity cover. In some cases only indemnity cover will be provided, in which case this will be shown on your policy schedule. The insured monthly benefit amount will increase if indexation increases are accepted, until the maximum insured monthly benefit of $60,000 is reached.	After the first 24 months of any income protection claim caused by or attributed to a *mental health condition, fatigue syndromes, alcohol abuse, alcohol dependence or drug use*, the benefit will be reduced so that it does not exceed $40,000 per month.

Policy ownership

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

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

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

If you wish to hold as much of your Zurich Life Insurance cover as possible in superannuation, but still wish to access benefits which cannot be held in superannuation, Zurich's superannuation optimiser could be the solution. More information about superannuation optimiser can be found on page 30.

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

	Policy owner	Policies available	Life insured	Benefits payable to
Outside of super	**You** as an individual	Zurich Life Insurance Zurich Income Protection	**You** or another individual	**You** or Nominated beneficiary (for death benefits if you are the sole policy owner and life insured)
	You as a corporation		Individual	Policy owner
In super (superannuation ownership)	**You** as SMSF trustee/s (individual or corporation)	Zurich Life Insurance (benefits adjusted to comply with superannuation laws)	SMSF member	SMSF trustee/s

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

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

Zurich Life Insurance

The terms applying to each type of cover included in your Zurich Life Insurance policy are set out in this section of the PDS. Words or expressions shown in *italics* have the meaning explained in the Definitions section at the end of the PDS.

Death cover

Applying for cover

When applying for Death cover, the life insured must be aged between 15 and 70.

You apply for a specified amount of cover. This is known as the Death benefit amount and is shown on your policy schedule. The minimum amount you can apply for is $2 million and, while there is no maximum, the Death benefit amount must be reasonable for the financial position of the life insured and your insurable interest.

When the Death benefit amount is payable

The Death benefit amount will be paid if the life insured:

- is diagnosed with a *terminal illness*, or
- dies,

after the benefit start date shown on your policy schedule and before the cover ends, explained in the section 'When cover ends' on page 33.

If a terminal illness claim is payable, the benefit amount is calculated as at the date the life insured is certified as terminally ill, even if the certifications we require are not provided to us until some time later.

Funeral advancement benefit

Under this feature, part of the Death benefit amount will be paid in advance so that immediate expenses can be met following the death of the life insured.

The benefit amount payable is $15,000 and this is the maximum amount we will pay under the Funeral advancement benefit inclusive of all cover held with us for the life insured.

In order to pay this benefit, we require medical evidence as to the cause and date of death. This benefit is not payable if the life insured's death is the result of suicide within 13 months of the benefit start date, is the result of anything that is excluded under the policy or if there is reasonable doubt about whether the Death benefit amount will become payable.

If we agree this benefit is payable, it will be paid to the nominated beneficiary, the policy owner if different to the life insured or the legal personal representative, within two business days of receipt all of the required documents.

The payment of the Funeral advancement benefit is not an admission of liability and we reserve the right to recover the amount paid under the Funeral advancement benefit if the Death benefit claim is subsequently denied.

When the Death benefit amount is reduced

The Death benefit amount will be reduced by the following:

- the amount paid for *terminal illness*
- the amount paid for the Funeral advancement benefit
- any TPD benefit amount paid, when TPD cover is:
  - included in the same Zurich Life Insurance policy, or
  - held in a related policy through superannuation optimiser, and
- any Trauma benefit amount paid, when Trauma cover is:
  - included in the same Zurich Life Insurance policy, or
  - held in a related policy through superannuation optimiser.

If the Death benefit amount is reduced, but part of the Death benefit amount remains, the premium for your policy is adjusted by applying our then current premium rates to the Death benefit amount that remains. The premium can also be altered as set out in this PDS on page 23. If the Death benefit amount is reduced to zero, your policy will end.

Your policy schedule will show whether TPD and/or Trauma cover are included in your policy or if they are held on another related policy via superannuation optimiser.

When we won't pay

For that component of the Death benefit amount of $15 million or less, a Death cover claim will not be payable if death or *terminal illness* is caused directly or indirectly by an intentional self-inflicted act, within 13 months of:

- the benefit start date
- the date cover is reinstated, including under the Death cover buy back feature (but only in respect of the reinstated cover). The Death cover buy back feature is explained on page 15, or
- the benefit start date for any increase in cover that you applied for (but only in respect of that increase).

This exclusion does not apply if this policy replaces other similar insurance under a policy issued by us or another insurer (the other policy or policies) and we agreed to issue this policy on the basis that it replaced the other policy (as shown on your policy schedule) and the following conditions are also met.

Conditions:

- the Death benefit amount under this policy being issued by us is the same amount or less than that under the other policy. If the Death benefit amount under this policy is higher than that under the other policy, the exclusion will not apply only to the extent that the Death benefit amount replaces cover under the other policy
- the other policy was continuously in force for 13 months immediately prior to the issue of this policy
- the other policy was cancelled immediately after the issue of this policy
- no claim is pending, payable or has been paid under the other policy.

For the component of the Death benefit amount which exceeds $15 million, a claim will not be payable if death or *terminal illness* is caused directly or indirectly by an intentional self-inflicted act.

For all cover, a claim will not be payable if death or *terminal illness* is caused by or attributed to anything excluded under the policy as indicated on the policy schedule.

Total and Permanent Disablement (TPD) cover

Applying for cover

When applying for TPD cover, the life insured must be aged between 15 and 60 and must be *gainfully employed* for a minimum of 30 hours per week.

You apply for a specified amount of cover. This is known as the TPD benefit amount and is shown on your policy schedule. The minimum amount you can apply for is $3 million and the maximum is $15 million.

The TPD benefit amount has two tiers, with the benefit amount of each tier having a number of distinct definitions applying to it. The tiers of cover are as follows:

- **standard TPD tier** – the maximum benefit amount available at application under this tier is $5 million across all policies issued in respect of the life insured
- **sumo TPD tier** – the remainder of any TPD benefit amount is provided under the sumo TPD tier.

The amount of TPD cover you can apply for is limited to the Death benefit amount held under a Zurich Life Insurance policy.

Where you have existing cover with us or another insurer this may affect the way cover is allocated across each tier. We will determine this allocation at the time of underwriting.

If you select TPD cover, your policy schedule will specify the benefit amount provided under each tier. The benefit amount for each tier may increase if indexation increases are accepted on each policy anniversary, as explained on page 14.

Type of cover

Subject to the section 'When the TPD definition changes' on the next page, the TPD benefit amount is provided on the basis of the following definitions.

standard TPD tier

The part of the TPD benefit amount under this tier is provided on the basis of the *own occupation TPD* definition. The cover will be subject to superannuation optimiser if owned by the trustee of a superannuation fund.

Where superannuation optimiser applies, the cover provided under this tier is split across two related policies. One of the policies will be issued to the trustee of a superannuation fund, and the other policy will be held outside of superannuation. For more information on superannuation optimiser see page 30.

sumo TPD tier

The part of the TPD benefit amount under this tier is provided on the basis of one or both of the following definitions:

- for the part of the TPD benefit amount that does not exceed $10 million across all Zurich Sumo policies (when combined with cover under the standard TPD tier), the *any occupation TPD* definition, and

- for the part of the TPD benefit amount that exceeds $10 million across all Zurich Sumo policies (when combined with cover under the standard TPD tier), the *activities of daily working (ADW) TPD* definition.

Where the sumo TPD tier is owned by the trustee of a superannuation fund, the permanent incapacity restriction will apply to all cover under the sumo TPD tier. For more information on the permanent incapacity restriction see page 30.

When the TPD definition changes

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

- the TPD benefit amount reduces to $3 million across all policies issued by us covering the life insured, and
- the benefit is only payable under the *modified TPD* definition (If superannuation optimiser applies cover will continue under the superannuation policy based on the *modified TPD* definition, and TPD cover on the non-superannuation policy will end).

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

The premium for your policy will be adjusted to reflect the reduced TPD benefit amount.

Restrictions and limitations

If we pay a benefit for TPD that is caused by or attributed to a *mental health condition*, *fatigue syndromes*, *alcohol abuse*, *alcohol dependence* or *drug use*:

- the maximum benefit payable will be the benefit amount under the standard TPD tier
- the remaining part of the TPD benefit amount provided under the sumo TPD tier will be based on the *activities of daily working (ADW) TPD* definition, and
- for any subsequent claim for a TPD benefit:
  - a benefit will only be paid for a disability that is not directly related to the cause of the prior claim for which part of the TPD benefit amount was paid under the standard TPD tier, and
  - the life insured must satisfy the relevant TPD definition independently of the cause of the disability for which the prior TPD claim was paid.

When the TPD benefit amount is payable

If your Zurich Life Insurance policy includes TPD cover, the relevant part of the TPD benefit amount will be paid if the life insured suffers *total and permanent disablement* (as defined for that part) after the TPD benefit start date shown on your policy schedule and before the TPD cover ends, explained in the section 'When cover ends' on page 33.

If you make a claim based on the *modified TPD* definition the life insured must be living (and not declared brain dead) for 14 days from the date he/she satisfies the definition.

If you make a claim based on a different TPD definition, the requirement to survive 14 days from the date the definition is satisfied does not apply.

When the TPD benefit amount is determined

If a TPD claim is payable, the benefit amount is calculated as the earlier of:

- the date when the definition is met and
- where there is a three month qualification period as part of the definition, the start of that period.

If you make a claim under the *own occupation TPD* or *any occupation TPD* policy definitions, the TPD benefit amount we will pay is determined on the date when the life insured ceased work as a result of the disability that led to the claim, even though permanency of the disability is often not established at that point in time.

While premiums must continue to be paid to keep the policy in force while we assess a claim, if the TPD benefit is paid, any premiums paid for the TPD benefit after the date when the life insured ceased work will be refunded as part of the claim process.

TPD advancement benefit

Under this feature, part of the TPD benefit amount will be advanced if the life insured suffers *loss of a hand or foot* or *loss of sight in one eye*.

The amount payable is 25% of the TPD benefit amount subject to a maximum of $500,000. The TPD advancement benefit is only payable once across all cover held with us for the life insured.

The TPD advancement benefit will be reduced by the amount of any Trauma benefit paid for *loss of a hand or foot* or *loss of sight in one eye* if the TPD cover is included in a policy along with Trauma cover or is related to a separate policy which includes Trauma cover under superannuation optimiser.

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

When the TPD benefit amount is reduced

The TPD benefit amount will be reduced by the following:

- any Death benefit amount paid for *terminal illness*, if TPD cover is:
  - included in the same Zurich Life Insurance policy, or
  - held in a related policy through superannuation optimiser, and
- any TPD benefit amount paid in part under the TPD advancement benefit
- any TPD benefit amount paid in part
- in cases where superannuation optimiser applies, any TPD benefit amount paid under the related policy, and
- any Trauma benefit amount paid, if TPD cover is:
  - included in the same Zurich Life Insurance policy as Trauma cover, or
  - related to a policy which includes Trauma cover through superannuation optimiser.

Your policy schedule will show what other types of cover are included in your policy and whether it is related to another policy through superannuation optimiser.

Subject to the following paragraph, any reduction in the TPD benefit amount will be applied in the following order:

1. cover issued under the standard TPD tier, then
2. cover issued under the sumo TPD tier.

If the Death cover to which TPD cover is related is reduced or cancelled, the TPD benefit amount will be reduced so that it is not more than the Death benefit amount. If this occurs or if you request a reduction in the TPD benefit amount, it will first be applied to the sumo TPD tier.

If superannuation optimiser applies and the TPD cover is reduced or cancelled under one of the related policies, the TPD benefit amount under the related policy will also be reduced so that it is not more than the reduced or cancelled TPD benefit amount.

If the TPD benefit amount is reduced, but part of the benefit amount remains, the premium for your policy is adjusted by applying our then current premium rates to the benefit amount that remains. The premium can otherwise be altered as set out in this PDS on page 23.

If the life insured is covered under more than one policy with us which provides TPD benefits on an own occupation or any occupation policy definition, then the following additional limit applies:

- the amount we will pay in the event of a claim for TPD cover will be reduced so that the total paid or payable for TPD under an own occupation or any occupation policy definition in respect of the life insured, combined with any previous TPD cover claims paid by us, does not exceed $10 million.

When we won't pay

For the standard TPD and sumo TPD tiers, a TPD claim will not be payable if *total and permanent disablement* is caused by or attributed to:

- an intentional self-inflicted act, or
- anything excluded under the policy as indicated on the policy schedule.

Furthermore, for the sumo TPD tier, a TPD claim will not be payable if *total and permanent disablement* is caused by or attributed to:

- a *mental health condition*
- *fatigue syndromes*
- *alcohol abuse*
- *alcohol dependence,* or
- *drug use.*

For TPD held under the sumo TPD tier and subject to the permanent incapacity restriction (see page 30) as shown on the policy schedule, a TPD claim will not be payable if the life insured does not meet the definition of *permanent incapacity.*

Trauma cover

Applying for cover

When applying for Trauma cover, the life insured must be aged between 15 and 65.

You apply for a specified amount of cover. This is known as the Trauma benefit amount and is shown on your policy schedule. The minimum amount you can apply for is $2 million and the maximum is $10 million.

The Trauma benefit amount has two tiers, with each tier offering cover for a specified list of *trauma conditions*. The tiers of cover are as follows:

- **standard Trauma tier** – the maximum benefit amount available at application under this tier is $2 million across all policies issued in respect of a life insured.
- **sumo Trauma tier** – the remainder of any Trauma benefit amount is provided under the sumo Trauma tier.

Where you have existing cover with us or another insurer this may affect the way cover is allocated across each tier. We will determine this allocation at the time of underwriting.

The amount of Trauma cover you can apply for is limited to the Death benefit amount held under a Zurich Life Insurance policy.

The amount of cover for each tier may increase if indexation increases are accepted on each policy anniversary, as explained on page 14.

If you select Trauma cover, your policy schedule will specify the amount of cover provided under each tier.

Type of cover

The Trauma benefit amount is provided on the following basis:

standard Trauma tier
Cover under this tier is provided for the *standard trauma conditions* listed on the next page.

sumo Trauma tier
Cover under this tier is provided for the *sumo trauma conditions* listed on page 13.

When the Trauma cover changes

On the policy anniversary following the life insured's 70th birthday, the Trauma benefit amount reduces to $2 million across all policies issued by us and is only payable if the life insured suffers *loss of independent existence*, *loss of hands or feet*, *loss of sight*, both *loss of a hand or foot* and *loss of sight in one eye* or *cognitive loss* before the Trauma cover ends.

If your policy includes TPD cover, the Trauma benefit amount reduces to zero on the policy anniversary following the life insured's 70th birthday and your premium for Trauma cover will cease. This is because cover for *loss of independent existence*, *loss of hands or feet*, *loss of sight*, both *loss of a hand or foot* and *loss of sight in one eye* or *cognitive loss* is provided under the *modified TPD* definition of *total and permanent disablement*.

When the Trauma benefit amount is payable

If your Zurich Life Insurance policy includes Trauma cover, all or part of the standard Trauma benefit amount is payable if the life insured suffers one of the *standard trauma conditions* listed on the next page, after the Trauma benefit start date shown on your policy schedule and before the earlier of:

- the Trauma cover ending, explained in the section 'When cover ends' on page 33, and
- the policy anniversary following the life insured's 70th birthday.

The standard Trauma benefit amount is payable if the life insured suffers one of the *standard trauma conditions* listed with a 'full' benefit payable.

A partial benefit is payable if the life insured suffers one of the *standard trauma conditions* listed with a 'partial' benefit payable. The partial benefit payable is $100,000, except for *angioplasty (minimally invasive cardiac surgery)*, for which the benefit is $20,000.

The total of any part of the standard Trauma benefit amount not previously paid, and the sumo Trauma benefit amount, if any, is payable if the life insured suffers one of the *sumo trauma conditions* after the Trauma benefit start date shown on your policy schedule and before the Trauma cover ends, explained in the section 'When cover ends' on page 33.

The Trauma cover changes on the policy anniversary following the life insured's 70th birthday as stated in the section 'When the Trauma cover changes'.

We will only pay once for any one *trauma condition*, except:

- in the case of *angioplasty (minimally invasive cardiac surgery),* where a subsequent claim is made for an *angioplasty (minimally invasive cardiac surgery)* procedure which has occurred at least six months after the previous procedure, and
- in the case of *cancer (excluding early stage cancers), heart attack (of specified severity)* or *stroke (of specified severity),* where the standard Trauma benefit amount has been paid for that condition and a subsequent claim is made for the sumo Trauma benefit amount for that condition.

Where multiple Zurich Sumo policies are held, the partial benefit amount is only payable under one policy.

The definitions for all the *trauma conditions* can be found in the section 'Specified trauma condition definitions' at the end of this PDS.

Standard trauma conditions

Cancers and tumours	Benefit payable
benign tumour in the brain or spinal cord (with neurological deficit)	full
cancer (excluding early stage cancers)#	full
carcinoma in situ (limited sites)#	partial
melanoma (early stage)#	partial
prostate cancer (early stage)#	partial

Heart conditions	Benefit payable
angioplasty (minimally invasive cardiac surgery)#	partial^
angioplasty (triple vessel)#	full
aortic surgery#	full
cardiac arrest (out of hospital)#	full
cardiomyopathy (with significant permanent impairment)	full
coronary artery bypass surgery#	full
heart attack (of specified severity)#	full
heart valve surgery#	full
idiopathic pulmonary arterial hypertension (with permanent impairment)	full

Neurological conditions	Benefit payable
bacterial meningitis or meningococcal septicaemia (with severe life impact)	full
cognitive loss (permanent)	full
coma (of specified severity)	full
dementia including alzheimer's disease (diagnosis)	full
encephalitis (with permanent neurological deficit)	full
hydrocephalus	partial
motor neurone disease (diagnosis)	partial
motor neurone disease (with impairment level)	full
multiple sclerosis (diagnosis)	partial
multiple sclerosis (with impairment level)	full
muscular dystrophy (diagnosis)	partial
muscular dystrophy (with impairment level)	full
parkinson's disease (diagnosis)	partial
parkinson's disease (with impairment level)	full
stroke (of specified severity)#	full

Severe accident, loss of sight, hearing, speech, limbs, paralysis and loss of independence	Benefit payable
loss of a hand or foot	partial
loss of hands or feet	full
loss of hearing	full
loss of hearing in one ear	partial
loss of independent existence	full
loss of sight	full
loss of sight in one eye	partial
loss of speech or total aphasia	full
major head trauma (with permanent neurological deficit)	full
paralysis	full
severe burns (of limited extent)	partial
severe burns (of specified extent)	full

Blood conditions	Benefit payable
aplastic anaemia (requiring treatment)	full
medically acquired HIV	full
occupationally acquired HIV	full

Other serious covered conditions	Benefit payable
chronic kidney failure (end stage)	full
chronic liver disease (end stage)	full
chronic lung disease (end stage)	full
colostomy or ileostomy	partial
crohn's disease (severe)	partial
diabetes complications	partial
diabetes (of specified severity)	full
major organ transplant (on waiting list)	partial
major organ transplant	full
severe osteoporosis (before age 50)	partial
severe rheumatoid arthritis (with permanent daily life impact)	partial
ulcerative colitis (severe)	partial

The partial benefit payable for the above conditions is $100,000, except for *angioplasty (minimally invasive cardiac surgery)*, marked ^, for which the benefit is $20,000.

Sumo trauma conditions

Category	Condition	Benefit payable
Cancers and tumours	*cancer (excluding early stage cancers)#*	full
Heart conditions	*heart attack (of specified severity)#*	full
Neurological conditions	*stroke (of specified severity)#*	full
Severe accident, loss of sight, hearing, speech, limbs, paralysis and loss of independence	*paralysis*	full
	loss of independent existence	full

For the *standard trauma conditions* and *sumo trauma conditions* that are marked #, a 90 day exclusion applies.

Refer to the section 'When we won't pay' for more information.

When the Trauma benefit amount is reduced

The Trauma benefit amount will be reduced by the following:

- any Death benefit amount paid for *terminal illness*, if Trauma cover is:
  - included in the same Zurich Life Insurance policy, or
  - held in a related policy through superannuation optimiser, and
- any TPD benefit amount paid, if Trauma cover is:
  - included in the same Zurich Life Insurance policy as TPD cover, or
  - related to a policy which includes TPD cover under superannuation optimiser
- any Trauma benefit amount paid as a partial benefit for a *trauma condition*, and
- any standard Trauma benefit amount paid.

Your policy schedule will show what other types of cover are included in your policy, and whether it is related to another policy through superannuation optimiser.

Subject to the following paragraph, any reduction in the Trauma benefit amount will be applied in the following order:

1. cover issued under the standard Trauma tier, then
2. cover issued under the sumo Trauma tier.

If the Death cover to which Trauma cover is related is reduced or cancelled, the Trauma benefit amount will be reduced so that it is not more than the Death benefit amount. If this occurs or if you request a reduction in the Trauma benefit amount, the reduction will first be applied to the sumo Trauma tier.

If the Trauma benefit amount is reduced, but part of the benefit amount remains, the premium for your policy is adjusted by applying our then current premium rates to the benefit amount that remains. The premium can otherwise be altered as set out in this PDS on page 23.

If the life insured is covered under more than one policy with us which provides Trauma benefits, then the following additional limit applies:

- the amount we will pay in the event of a claim for Trauma cover will be reduced so that the total paid or payable for Trauma in respect of the life insured, combined with any previous Trauma cover claims paid by us, does not exceed $10 million.

When we won't pay

For the standard Trauma and sumo Trauma tiers, a Trauma claim will not be payable if the trauma condition (or where the condition involves surgery or a procedure, the disease or condition for which the surgery or procedure is undertaken):

- is caused directly or indirectly by an intentional self-inflicted act
- first occurs or symptoms leading to the condition occurring or being diagnosed first became apparent before the Trauma benefit start date shown on your policy schedule or the date any Trauma cover is reinstated
- is caused by or attributed to anything excluded under the policy as indicated on the policy schedule, or
- for the *trauma conditions* marked #, no claim will be payable at any time under the policy if the *trauma condition* first occurs or symptoms leading to the condition occurring or being diagnosed first became apparent within 90 days of the benefit start date or the date any cover is reinstated.

  This exclusion does not apply to a *trauma condition* if your policy replaces other similar insurance under a policy or policies issued by us or another insurer (the other policy) and we agreed to issue this policy on the basis that it replaced the other policy (as shown on your policy schedule) and the following conditions are also met:
  - the Trauma benefit amount under your policy is the same amount or less than that under the other policy. If the Trauma benefit amount under your policy being issued by us is higher than that under the other policy, the exclusion will not apply only to the extent that the Trauma benefit amount replaces cover under the other policy
  - the other policy was continuously in force for 90 days immediately prior to the issue of this policy
  - the other policy provided similar cover for the *trauma condition*
  - the other policy was cancelled immediately after the issue of this policy, and
  - no claim is pending, payable, or has been paid under the other policy.

Furthermore, for the sumo Trauma tier, a Trauma claim will also not be payable for a *trauma condition* (or where the condition involved surgery or a procedure, the disease or condition for which the surgery or procedure is undertaken) caused by or attributed to:

- *alcohol abuse*
- *alcohol dependence, or*
- *drug use.*

Features applying to Death, TPD and Trauma cover

Inflation protection

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

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

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

- 3% and
- the percentage increase in the *consumer price index* published for the quarter ending immediately prior to three months before the policy anniversary over that published for the quarter ending immediately prior to 15 months before that policy anniversary.

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

For TPD and Trauma cover, indexation will cease when the total of the standard and sumo tiers for that type of cover equal $10 million.

Inflation protection does not apply to the amount payable for events which have already occurred when the offer is made.

Future increases

The Death, TPD and/or Trauma cover may be increased, up to the life insured's 55th birthday without our reassessment of his/her personal circumstances when certain life events occur, as long as:

- the benefit being increased has been in place for a minimum of 12 months
- the policy was not issued with a premium adjustment in the form of a medical loading of 75% or more or
- we have not paid a benefit and there is no entitlement to a benefit under any Zurich policy in relation to the life insured.

The increase in cover must be requested either:

- in the six month period following the date of any covered event or
- within 30 days the policy anniversary following the date of any covered event

and only one increase may be applied for in any 12 month period under this feature.

An increase can be made if any of the following covered events occur.

If the life insured:

- marries
- becomes a parent (through the birth or adoption of a child)
- experiences a significant increase in salary (minimum 15% in a 12 month period)
- takes out a new mortgage on his/her principal place of residence
- increases his/her mortgage on his/her principal place of residence

If the following business events occur:

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

The maximum increase available is the lower of:

- 10% of the Death benefit or TPD benefit or Trauma benefit amount on the applicable benefit start date and
- $500,000.

Where the applicable event is based on a mortgage, the increase cannot exceed the new loan or increase in loan amount. Where the applicable event is a significant increase in salary, the increase cannot exceed five times the increase in *income*.

In order to make the increase, you must provide proof of the event which is satisfactory to us.

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

Restrictions and limitations

The maximum amount by which the applicable benefit amount can be increased under the Future increases feature on your Zurich Life Insurance policy is $2 million.

The individual benefit amounts for Death cover, TPD cover and Trauma cover cannot be increased above $10 million as a result of the Future increases feature.

For the first six months after an increase under this benefit, we will only pay a claim in respect of the increased cover if:

- the condition for which the claim is being made is due to an *accident*, and
- the *accident* occurs after the date of the increase.

For TPD and Trauma cover, if the requested increase would result in the standard tier of cover exceeding the benefit amount maximums for that tier, the excess will be provided under the sumo tier of cover.

If included in a Zurich Life Insurance policy or a related Zurich Life Insurance policy via superannuation optimiser:

- the TPD and/or Trauma benefit amount cannot be increased to an amount greater than the Death benefit amount and
- the Trauma benefit amount cannot be increased to an amount greater than the TPD benefit amount.

Financial planning benefit

Under this feature, we will reimburse the cost of engaging a qualified financial adviser operating under an Australian Financial Services License to prepare a financial plan following payment of the whole Death benefit amount, TPD benefit amount or Trauma benefit amount.

The total amount payable under this benefit is the lesser of the actual fee paid for the financial planning advice (excluding any commissions received by the adviser) and $1,000. It is payable on receipt of evidence of the financial advice provided, qualifications of the financial adviser and payment made for that advice. This evidence must be received in the 12 month period following payment of the benefit amount.

The benefit is payable to the person who receives the Death, TPD or Trauma benefit amount. If the benefit amount is paid to more than one person, the maximum amount payable to each person for reimbursement of financial planning costs incurred by them will be split proportionally in line with the split of the benefit amount.

The benefit is only payable once for the life insured across all cover with us.

Death cover buy back

This feature only applies if TPD and/or Trauma cover is included in a Zurich Life Insurance policy with Death cover or is related to a Zurich Life Insurance policy which contains Death cover through superannuation optimiser.

This feature allows you, up until the policy anniversary following the life insured's 65th birthday, to reinstate the Death benefit amount after it was reduced by the payment of the whole TPD or Trauma benefit amount, without the need for medical underwriting, 12 months after the date the whole TPD or Trauma benefit amount was paid.

We will give you at least 30 days notice prior to the expiry of the 12 month period and must receive your acceptance within 30 days of the expiry of the 12 month period. We will then tell you the date the Death benefit amount was reinstated or, if your policy has terminated because the Death benefit amount was reduced to nil, we will issue a new policy for the reinstated cover.

The maximum Death benefit amount that can be reinstated after it was reduced is the amount by which the Death benefit amount was reduced by the payment of the:

- TPD benefit amount under the standard TPD tier, or
- Trauma benefit amount under the standard Trauma tier.

The Death benefit amount cannot be reinstated by the amount it was reduced by the payment of the:

- TPD benefit amount under the sumo TPD tier, or
- Trauma benefit amount under the sumo Trauma tier.

The premium for the reinstated Death cover will be based on the premium rates applying at the time of reinstatement. Any premium adjustments, exclusions or special conditions, which applied to the original Death cover, will also apply to the reinstated cover.

The Future increases feature is not available for cover reinstated under Death cover buy back.

The Inflation protection feature will apply to the reinstated Death benefit amount.

Zurich Income Protection

The terms applying to each type of cover included in your Zurich Income Protection policy are set out in this section of the PDS. Words or expressions shown in *italics* have the meaning explained in the Definitions section at the end of the PDS.

Income protection cover

Applying for cover

When applying for Zurich Income Protection the life insured must be aged between 19 and 60 and must be *gainfully employed* for a minimum of 30 hours per week. Income protection cover cannot be owned by the trustee of a superannuation fund.

You apply for a specified amount of cover. This is known as the *insured monthly benefit* and is shown on your policy schedule. The minimum amount you can apply for is $30,000 per month. The maximum amount is the monthly equivalent of a percentage of the annual *income* of the life insured, up to $2 million, worked out as follows:

- 75% of the first $320,000
- 50% of the next $240,000, and
- 25% of the balance,

subject to the following limits:

- $60,000 per month if the benefit period is 1, 2, 5 or 10 years, then
- $30,000 per month for the 'to age 65' benefit period. The 'to age 65' benefit period commences after the expiry of the 1, 2, 5 or 10 year benefit period.

These limits may be affected if you, or the life insured, have similar existing cover with us, or with another insurer.

Type of Income protection cover

If the *insured monthly benefit* does not exceed $40,000 per month, it is provided on an endorsed agreed value basis, unless otherwise shown on your policy schedule.

If the *insured monthly benefit* exceeds $40,000 per month the first $40,000 of the *insured monthly benefit* is provided on an endorsed agreed value basis, and any additional *insured monthly benefit* is provided on an indemnity basis, unless otherwise shown on your policy schedule.

In some circumstances the *insured monthly benefit* may only be offered on an indemnity basis up to $60,000 per month. If this applies, it will be shown on your policy schedule.

In respect of the cover provided on an endorsed agreed value basis, the benefit payable in the event of a claim will be based on the life insured's *income* at the time you applied for the cover (or if we have accepted an application for an increase in cover, the life insured's *income* at the time you applied for the increase in cover that we accepted) to a maximum of the *insured monthly benefit*.

If any cover is provided on an indemnity basis, the benefit payable in the event of a claim is based on the life insured's *pre-disability income* to a maximum of the *insured monthly benefit*.

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

Waiting period

The majority of benefits under this policy are subject to a waiting period before the benefits become payable.

The following waiting periods are available:

- 60 days
- 90 days.

The waiting period that applies is shown on the policy schedule issued to you.

The waiting period begins the day the life insured is *disabled* due to *sickness* or *injury* and has consulted a *medical practitioner* in relation to his/her *disability*.

On the basis of medical and other evidence acceptable to us, we may reduce the waiting period by the number of continuous days for which the life insured was absent from *gainful employment* due to *sickness* or *injury* prior to first consulting a *medical practitioner* in relation to his/her *disability,* up to a maximum of seven days.

Return to work during the waiting period

The life insured can return to work (and not be *disabled*) during the waiting period for up to:

- five consecutive days if your waiting period is 60 days, and
- ten consecutive days if your waiting period is 90 days,

before we will restart the waiting period.

The waiting period will be extended by the number of days worked while the life insured is not *disabled*.

Benefit period

The benefit period is the maximum period for which a claim for a *disability* is payable.

The following benefit periods are available:

- 1 year
- 2 years
- 5 years
- 10 years
- to age 65.

The benefit period(s) that applies will be shown on the policy schedule issued to you.

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

- the end of the selected benefit period (if the benefit period selected is 'to age 65', the benefit period ends on the policy anniversary following the life insured's 65th birthday), and
- the date when cover ends (see the section, 'When cover ends' on page 33).

Recurrent disability

If the benefit period under your policy is 'to age 65', any claim for a *disability* arising from the same or a related cause as a previous claim within 12 months of the previous claim ending, will be treated as a continuation of the previous claim and the waiting period will be waived. If the claim is made more than 12 months after the previous claim ended it will be treated as a new claim and a new waiting period will apply.

If the benefit period under your policy is '1 year', '2 years', '5 years', or '10 years' or this cover has been extended beyond the policy anniversary following the life insured's 65th birthday under the terms of the Cover extension on page 20, any claim for a *disability* arising from the same or a related cause as a previous claim within six months of the previous claim ending, will be treated as a continuation of the previous claim. Accordingly, the waiting period will be waived and the benefit period from the previous claim will continue. If the claim is made more than six months after the previous claim ended a new waiting period will apply. A new benefit period will apply to a claim for a *disability* arising from the same or related cause as a previous claim only if the life insured made a successful return to *gainful employment* of at least 30 hours per week for a continuous period of six months.

Monthly benefit

The amount we will pay while the life insured is *disabled* during the benefit period is all or part of the *monthly benefit* depending on whether the life insured is *totally disabled* or *partially disabled*.

Total disability benefit

If you have a Zurich Income Protection policy, a benefit is payable if, after the benefit start date shown on your policy schedule and before the benefit expiry date, the life insured:

- has been continuously *disabled* during the waiting period, and
- is *totally disabled* after the end of the waiting period, or after a period during which a benefit for *partial disability* has been paid for the same *sickness* or *injury*.

The benefit payable is the *monthly benefit*, adjusted to take into account any:

- offsets which apply, as explained in the section 'When the *monthly benefit* is reduced' on page 20
- claims that are caused by or attributed to a *mental health condition, fatigue syndromes, alcohol abuse, alcohol dependence, or drug use* as explained in the section 'When we won't pay' on page 21, and
- increases under Claims escalation, if it applies, as explained on page 20.

The *monthly benefit* for the Total disability benefit is payable monthly in arrears for each day of *total disability* after the end of the waiting period (1/30th of the *monthly benefit* per day if the benefit is only payable for part of a month), but not beyond the end of the benefit period for that *sickness* or *injury*.

Partial disability benefit

If you have a Zurich Income Protection policy, a benefit is payable if, after the start date shown on your policy schedule and before the benefit expiry date, the life insured:

- has been continuously *disabled* during the waiting period, and
- is *partially disabled* after the end of the waiting period, or after a period during which a Total disability benefit has been paid for the same *sickness* or *injury*.

The benefit payable is a proportion of the *monthly benefit*, calculated as follows:

$$\frac{\textit{pre-disability income} - \textit{post-disability income}}{\textit{pre-disability income}} \times \textit{monthly benefit}$$

adjusted to take into account any:

- offsets which apply, as explained in the section 'When the *monthly benefit* is reduced' on page 20
- claims that are caused by or attributed to a *mental health condition, fatigue syndromes, alcohol abuse, alcohol dependence, or drug use* as explained in the section 'When we won't pay' on page 21, and
- increases under Claims escalation, if it applies, as explained on page 20.

The *monthly benefit* for the Partial disability benefit is payable monthly in arrears for each day of *partial disability* after the end of the waiting period (1/30th of the *monthly benefit* for the Partial disability benefit per day if the benefit is only for part of a month) but not beyond the end of the benefit period for that *sickness* or *injury*.

Inflation protection

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

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

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

If your policy provides part of your cover on an indemnity basis, you should consider whether, by accepting an increase, your *insured monthly benefit* will exceed the *monthly benefit*.

Indexation will cease when the sum of all portions of the *insured monthly benefit* equals $60,000.

Specified injury benefit

If you have a Zurich Income Protection policy and the life insured suffers one of the injuries listed below after the start date shown in your policy schedule and before the benefit expiry date, we will pay the *monthly benefit* for the number of months indicated, regardless of whether the life insured is *totally disabled*. Payments will be made during the waiting period.

Injury	Payment period
Paralysis	60 months*
Total and permanent loss of any two of: • the use of a foot from the ankle joint • the use of a hand from the wrist • the sight in an eye that is irreversible	24 months^
Total and permanent loss of any one of: • the use of a foot from the ankle joint • the use of a hand from the wrist • the sight in an eye that is irreversible	12 months
Total and complete severance of the thumb and index finger from the phalangeal joint of the same hand	6 months
Fracture of thigh or pelvis	3 months
Fracture of the leg (between the knee and foot) or knee cap	2 months
Fracture of the upper arm (including elbow and shoulder bone)	2 months
Fracture of the skull (except bones of the nose or face)	2 months
Fracture of the lower arm (including wrist, but excluding elbow, hands or fingers)	1 month
Fracture of the jaw or collarbone	1 month

* If the benefit period is one or two years, the payment period for *paralysis* under this feature is 12 or 24 months respectively.

^ If the benefit period is 1 year, the payment period for this event is limited to 12 months.

Under this benefit, 'fracture' means means any fracture that requires a pin, traction, plaster or other immobilising structure.

The benefit period for a *disability* due or related to an injury for which we have paid the Specified injury benefit is reduced by the number of months for which we have paid the Specified injury benefit.

If the life insured suffers more than one specified injury at the same time, we will only pay for one specified injury, being the one with the longest payment period.

If we are paying benefits under the Specified injury benefit, payments will cease if Income protection cover ends, as explained in the section 'When cover ends' on page 33.

Trauma benefit

If you have a Zurich Income Protection policy and the life insured suffers one of the trauma conditions listed below after the Trauma benefit starts and before the benefit expiry date, we will pay the *monthly benefit* for six months, regardless of whether the life insured is *totally disabled*. Payments will be made during the waiting period.

- *angioplasty (triple vessel)#*
- *aortic surgery#*
- *aplastic anaemia (requiring treatment)*
- *bacterial meningitis or meningococcal septicaemia (with severe life impact)*
- *benign tumour in the brain or spinal cord (with neurological deficit)*
- *cancer (excluding early stage cancers)#*
- *cardiac arrest (out of hospital)#*
- *cardiomyopathy (with significant permanent impairment)*
- *chronic kidney failure (end stage)*
- *chronic liver disease (end stage)*
- *chronic lung disease (end stage)*
- *cognitive loss (permanent)*
- *coma (of specified severity)*
- *coronary artery bypass surgery#*
- *dementia including alzheimer's disease (diagnosis)*
- *encephalitis (with permanent neurological deficit)*
- *heart attack (of specified severity)#*
- *heart valve surgery#*
- *idiopathic pulmonary arterial hypertension (with permanent impairment)*
- *loss of hands or feet*
- *loss of hearing*
- *loss of independent existence*
- *loss of sight*
- *loss of speech or total aphasia*
- *major head trauma (with permanent neurological deficit)*
- *major organ transplant*
- *medically acquired HIV*
- *motor neurone disease (with impairment level)*
- *multiple sclerosis (with impairment level)*
- *muscular dystrophy (with impairment level)*
- *occupationally acquired HIV*
- *paralysis*
- *parkinson's disease (with impairment level)*
- *severe burns (of specified extent)*
- *stroke (of specified severity)#*

For *cancer (excluding early stage cancers), heart attack (of specified severity)* and *stroke (of specified severity)*, the definitions that apply for the Trauma benefit under this policy are the definitions that apply for the standard Trauma cover as explained in the 'Specified trauma condition definitions' section of this PDS.

For the trauma conditions that are marked #, a 90 day exclusion applies. Refer to the section 'When we won't pay' on page 21 for more information.

We will only pay once for each trauma condition under this benefit.

If the benefit period is 1, 2, 5 or 10 years, the benefit period for a *disability* due to or related to a condition for which we have paid the Trauma benefit is reduced by number of months for which we have paid the Trauma benefit.

If the life insured suffers more than one trauma condition, we will only pay for one trauma condition at a time.

If we are paying benefits under the Trauma benefit, payments will cease on the benefit expiry date, explained in the section 'When cover ends' on page 33.

Bed confinement benefit

If you have a Zurich Income Protection policy and the life insured is *totally disabled,* confined to bed, as confirmed by a *medical practitioner*, and is under the care of a registered nurse for 72 hours or more during the waiting period, we will pay 1/30th of the *monthly benefit* for each day of such bed confinement during the waiting period.

The Bed confinement benefit is payable for a maximum of 90 days.

Home care benefit

If you have a Zurich Income Protection policy and the Total disability benefit has been paid for at least 30 days, and the life insured is confined to bed as a result of continuing *total disability,* as confirmed by a *medical practitioner*, we will increase the amount we will pay in a month to cover:

- the forgone *income* of an *immediate family member* who provides satisfactory evidence to us that he/she was *gainfully employed* for at least 30 hours per week prior to the life insured suffering the *disability* and has ceased to be *gainfully employed* to care for the life insured, or
- the cost of employing a registered nurse or housekeeper.

We will pay the above to a limit of $5,000 per month for a maximum of six months. This benefit starts to accrue on the first day all of the above requirements are met and is paid monthly in arrears.

This benefit is in addition to any benefit payable for the Total disability benefit.

Rehabilitation expenses benefit

If you have a Zurich Income Protection policy and a Total disability benefit is payable, we will increase the amount we will pay in a month to cover either all or part of any rehabilitation expenses or costs associated with a rehabilitation program for the life insured that we have approved in advance. A maximum payment of 12 times the *monthly benefit* applies under this benefit. This benefit is in addition to any benefit payable for the Total disability benefit or Partial disability benefit.

Accommodation benefit

If you have a Zurich Income Protection policy and the life insured is *totally disabled* and confined to bed, as confirmed by a *medical practitioner*, and an *immediate family member* requires accommodation at a location more than 100km from their home to be closer to the life insured, we will increase the amount we will pay in a month to cover the costs of accommodation up to $250 per day for a maximum of 30 days in any 12 month period.

The Accommodation benefit is payable during the waiting period. This benefit is in addition to any benefit payable for the Total disability benefit.

Death benefit

If you have a Zurich Income Protection policy and the life insured dies while receiving a benefit from the policy, we will continue to pay a monthly benefit equal to the *insured monthly benefit* for a period of four months from the date of death upon receipt of the death certificate.

The maximum combined benefit we will pay is $150,000 across all policies issued by us in respect of a life insured.

Premium waiver

We will waive the premium and management fee payable under your policy while a benefit is payable under the policy. If the benefit otherwise payable is reduced to nil because benefit reductions apply (see the section 'When the *monthly benefit* is reduced' on page 20) the premium and management fee will not be waived.

Involuntary unemployment premium waiver

We will waive the premium and management fee payable under your Zurich Income Protection policy for the period while the life insured is *involuntarily unemployed*, up to a maximum of three months, where the following conditions are met:

- at least six months has elapsed since the policy commenced or was last reinstated
- premiums due in that six month period have been paid in full
- the life insured is *involuntarily unemployed* for at least 10 consecutive working days, and
- during the period of *involuntary unemployment*, the life insured is registered with Centrelink or other government approved job placement agency as a job seeker.

The premium and management fee will be waived due to *involuntary unemployment* for a maximum of three months in any 12 month period and a total maximum of six months inclusive of all cover held with us for the life insured over the life of the policy. If you pay your premium on a yearly, half-yearly or quarterly basis, we will provide a pro rata refund of the premium and management fee that has already been paid for each month that you are eligible for the Involuntary unemployment premium waiver.

This feature is not available if the life insured was self-employed immediately prior to *involuntary unemployment*.

Cover extension

If you have a Zurich Income Protection policy under this feature we will offer to continue cover beyond the policy anniversary following the life insured's 65th birthday, if the life insured is employed in an occupation which we insure under our standard underwriting guidelines at the time the offer is made.

This offer will not apply if:

- we originally offered cover with a limitation on the term of the policy so that cover expires earlier than the policy anniversary following the life insured's 65th birthday
- we originally offered cover with a premium adjustment due to medical reasons, or
- the life insured was eligible to receive a Total disability benefit or Partial disability benefit in the 12 month period preceding our Cover extension offer.

Cover under this feature will be provided on the following modified terms:

- on an indemnity basis
- a benefit period of 12 months
- benefits will only be payable for the Total disability benefit, Partial disability benefit and Death benefit
- Claims escalation will not apply
- Inflation protection will not apply, and
- the maximum *monthly benefit* we will pay is $15,000.

Cover can continue on the modified basis until the earlier of:

- the policy anniversary following the life insured's 70th birthday, and
- the date when the life insured has not been in *gainful employment* of at least 30 hours a week for six consecutive months.

Claims escalation

Claims escalation applies if the *monthly benefit* payable for the Total disability benefit or Partial disability benefit is less than $60,000.

After each twelve continuous months of Total or Partial disability benefit payments, the benefit will be increased by the percentage increase in the *consumer price index* for the previous year, to a maximum of $60,000.

When the *monthly benefit* is reduced

The *monthly benefit* payable for the Total disability benefit or Partial disability benefit may be reduced by any of the following payments that are made or are payable in respect of the life insured:

- legislated compensation schemes and workers' compensation, and
- any other insurance that provides income payments due to sickness or injury which commenced prior to the commencement of the policy, unless we have expressly agreed in writing not to apply a reduction.

If a lump sum is paid or is payable by any of the above sources in respect of the life insured, we will convert that lump sum to a monthly payment at the rate of 1% of the lump sum paid per month for the first 100 months after the lump sum is received.

The benefit we will pay will only be reduced to ensure that, when combined with the payments from any of the above sources and any *post-disability income*, it does not exceed the monthly equivalent of 75% of *pre-disability income* for the Total disability benefit or 100% of *pre-disability income* for the Partial disability benefit.

If you hold more than one income protection insurance policy with us, then the following additional limits apply:

- any benefit payable under this policy will be further reduced to ensure that, when combined with all other income protection insurance, the total does not exceed $60,000 per month from all policies regardless of the commencement date of the coverages
- the Inflation protection benefit does not apply if it would cause the *insured monthly benefit* to exceed $60,000
- the Claims escalation provision does not apply if it would cause the *monthly benefit* to exceed $60,000.

More than one benefit payable

If the life insured is eligible for one or more of the *monthly benefit* for Total disability benefit, Partial disability benefit, Specified injury benefit, Trauma benefit, or Bed confinement benefit at the same time, only one benefit is payable, being the benefit which provides the highest payment.

When portions of the *insured monthly benefit* are subject to different terms

Where we agree, your cover may be set up so that separate portions of the *insured monthly benefit* are subject to different waiting periods and benefit periods. Details of each portion of the *insured monthly benefit*, and the waiting periods and benefit periods that apply to each portion, will be shown on the policy schedule issued to you.

In determining the *monthly benefit* to be used as the basis for the payment of any benefit(s) under the policy in any given month, we will consider the sum of only those portions of the *insured monthly benefit* for which the particular benefit is payable, having regard to the waiting period, benefit period and type of cover that are applicable.

When we won't pay

A benefit will not be payable under Zurich Income Protection for a claim which is caused by or attributed to:

- an intentional self-inflicted act
- normal or uncomplicated pregnancy or childbirth
- war or an act of war
- anything excluded under the policy as indicated on the policy schedule, or
- elective surgery that occurs within six months of:
  - the benefit start date
  - the date any cover is reinstated (but only in respect of the reinstated cover), or
  - the benefit start date for any increase in cover that you applied for (but only in respect of that increase).

For the trauma conditions that are marked # under the Trauma benefit on pages 12 and 13, no claim will be payable at any time under the policy for the Trauma benefit if the trauma condition first occurs or symptoms leading to the condition occurring or being diagnosed first became apparent within 90 days of the benefit start date or the date that any cover is reinstated.

The amount that we will pay in any month will be reduced so that it does not exceed $40,000 per month, after we have already paid benefits for 24 months for a claim caused by or attributed to:

- *a mental health condition*
- *fatigue syndromes*
- *alcohol abuse*
- *alcohol dependence, or*
- *drug use.*

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

Benefits may only be payable for up to six months while the life insured is outside Australia. In some circumstances benefits can only continue to be paid beyond six months if the life insured returns to Australia or attends a regional medical facility approved by us.

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

Applying for cover

Step by step

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

1. Work out what you need

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

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

2. Make sure you understand what is recommended to you

This PDS contains all the information you need to know about the Zurich Sumo policies – including the policy conditions. Read this PDS carefully to make sure you understand the policy or policies you plan to apply for.

3. Making an application for cover

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

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

If you elect to use our tele-interview service (Health Connect), then you can complete the Life Insured's Statement over the phone. If you don't want to share that information with your adviser, you can ask us to keep it private.

4. Up to 90 days of interim cover

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

Interim cover generally ends when we finish our assessment, ie. we issue a policy or we decline the application. Interim cover is temporary and has special terms and conditions set out in the Interim cover terms on page 26.

5. Our assessment of your application

We will assess the information provided to us in the Life Insured's Statement, as well as additional information from the life insured's doctor and the results of any medical examinations or tests. In the event that any medical test we request as part of an application for insurance returns an abnormal result, we will provide that result to the doctor identified in your application.

6. Alternate terms may apply

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

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

7. Policy is issued

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

8. Store your documents

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

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

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

9. Keep in touch

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

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

Premium and other costs

Premium

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

Premium calculation factors

The premium that you pay for your policy is calculated as at the start date and at each subsequent policy anniversary, by applying our premium rates to the benefit amount/*insured monthly benefit* for each type of insurance.

The factors that affect premium include the benefit amount/*insured monthly benefit*, the premium type and the life insured's:

- age (premiums generally increase with age)
- gender
- general health
- smoking status (premiums are higher for smokers)
- recreational pursuits
- occupation
- place of residence, and
- whether you or the life insured qualify for a discount under the terms of a special program we offer to you or the life insured from time to time (the terms of each program specify the amount of any applicable discount and are subject to change).

In the case of a Zurich Income Protection policy, the premium will also depend on the waiting period and benefit period for the cover provided.

Unless we agree to a level premium, the premium rates are 'stepped', which means that, generally, each year the premium increases based on the life insured's age.

If you increase your benefit amount, then the premium will also increase. Before each policy anniversary, we will notify you of the premium and management fee for the period to the next policy anniversary.

As part of the application process, an indicative premium will be provided to you. You can also request a copy of our premium rates. The actual premium may increase if the life insured has a birthday after the indicative premium is provided and before the policy commencement date. We may also only be able to offer you cover if you agree to a higher premium.

Premium rates are not guaranteed

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

Commission

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

Other charges

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

As part of your premium, we charge a management fee which contributes to the cost of administering your policy. The fee payable depends on the frequency of your premium payments.

premium frequency	management fee payable	annual equivalent
monthly	$26.52	$318.24
quarterly	$79.56	$318.24
half yearly	$159.12	$318.24
yearly	$318.24	$318.24

The management fees above apply for new policies until 29 February 2020. The management fee increases each year on the policy anniversary by the greater of 3% and the change in the *consumer price index*.

We will advise the updated management fees on our website, zurich.com.au.

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

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

Choice of payment options

Your premium is calculated on an annual basis and can be paid as set out in the table below:

	first premium	monthly	quarterly	half-yearly	yearly
direct debit	✓	✓	✓	✓	✓
credit card	✓	✓ (direct debit)	✓ (direct debit)	✓	✓
BPAY	✓	✗	✗	✓	✓

Unpaid premiums will cause cover to lapse

If premiums are not paid when due, your policy will lapse after 30 days and you will not be covered. You may be able to reinstate your policy after it lapses, subject to our individual consideration of any request.

Your financial adviser will provide you with a premium illustration

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

Duty of disclosure

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

Your duty of disclosure

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

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

We do not need to be told anything that:

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

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

If we are not told something

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

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

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

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

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

Privacy

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

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

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

The Australian laws include:

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

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

Zurich may also obtain information from government offices and third parties to assess an application or a claim. We may use personal information (but not sensitive information) collected about you to notify you of other products and services we offer. If you do not want your personal information to be used in this way, please contact us.

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

Interim cover

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

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

Death cover

If you have applied for a policy that includes Death cover, we will pay the interim Death benefit amount if the life insured dies as the result of an *accident*, where the *accident* occurs during the period of interim cover and death occurs within three months of the *accident*.

TPD cover

If you have applied for a policy that includes TPD cover, we will pay the interim TPD benefit amount if the life insured, suffers *total and permanent disablement* as a result of an *accident*, where the *accident* occurs during the period of interim cover and *total and permanent disablement* occurs within three months of the *accident*.

The definition of TPD that will apply is the *any occupation TPD* definition, except where the life insured is not in *gainful employment* at the time of the *accident* causing *total and permanent disablement*, in which case the *modified TPD* definition will apply.

Trauma cover

If you have applied for a policy that includes Trauma cover, we will pay the interim Trauma benefit amount if the life insured suffers one of the trauma conditions listed below as the result of an *accident,* where the *accident* occurs during the period of interim cover and the condition occurs within three months of the *accident*.

Trauma conditions covered for interim cover are:

- *coma (of specified severity)*
- *paralysis*
- *loss of hearing*
- *loss of hands or feet*
- *loss of sight*
- *major head trauma (with permanent neurological deficit)*
- *severe burns (of specified extent).*

Income protection cover

If you have applied for a policy that includes Income protection cover, we will pay:

- the interim benefit for the Total disability benefit from the end of the waiting period applied for in the application, for up to a maximum of six months, if the life insured is *totally disabled* as the result of an *accident* that occurs during the period of interim cover and *total disability* due to the *accident* starts within three months of the *accident*, and
- the interim Death benefit amount, if the life insured dies as the result of an *accident* that occurs during the period of interim cover and death occurs within three months of the *accident*.

When interim cover starts

Interim cover starts on the date an application is received by us.

When interim cover ends

Interim cover will end on the earlier of:

- your application for cover is accepted and cover commences
- your application for cover is cancelled or withdrawn by you
- your application for cover is declined by us
- insurance cover commences under another contract of insurance (whether or not it is an interim contract of insurance) between you and Zurich or another insurer that is intended to replace the insurance cover provided by the interim contract of insurance
- your interim cover is cancelled by us providing you with at least 20 business days notice, or
- 90 days from the date the interim cover started.

When interim cover is not payable

Nothing will be payable if the condition or event giving rise to the claim under interim cover was caused directly or indirectly by:

- an *accident* or injury that first occurred before interim cover started
- an *accident* or injury that would have been excluded by underwriting based on evidence existing on the date of application
- an intentional self-inflicted act
- consumption of alcohol or drugs, or
- engagement in any sport, pastime or occupation that we would not normally cover at standard rates.

When lawfully entitled to do so, we may avoid or adjust your interim cover if you have breached your duty of disclosure or have made a misrepresentation when applying for cover.

What we will pay

The maximum interim cover benefit amount that we will pay for each type of insurance across all applications for the life insured is:

- in the case of Death cover, TPD cover and Trauma cover:
  - Death cover $1 million
  - TPD cover $1 million
  - Trauma cover $1 million
- in the case of the interim benefit for the Total disability benefit under Zurich Income Protection:
  - $5,000 per month and with a maximum benefit period of six months
- in the case of the interim Death benefit under Zurich Income Protection:
  - $20,000.

If multiple policies on the same life insured are applied for, and the maximum interim cover benefit payable for the life insured is less than the total of all amounts applied for, we will apply the reduction to the amount we will pay across the multiple applications in the same proportion.

If interim cover benefits are paid for the life insured by other insurers for an *accident*, we will reduce the amount we will pay for the same *accident* under the same or similar type of insurance so that the total paid across all insurers is no more than the maximum amount we otherwise would have paid.

The benefit amount under interim cover will be reduced by the amount of interim cover paid for other benefits in some cases. This will apply to Death, TPD or Trauma cover where the insurances have been applied for under the same policy or related policies. The amount payable under interim cover will be reduced on the same basis as amounts payable would be reduced under the benefits applied for.

Additional information

Policy ownership

Zurich Sumo allows you to structure ownership of your cover in a number of ways as shown in the table below.

Description	Policy owner	The person who is insured under the policy (life insured)	Types of cover available
Non-superannuation Any of the types of cover under Zurich Sumo can be held under a non-superannuation policy.			
When you apply for Zurich Life Insurance or Zurich Income Protection outside of superannuation, the policy is issued directly to you as policy owner.	A person or company (that is not a trustee of a superannuation fund).	Either: • same person as the policy owner, or • a different person.	• Death cover • TPD cover • Trauma cover • Income protection cover
Within superannuation There are some conditions on the cover provided within superannuation which are outlined on the next page. If a benefit becomes payable, it will be paid to the trustee, who must distribute the benefit in accordance with the governing rules of the superannuation plan and superannuation laws current at the time of payment. See the section 'Benefit payments' on page 30.			
If you are the trustee of a self-managed superannuation fund, you can apply for a Zurich Life Insurance policy as the trustee in respect of a member or members of your self-managed superannuation fund. It is your responsibility as trustee to consider: • the appropriateness of providing each type of cover within superannuation and its potential implications for the complying status of your fund • the taxation consequences of holding the cover, and • superannuation law that operates to limit when benefits received by you as trustee under the policy can be paid out of your fund.	A person or company who is a trustee of a self-managed superannuation fund.	A member of the relevant self-managed superannuation fund.	• Death cover • TPD cover (subject to superannuation optimiser or the permanent incapacity restriction)

Zurich Income Protection is always issued as a separate policy.

A Zurich Life Insurance policy can be issued with linked TPD and/or Trauma cover. In some cases, we allow cover to be split across two related policies, with different policy owners under a structure called superannuation optimiser. For example, Death and TPD cover may be held under one policy that is owned by the trustee of a superannuation fund and be related to a policy providing TPD and/or Trauma cover owned by the life insured outside of superannuation. For more information on superannuation optimiser refer to page 30. In the case of TPD cover owned by a trustee of a superannuation fund, the TPD cover will always be split across two related policies via superannuation optimiser.

Non-superannuation ownership

When you apply for cover outside of superannuation, any policy is issued directly to you as policy owner. Any of the types of cover under Zurich Sumo can be held under a non-superannuation policy.

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

If a benefit becomes payable, the benefit is generally paid to the policy owner. If the life insured and policy owner are the same, the amount payable on the death of the life insured will be paid to the life insured's legal personal representative, unless any beneficiaries have been nominated under the policy, in which case it will be paid to the nominated beneficiaries.

Nomination of beneficiaries for Death benefits

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

Nominations only apply to Zurich Life Insurance policies with Death cover.

The nomination is subject to the following rules:

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

Ownership within superannuation

When you apply for cover within superannuation, the trustee of the relevant superannuation fund applies to us for cover in respect of the relevant member's life and the policy is issued to the trustee as policy owner.

Superannuation fund trustees must ensure that insurance benefits are aligned with the superannuation payment rules under superannuation law. We have applied restrictions to the insurance benefits we offer to superannuation fund trustees in accordance with these requirements. The only types of insurance that we will allow to be held within superannuation are:

- Death cover (some benefits are excluded)
- TPD cover (some benefits are excluded unless superannuation optimiser applies).

In some cases, we allow cover to be split across two related policies, so that part can be held within superannuation under a policy owned by the trustee of a superannuation fund and the other part is held under a non-superannuation policy. More information on superannuation optimiser is set out on the next page.

If you apply for TPD cover within superannuation, we will require the cover provided under the standard TPD tier to be split between two policies via superannuation optimiser. TPD cover held within superannuation that is provided under the sumo TPD tier will be subject to the permanent incapacity restriction (explained on the next page). If superannuation optimiser or the permanent incapacity restriction applies it will be shown on the policy schedule.

The rules that apply to the cover held within superannuation are outlined on the next page.

Conditions on holding Death and TPD cover within superannuation

For Death cover held within superannuation, the Financial planning benefit does not apply.

For TPD cover held within superannuation under the sumo TPD tier, the Financial planning benefit and TPD advancement benefit do not apply.

Permanent incapacity restriction

If you hold your sumo TPD tier within superannuation then it will be subject to a permanent incapacity restriction. If your policy is subject to this restriction, it will be shown on your policy schedule.

Where this restriction applies, in addition to meeting the definition of *total and permanent disablement*, you must also meet the definition of *permanent incapacity*.

If you choose to move your TPD cover outside of superannuation by cancelling and replacing it without underwriting, the permanent incapacity restriction will be applied to the new policy.

Benefit payments

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

Where you have applied for and been accepted for insurance prior to 1 July 2014, there may be circumstances in which the trustee will receive a benefit under a Zurich Sumo policy but is unable to release all or part of the benefit from the superannuation fund at that time as it may not meet superannuation payment rules. For example, superannuation law constraints may prevent a trustee from paying a benefit it receives in relation to:

- Trauma cover
- TPD cover (apart from TPD subject to superannuation optimiser).

There may also be circumstances where the benefit paid from us to the trustee is included in the superannuation fund's assessable income for tax purposes, in which case, the benefit paid from the fund will be net of any tax payable by the fund.

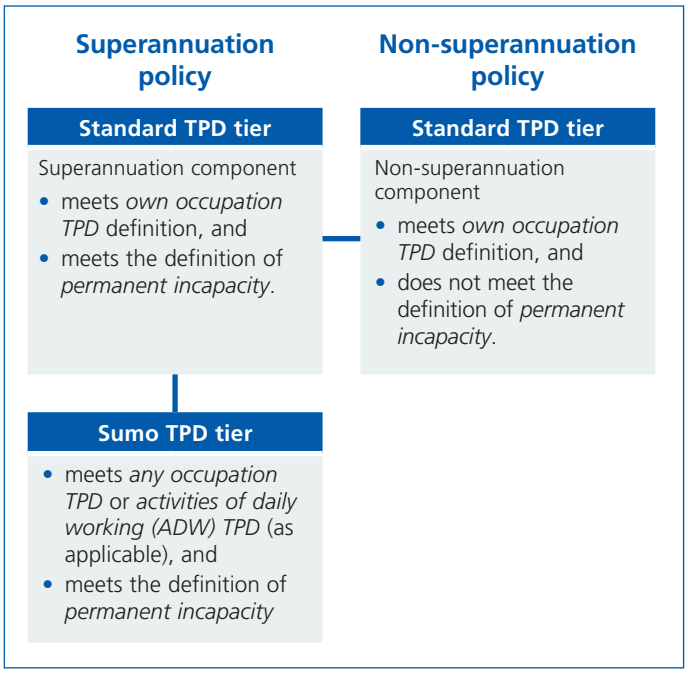
Superannuation optimiser

If TPD cover is issued to a trustee of a superannuation fund, superannuation optimiser will apply to the cover provided under the standard TPD tier which will result in cover being split across two related policies.

One of the policies will be issued to the trustee of a superannuation fund (referred to as the superannuation policy), and will hold:

- the part of the cover provided under the standard TPD tier, called the 'superannuation component', that meets the definition of *own occupation TPD* and *permanent incapacity*, and
- any cover provided under the sumo TPD tier (this cover is subject to the permanent incapacity restriction).

The remainder of the cover provided under the standard TPD tier will be issued under a policy outside superannuation (referred to as the non-superannuation policy), called the 'non-superannuation component' and will hold the part of the *own occupation TPD* definition that does not meet the definition of *permanent incapacity*.



It is important to note that the 'non-superannuation component' of the standard TPD tier only provides cover for TPD when the 'superannuation component' cannot be satisfied. We will assess whether a benefit is payable under the 'superannuation component' based on the information available to us at the time the decision is made by us.

As explained in the section 'When the TPD definition changes' on page 9, the TPD benefit amount will be reduced and all definitions of TPD convert to the *modified TPD* definition at the policy anniversary following the life insured's 65th birthday and this TPD cover with the *modified TPD* definition will be held under the superannuation policy. The TPD cover under the non-superannuation policy will end at the policy anniversary following the life insured's 65th birthday.

TPD claims under the superannuation policy
In the event of a claim, TPD will first be assessed under the 'superannuation component' of the standard TPD tier definition to determine if the following requirements are satisfied:

- the life insured meets the *own occupation TPD* definition, and
- the life insured meets the definition of *permanent incapacity*.

If both requirements are satisfied a benefit is payable under the 'superannuation component' of the standard TPD tier.

If any cover is provided under the sumo TPD tier, the claim will be assessed to determine the following requirements are satisfied:

- the life insured meets the *any occupation TPD* or *activities of daily working TPD* definition (as applicable), and
- the life insured meets the definition of *permanent incapacity*.

Any benefits payable under the superannuation policy will be paid to the trustee. The release of the benefit from the superannuation fund to the member or beneficiaries will then be decided by the trustee and be subject to the governing rules of the superannuation fund and superannuation and related taxation laws current at the time of payment.

TPD claims under the non-superannuation policy
If the standard TPD tier definition is not satisfied under the 'superannuation component', the claim will then be assessed under the 'non-superannuation component'. If the life insured satisfies the definition under the 'non-superannuation component', the benefit amount for the standard TPD tier is paid directly to the policy owner of the non-superannuation policy (and hence is not subject to superannuation laws).

Where the sumo TPD tier definition is not satisfied under the superannuation policy, no benefit will be payable under the non-superannuation policy.

Other conditions that apply to superannuation optimiser policies
As the two policies will be related policies, the sums insured in respect of the standard TPD tier under each of the policies must always be the same. A TPD benefit payment under one policy reduces the TPD benefit amount under the related policy, as well as reducing the benefit amount of any Death and Trauma cover under either of the two related policies.

If you request a decrease to the TPD benefit amount and it changes the standard TPD tier, it will be applied to both of the related policies. Similarly, if you apply to increase the TPD benefit amount and the standard TPD tier increases, you must apply to increase both related policies. In the event that the cover is cancelled under one of the policies, the cover under the other policy will immediately end.

Superannuation optimiser for Trauma cover

You can use superannuation optimiser to structure Trauma cover in a 'non-superannuation policy' and Death cover (and TPD cover, if applicable) in a related 'superannuation policy'. In this scenario, the benefits are linked across the two related policies and benefit payments under either related policy will reduce the benefit payable on the other policy. In the event that the cover is cancelled under the non-superannuation policy, the cover under the other policy will immediately end.

General policy conditions

The information provided below forms part of your Zurich policy terms and conditions after your policy is issued.

These general policy conditions apply to:

- Zurich Life Insurance and
- Zurich Income Protection

in addition to the product specific terms and conditions set out in the previous sections of this PDS.

The policy includes these policy conditions and the latest policy schedule, which will be sent when the policy is issued or when we issue you an updated policy schedule following a change. The policy schedule shows details of the policy including the policy type, ownership details, the lives insured, the amount of cover, any terms and conditions particular to the policy and the benefit expiry date/s.

Please check both these policy conditions and the policy schedule carefully to ensure that the policy provides the correct cover and has been established in accordance with the application.

Any reference to 'policy anniversary' is a reference to the anniversary of the policy commencement date shown on the policy schedule.

This policy only provides the insurance benefits outlined, it does not have a cash value and is referable to our No. 2 Statutory Fund. The contract is between us and the owner of the policy. If the policy is held in superannuation (Zurich Life Insurance only), this will be the trustee of the fund.

All communications (including instructions, requests and notifications) must be made between the policy owner and us.

Guarantee to renew

As long as each premium due is paid within the grace period allowed (see 'Unpaid premium' on page 33), the policy can be continued up to the latest benefit expiry date on the policy schedule regardless of changes in the life insured's personal circumstances.

Changes to the policy

You have the option to make changes to your policy. A written request must be submitted if a change to the policy is required. In order to consider the request, we may ask for further information or require a specific application form. If we agree, we will confirm any changes in writing. Only an authorised member of our staff can agree to change or waive any condition of the policy. A financial adviser does not have authority to change or waive any policy conditions.

Worldwide cover

This policy provides cover 24 hours a day, seven days a week, worldwide.

When the cover begins

Subject to any special conditions noted on your policy schedule, cover starts for each type of insurance from the start date shown for that cover in the policy schedule issued to you. A 90 day exclusion applies to some benefits provided in Trauma cover and Income protection cover.

If we accept your application, we will issue a policy schedule (or policy schedules) detailing:

- policy owner(s) (where there are multiple owners of a single policy who are individual persons, each will own the policy as joint tenants, unless they own the policy as trustees or we agree to a different arrangement which we will note on the policy schedule)
- details of the life insured (such as gender, date of birth, occupation class and smoker status)
- type of insurance provided
- type of policy under which insurance is provided (and hence whether cover is provided on a linked basis)
- whether the policy is related to another policy (and hence whether cover is provided on a linked basis)
- benefit amount/*insured monthly benefit* for the insurance(s) provided
- if Trauma cover is included, whether the life insured is covered under the standard Trauma tier or sumo Trauma tier
- if TPD cover is included, whether the life insured is covered under the standard TPD tier or sumo TPD tier
- if TPD cover is held under a superannuation policy, whether superannuation optimiser or the permanent incapacity restriction applies
- if superannuation optimiser applies to the TPD cover, whether the policy includes the 'superannuation component' or the 'non-superannuation component' of the TPD definition
- if Income protection cover is included, whether the cover is provided on an indemnity or endorsed agreed value basis, the waiting period and the benefit period
- benefit start date
- any premium adjustments which apply
- any special conditions which apply, and
- the premium and management fee payable for the first year and when it is payable.

When cover ends

Insurance cover provided under a Zurich Sumo policy ends on the earliest of:

- the policy anniversary following the expiry age shown in the table below
- the death of the life insured
- payment of the benefit amount for that insurance in full
- the benefit amount(s) for all cover(s) included under the policy is reduced to nil
- cancellation of the cover upon the written request of the policy owner
- cancellation of the cover by us due to non-payment of the premium when due, and
- any other date applied under a special condition shown in your policy.

Cover type	Expiry age
Death cover	99
TPD cover	99[1]
Trauma cover	99[2]
Income protection cover	65[3]

1 TPD cover changes on the policy anniversary following the life insured's 65th birthday, as explained on page 9.

2 Trauma cover changes on the policy anniversary following the life insured's 70th birthday, as explained on page 11.

3 Income protection cover may be extended beyond the policy anniversary following the life insured's 65th birthday subject to the terms of the Cover extension feature (see page 20 for details).

Premium and reinstatements

Premium means the amount payable for the benefits included in the policy, including any increase in benefit, stamp duty and any other government charges that may be levied from time to time. It also includes the management fee, unless indicated otherwise.

Payment of premium

The premium is payable on the due dates shown on the policy schedule and subsequent notices. Premiums must be paid to keep the policy in force. All premiums must be paid in Australian dollars.

Unpaid premium

If any premium is not paid within 30 days of its due date, regardless of the method of payment chosen, the policy will lapse and no benefits are payable.

Reinstatement

There are no reinstatement provisions under the Sumo policies. If a policy is allowed to lapse, the only way to re-establish cover is to re-apply.

Amount of premium

The premium payable from the start of the policy to the first policy anniversary is shown on the policy schedule. The policy anniversary is the anniversary of the commencement date shown on the policy schedule.

All Sumo policies have a stepped premium structure, which means that the premium payable changes on each policy anniversary.

At that time, the premium is calculated for the life insured based on our current standard premium rates on the basis of:

- the gender, age next birthday and smoking status of the life insured
- the waiting period and benefit period (where relevant)
- the life insured's occupation (where relevant)
- the type of cover selected (where relevant)
- the amount of cover for each benefit provided
- the frequency of payment
- any extra premium or loading applying.

Premium review

We cannot change the premium rates applying to a benefit provided by this policy unless we change the premium rates applicable to that benefit under this class of policy generally. We will provide at least 30 days notice of any changes in premium rates applying to this policy.

Management fee

The management fee at the start of the policy is shown on the policy schedule.

Each year, the management fee increases on the policy anniversary by the greater of 3% and the annual *consumer price index* (CPI) increase to the end of the December quarter. If the policy anniversary is in:

- April through to December, we use the annual CPI increase to the end of the December quarter of the previous calendar year
- January through to March, we use the annual CPI increase to the end of the December quarter one year earlier.

We will advise the updated management fee on our website, zurich.com.au.

We retain the right to change the management fee. Where changes, other than the annual adjustment described above take place, we will provide a minimum of 30 days written notice.

Taxes
The premium will include any taxes imposed on insurance premiums under applicable laws. Should any changes in the law or to any relevant person (eg. change in residency) result in additional or increased taxes or impost in relation to the policy, we may accordingly add these amounts to the premium or deduct them from any insurance benefits.

Overpayment of premium
If there is any overpayment of the premium, we may retain the overpayment, unless it exceeds $5.00.

Residency and applicable laws
These policies are designed for customers who are resident in Australia. If you or the life insured becomes a resident of another country, you need to let us know as your policy may no longer be suitable for your individual needs, and you may no longer be eligible to pay premiums. The local laws and regulations of the jurisdiction to which you or the life insured moves may affect our ability to continue to service your policy in accordance with its terms and conditions.

We do not offer tax advice, so if you or the life insured decide to live outside Australia, we recommend obtaining advice on the tax consequences of changing your/the life insured's country of residence in relation to your policy. We will not be held liable for any adverse tax consequences that arise in respect of you or your policy as a result of such a change in residence.

We and other companies within the worldwide Zurich group of companies have obligations under Australian and foreign laws. Regardless of any other policy terms and conditions, we reserve the right to take any action (or not take any action) which could place us or another company within the group at risk of breaching Australian laws or laws in any other country. This may include suspending or terminating your policy.

All financial transactions, including acceptance of premium payments, claim payments and other reimbursements, are subject to compliance with applicable trade or economic sanctions laws and regulations.

We may terminate the policy if we consider you, the life insured, your directors and officers (if applicable), or beneficial owners as a sanctioned person, or you conduct an activity which is sanctioned, according to trade or economic sanctions laws and regulations. Further, we will not provide any cover, service or benefit to any party if we determine this places us at risk of breaching applicable trade or economic sanctions laws or regulations.

This policy is based on the legal and regulatory requirements applicable at the time the policy is issued. Should the legal and regulatory requirements change in a material way, Zurich is entitled to adapt the terms and conditions to the changed legal and regulatory requirements, provided the change is lawful.

Taxation

The following information is a guide only for individual policy owners.

It is based on current taxation laws, their continuation and their interpretation. Different tax implications may arise depending upon the entity owning the insurance policy. The taxation of superannuation is complex and will depend on your age, the type of contribution, and the status of the beneficiary. For information about your individual circumstances, contact your tax adviser.

Zurich Life Insurance
In most cases, you cannot claim a tax deduction for the premiums you pay for your policy. One exception to this is if you take out a Zurich Life Insurance policy as 'key person' insurance in a business. In this case, part or all of the premiums may be tax deductible, however, there may be other tax implications (such as fringe benefits tax). We recommend you consult your tax adviser on this issue.

If a tax deduction is not claimable for the premiums, the benefit paid is normally not assessable for taxation purposes*. If a tax deduction is claimable, the benefit paid may be assessable for taxation purposes.

* This assumes (1) related Death cover proceeds are either received by the original beneficial owner or by an owner who acquired the policy for no consideration, or (2) other cover proceeds are received by the life insured or a relative of the life insured (eg. *partner*, brother, sister, etc but not for example, a cousin). If your situation varies from either of these assumptions, there may be different taxation results.

Zurich Income Protection
The premiums you pay for your policy can generally be claimed as a tax deduction by both employees and self-employed people. Every year we will tell you the amount of premium you have paid during that financial year and we will exclude the cost of any non-deductible benefits.

The Total disability benefits, Partial disability benefits and Funeral benefits you receive from your policy must be included in your tax return and will be taxed at your marginal income tax rate.

Policies held by superannuation trustees
Zurich Life Insurance may be set up with superannuation ownership.

Premiums paid by a superannuation fund for benefits that align with a condition of release are generally tax deductible to the fund. Benefits paid under the policy from the insurer to the trustee are generally not assessable as income or capital gains to the fund.

For self-managed superannuation funds, you should consult your tax adviser on the taxation implications of contributions made by your members to your fund and payments of insurance proceeds from your fund to members.

Making a claim

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

How to claim

The claimant should notify us as soon as is reasonably possible after the occurrence of the event giving rise to the claim. A claimant can do this by contacting Zurich Customer Care and a claim form will be forwarded to the claimant to complete, sign and return to us. In some instances, a tele-lodgement service will be available. Alternatively the claimant can access claim forms on our website www.zurich.com.au.

Claim requirements

A person claiming a benefit (claimant) is responsible for providing all evidence to support their claim to us at their expense.

We need the following items in a form satisfactory to us before we can assess any claim:

- the policy schedule
- proof of a claimable event or condition and when it occurred
- supporting evidence from appropriate specialist *medical practitioners* registered in Australia or New Zealand (or other country approved by us)
- proof of the life insured's age
- proof of incurred costs where the benefit payment is based on reimbursement
- if requested, a signed discharge from the person entitled to receive payment.

For any funeral benefits or Advancement for funeral expenses, applications must be made by the person to whom the Death benefit is payable or by another person acceptable to us and must include the funeral invoice and either a copy of the death certificate or cause of death certificate.

For Zurich Income Protection, we will require some or all of the following, in a form that is satisfactory to us:

- financial evidence including evidence of other insurance cover on the life insured
- evidence of *pre-disability income* and *post-disability income* and any payments received while on claim.

Assessing the claim

In assessing the claim we will also rely on any information the policy owner or the life insured disclosed to us as part of the application. Where information was not verified at the time of application we reserve the right to verify it at the time of claim.

Life Insurance

For Zurich Life Insurance, proof of the occurrence of any insured event must be supported by:

- one or more appropriate specialist *medical practitioners* registered in Australia or New Zealand (or in another country approved by us)
- confirmatory investigations including, but not limited to, clinical, radiological, histological and laboratory evidence
- if a Trauma claim is a result of a surgical procedure, we will require evidence that the procedure was medically necessary.

Our medical advisers must support the occurrence of the insured events. We reserve the right to require the life insured to undergo an examination or other reasonable tests to confirm the occurrence of the insured event.

For any Trauma claim, an appropriate medical specialist or suitably qualified neuropsychologist or clinical psychologist will be required to confirm the diagnosis of the condition.

Where the diagnostic techniques used in our trauma condition definitions are impractical to apply or have been superseded due to medical improvements, we will consider other appropriate and medically recognised tests.

Income Protection

For Zurich Income Protection:

- a claimable condition must also be supported by confirmatory investigations including, as appropriate (but not limited to) any clinical, radiological, histological and laboratory evidence that we reasonably require to substantiate the claim
- the life insured may be asked to provide copies of personal and business tax returns, assessment notices and/or other financial evidence to substantiate the life insured's income
- when it is necessary to enable us to calculate the amount of the benefit payable, the life insured must allow us to examine the life insured's business and personal financial circumstances.

Late notification of income protection claims

We should be notified in writing within 30 days of the *sickness* or *injury* so that we can obtain the medical and financial evidence dated near the time of your *sickness* or *injury* we need to establish and assess your claim. If we are notified outside of this date, and the delay affects our ability to establish the claim event (ie. we are not provided with evidence that was current as at the date when the *sickness* started or the *injury* occurred), then it will affect the start date of any benefits. The waiting period will not commence as described in the Income Protection section, instead the waiting period will commence from the date that we are notified. In this context, 'notified' means the date we receive the completed claim form(s) and any supporting documents that we request at the outset of a claim.

Medical examination
We may require the life insured to undergo an examination and reasonable tests, necessary to enable the diagnosis to be confirmed by a specialist *medical practitioner* appointed by us. If we request a medical examination by a *medical practitioner* we select, we will pay for it.

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

Payment of benefits

Payment of the Death benefit under Zurich Life Insurance
If the policy owner had made a nomination of beneficiary or beneficiaries that was valid at the time of the life insured's death, we will pay the Death benefit under this policy in accordance with the directions and in the proportions specified by the policy owner if it is lawful for us to do so. If the nomination or nominations are subject to external dispute resolution processes, we will pay these benefits as directed by a court or by the relevant dispute resolution authority.

If the policy owner had not made a nomination of beneficiary or beneficiaries that was valid at the time of the life insured's death, we will pay any Death benefit to:

- the policy owner if the policy owner was not also the life insured
- the policy owner's estate if the policy owner was also the life insured.

All claims are paid in Australian dollars.

Payment of all other benefits
All benefits under this policy will be paid to the policy owner unless otherwise specified in these policy conditions.

All claims are paid in Australian dollars.

Definitions

Note that Definitions for specified trauma conditions are grouped together for convenience and begin on page 42.

accident/accidental means a fortuitous and unforeseen event, resulting in an injury, which is not caused, or contributed to, by an intentional act of the life insured.

activities of daily living means:

(1) bathing and showering

(2) dressing and undressing

(3) eating and drinking

(4) using the toilet

(5) moving from place to place by walking, wheelchair or with assistance of a walking aid or getting in and out of bed, a chair or wheelchair

activities of daily working (ADW) are:

walking – ability to walk more than 200m on a level surface without stopping due to breathlessness, angina or severe pain elsewhere in the body.

rising/sitting – ability to rise and sit using a raised chair with arms without the help of another person.

dexterity – ability to write legibly with a pen or pencil or use a keyboard with either hand.

communication – ability to:

(a) clearly hear (with a hearing aid or other aid if normally used) conversational speech in a quiet room in the life insured's first language, or

(b) understand simple messages in life insured's first language, or

(c) speak with sufficient clarity to be clearly understood in the life insured's first language.

eyesight – the life insured's visual ability, allows independent functioning in a workplace without requiring physical assistance from another person.

activities of daily working (ADW) TPD means the life insured is totally and irreversibly unable to perform (with or without aids or adaptations) at least three of the five *activities of daily working*.

alcohol abuse means an established pattern of problem drinking that results in health consequences and/or social problems.

alcohol dependence means a physiological and/or psychological reliance on or addiction to alcohol, which results from recurrent use, characterised by mental and/or physical changes in the user that make it difficult to stop usage despite repeated alcohol related problems.

any occupation means any occupation, business or employment for which the life insured is suited by education, training or experience that would generate earnings greater than 25% of the life insured's earnings in the most recent 12 month period during which he or she was *gainfully employed*.

any occupation TPD means:

- the life insured:
  - i. has been absent from work for a continuous period of at least three months, or has suffered permanent and irreversible *whole person impairment** of at least 25%, and
  - ii. is incapacitated to the extent that, in our opinion, he/she is unlikely to ever again be able to engage in *any occupation*, or
- the life insured meets the *modified TPD* definition.

* Where you are claiming as a result of *whole person impairment*, the life insured must be living (and not declared brain dead) for 14 days from the date the life insured satisfies the definition.

cognitive loss means a total and permanent deterioration or loss of intellectual capacity (supported by a score of 15 or less out of 30 in a Mini Mental State Examination or evidence from another neuropsychometric test that is acceptable to us) that has required the life insured to be under continuous care and supervision by another person for at least three consecutive months and at the end of that three month period the life insured is likely to require ongoing continuous care and supervision by another person.

consumer price index means the 'Weighted Average of Eight Capital Cities Index' as published by the Australian Bureau of Statistics or, if that index ceases to be published or is substantially amended, such other index we will select.

disability means *total disability* or *partial disability*.

drug use means the life insured abusing or having abused, or being under the influence of drugs or controlled substances, other than drugs legally and appropriately prescribed by a *medical practitioner* and properly used by the life insured.

fatigue syndrome/fatigue syndromes means any of the several related syndromes characterised by a constellation of disabling symptoms primarily causing fatigue and myalgia, including but not limited to chronic fatigue syndrome, myalgic encephalomyelitis, post viral fatigue syndrome or fibromyalgia (chronic widespread pain).

gainful employment/gainfully employed means the life insured is engaged in an occupation, business or employment for remuneration or reward.

immediate family member means a *partner*, child, brother, sister or parent.

income means income earned through personal exertion calculated:

- after the deduction of expenses incurred in producing that income, and
- before the deduction of income tax.

It is based on the total remuneration package and includes salary, wages, packaged fringe benefits, regular commissions, regular bonuses, regular overtime payments and pre-tax superannuation contributions.

For the self-employed it also includes that share of net income of the business directly generated by personal exertion after deduction of all business expenses but before the deduction of tax.

Income does not include:

- income that the life insured would continue to receive directly or indirectly from his or her business even if unable to work, including any ongoing profit generated by other employees of the business, or
- other unearned income such as dividends, interest, rental income.

injury means accidental bodily injury inflicted after the policy commencement date and while the policy is in force.

insured monthly benefit means the amount of monthly benefit applied for and accepted by us, plus indexation in accordance with the policy conditions. The insured monthly benefit will be set out in the original policy schedule and any subsequent updated policy schedule that we issue.

Benefit calculations for a claim will be based on the insured monthly benefit effective as at the start of the relevant waiting period.

involuntary unemployment/involuntarily unemployed means a period during which the life insured:

- is not working
- is actively seeking employment, and
- where becoming unemployed was a result of:
  - the termination of the life insured's *gainful employment* by their employer without the consent of the life insured or
  - the life insured being made redundant from *gainful employment* by their employer.

It does not include unemployment as a result of:

- the life insured ceasing *gainful employment* of a casual, seasonal or temporary nature
- the expiration of a fixed term employment contract or other specified period of work, or
- the deliberate or serious misconduct of the life insured.

loss of a hand or foot means the total and irreversible loss of the use of:

- an entire hand or
- an entire foot.

loss of hands or feet means the total and irreversible loss of the use of two or more of:

- an entire hand or
- an entire foot.

loss of independent existence means the total and irreversible inability to perform at least two of the *activities of daily living* without the assistance of another person.

loss of sight means permanent and irrecoverable loss of sight, to the extent that:

- even when aided, eyesight is reduced in both eyes to 6/60 or worse of central visual acuity on the Snellen test chart or
- the degree of vision is less than or equal to 20 degrees of arc.

loss of sight in one eye means the permanent and irrecoverable loss of sight in one eye, to the extent that even when aided, eyesight is reduced in that eye to 6/60 or worse of central visual acuity on the Snellen test chart or the degree of vision is less than or equal to 20 degrees of arc.

medical practitioner means a doctor who is legally qualified and registered to practise medicine in Australia (or if outside Australia, has equivalent qualifications and registration) not being you, the life insured, or a business partner or *immediate family member* of you or the life insured.

mental health condition means:

- any mental or behavioural condition classified in the Diagnostic and Statistical Manual of Mental Disorders (DSM) or in any other clinically recognised diagnostic manual (including any replacement or successor to DSM), or
- a condition caused by stress, or related to substance abuse or dependency.

For the purposes of this policy, mental health condition does not include *dementia including alzheimer's disease (diagnosis)*, as defined on page 44.

modified TPD means the life insured has suffered:

- *loss of hands or feet**
- *loss of sight**
- both *loss of a hand or foot* and *loss of sight in one eye**
- *loss of independent existence**, or
- *cognitive loss.*

* Where you are claiming as a result of *loss of hands or feet, loss of sight,* both *loss of hands or feet* and *loss of sight in one eye* or *loss of independent existence*, the life insured must be living (and not declared brain dead) for 14 days from the date the life insured satisfies the definition.

monthly benefit means:

(1) In relation to Income protection cover provided solely on an indemnity basis, as shown on your policy schedule, the lesser of:

- the *insured monthly benefit* stated on your policy schedule, and
- the monthly equivalent of 75% of the first $320,000, 50% of the next $240,000 and 25% of the balance of the life insured's *pre-disability income* up to $2 million.

(2) In relation to Income protection cover where (1) above does not apply and the *insured monthly benefit* exceeds $40,000 per month, (and therefore part of the benefit is provided on an endorsed agreed value basis and part is provided on an indemnity basis), the greater of:

- $40,000, and
- an amount calculated on an indemnity basis, which is the lesser of:
  - the *insured monthly benefit* stated on your policy schedule, and
  - the monthly equivalent of 75% of the first $320,000, 50% of the next $240,000 and 25% of the balance of the life insured's *pre-disability income* up to $2 million.

(3) In relation to Income protection cover where (1) above does not apply and the *insured monthly benefit* does not exceed $40,000 per month, (and the cover is therefore provided solely on an endorsed agreed value basis), the *insured monthly benefit* stated on your policy schedule.

The 'monthly benefit' will be calculated independently each month and the *insured monthly benefit* to be used in the definitions above in any particular month is the sum of only those *insured monthly benefit* amounts specified in your policy schedule for which the particular benefit is payable for the relevant month having regard to the waiting period, benefit period, type of cover and options that are provided (as specified in your policy).

New York Heart Association functional classification system means a scale used to assess cardiac impairment.

i. no symptoms and no limitation in ordinary physical activity.

ii. mild symptoms and slight limitation during ordinary activity; comfortable at rest.

iii. marked limitation in activity due to symptoms, even during less-than-ordinary activity; comfortable only at rest.

iv. severe limitations; experiences symptoms even while at rest.

own occupation means the occupation, business or employment in which the life insured was *gainfully employed* at the time of the *sickness* or *injury* for which the claim for *total and permanent disablem*ent is made (or, if not *gainfully employed* at that time, the occupation, business or employment in which the life insured was most recently *gainfully employed*).

own occupation TPD means:

- the life insured:
  i. has been absent from work in his/her *own occupation* for a continuous period of at least three months, or has suffered permanent and irreversible *whole person impairment** of at least 25%, and
  ii. is incapacitated to the extent that, in our opinion, he/she is unlikely to ever again be able to engage in his/her *own occupation*, or
- the life insured meets the *modified TPD* definition.

* Where you are claiming as a result of *whole person impairment*, the life insured must be living (and not declared brain dead) for 14 days from the date the life insured satisfies the definition.

partial disability/partially disabled means the life insured is, solely as a result of *sickness* or *injury*:

- unable to perform at full capacity one or more of the duties of his/her usual occupation necessary to produce *income* as confirmed by a *medical practitioner* and
- is *gainfully employed* but his/her *post-disability income* is less than *pre-disability income*,

and is under the regular care and following the advice of a *medical practitioner.*

partner means a person with whom the life insured is legally married or in a *partnership*.

partnership means a prescribed relationship which is registered under State or Territory law for the purposes of the Acts Interpretation Act 1901.

permanent incapacity means 'permanent incapacity' as defined by the Superannuation Industry (Supervision) Act 1993 (Cth), as amended from time to time and applied as if Zurich was the trustee of the relevant superannuation fund and the life insured was a member of the fund.

pre-disability income means:

(1) In relation to Income protection cover provided solely on an indemnity basis, as shown on the policy schedule, the highest average *income* of the life insured for 12 consecutive months in the three years preceding the start of the waiting period applying to the claim (increased by the increase in the *consumer price index* at each policy anniversary while the life insured remains on claim).

(2) In relation to Income protection cover where (1) above does not apply, and the *insured monthly benefit* exceeds $40,000 per month, (and therefore part of the cover is provided on an endorsed agreed value basis and part is provided on an indemnity basis), the greater of:

- the highest average *income* of the life insured for 12 consecutive months in the three years preceding the start of the waiting period applying to the claim (increased by the increase in the *consumer price index* at each policy anniversary while the life insured remains on claim), and
- $86,667.

(3) In relation to Income protection cover where (1) above does not apply, and the *insured monthly benefit* does not exceed $40,000 per month, (and cover is therefore provided solely on an endorsed agreed value basis), the highest average *income* of the life insured for 12 consecutive months between two years before the benefit start date and the start of the waiting period applying to the claim (increased by the increase in the *consumer price index* at each policy anniversary while the life insured remains on claim).

post-disability income means the *income* earned in the month by the life insured from personal exertion following *sickness* or *injury* while *partially disabled*.

sickness means the life insured has a pathological condition evidenced by medically recognised signs and symptoms.

standard trauma condition means a trauma condition listed in the Standard trauma conditions table on page 12, the meaning of each condition is defined in the 'Specified trauma condition definitions' section of this PDS.

sumo trauma condition means a trauma condition listed in the Sumo trauma conditions table on page 13, the meaning of each condition is defined in the 'Specified trauma condition definitions' section of this PDS.

terminally ill means the life insured is diagnosed with a *terminal illness*.

terminal illness means:

If the policy is not issued to the trustee of a superannuation fund: any condition caused by *sickness* or *injury*, where despite all reasonable medical treatment, the life insured is expected to live for no more than 24 months as confirmed and certified by:

- a specialist registered *medical practitioner* treating the condition with supporting evidence of the condition, possible medical treatment and the prognosis, and
- if required by us, a specialist registered *medical practitioner* approved by us who is an expert in the condition.

If the policy is issued to a trustee of a superannuation fund: any condition caused by *sickness* or *injury*, where despite all reasonable medical treatment, the life insured is expected to live for no more than 24 months as confirmed and certified* by:

- a specialist registered *medical practitioner* treating the condition with supporting evidence of the condition, possible medical treatment and the prognosis, and
- a registered *medical practitioner* approved by us.

* Each period of life expectancy, certified by the two *medical practitioners*, must not have ended.

total and permanent disablement means:

For the standard TPD tier, as indicated on your policy schedule, due to *sickness* or *injury*:

- before the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *own occupation TPD* definition, and
- from the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *modified TPD* definition.

IMPORTANT NOTE: If the policy schedule indicates that superannuation optimiser applies, further rules apply to these policies. Please refer to the superannuation optimiser section on page 30 for further information.

For the sumo TPD tier, as indicated on your policy schedule, up to and including $10 million in cover (including the standard TPD tier), due to *sickness* or *injury*:

- before the policy anniversary following the life insured's 65th birthday:
  - if the life insured is not *gainfully employed* for at least 30 hours per week in the preceding six months, the life insured satisfies the *activities of daily working (ADW) TPD* definition
  - if a benefit amount has been paid under the standard TPD tier for a *sickness* or *injury* that was directly or indirectly caused by a *mental health condition*, a *fatigue syndrome*, *alcohol abuse*, *alcohol dependence* or *drug use*, the life insured satisfies the *activities of daily working (ADW) TPD* definition
  - if neither of the above two bullet points apply, the life insured satisfies the *any occupation TPD* definition
- from the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *modified TPD* definition.

For the sumo TPD tier, as indicated in your policy schedule above $10 million in cover (including the standard TPD tier), due to *sickness* or *injury*, before the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *activities of daily working (ADW) TPD* definition.

IMPORTANT NOTE: for TPD cover provided under the sumo TPD tier, if the policy schedule indicates that the permanent incapacity restriction applies, in addition to the above definition requirements, the life insured must meet the definition of *permanent incapacity*.

total disability/totally disabled means the life insured is, solely as a result of *sickness* or *injury*:

- unable to perform one or more of the duties of his/her *usual occupation* necessary to produce *income* as confirmed by a *medical practitioner*, and
- not *gainfully employed* in any capacity, and is under the regular care and following the advice of a *medical practitioner*.

trauma condition means a trauma condition listed in the Standard trauma conditions or Sumo trauma conditions tables on pages 12 and 13, the meaning of each condition is defined in the 'Specified trauma condition definitions' section of this PDS.

usual occupation means the occupation in which the life insured is regularly engaged, except if the life insured has been unemployed or on parental or sabbatical leave for greater than 12 months at the time of *disability*, then *usual occupation* means any occupation which the life insured is reasonably capable of performing having regard to their education, training or experience.

whole person impairment (WPI) means Whole Person Impairment based on the American Medical Association 'Guides to the Evaluation of Permanent Impairment', 5th edition, or an equivalent guide to impairment approved by us – the examining doctor will be provided with specific evaluating protocols.

Specified trauma condition definitions

All medical classifications cited are as of the date of the PDS.

angioplasty (minimally invasive cardiac surgery) means the undergoing of angioplasty on one or two coronary arteries to correct a narrowing or blockage that is considered the appropriate and necessary treatment on the basis of angiographic evidence.

angioplasty (triple vessel) means the undergoing of angioplasty on three or more coronary arteries in the same procedure to correct a narrowing or blockage. It must be considered the appropriate and necessary treatment on the basis of angiographic evidence.

aortic surgery means the undergoing of surgery that is considered the appropriate and necessary treatment to correct any narrowing, dissection or aneurysm of the thoracic or abdominal aorta. Angioplasty, intra-arterial procedures or other non-surgical techniques are excluded.

aplastic anaemia (requiring treatment) means severe aplasia of bone marrow which results in anaemia, neutropenia and thrombocytopenia requiring one of the following treatments:

- immunosuppressive agents
- bone marrow transplant, or
- peripheral blood stem cell transplant.

bacterial meningitis or meningococcal septicaemia (with severe life impact) means bacterial meningitis or meningococcal septicaemia resulting in permanent and irreversible:

- neurological deficit confirmed by a specialist physician and
- inability to perform at least one of the *activities of daily living*.

benign tumour in the brain or spinal cord (with neurological deficit) means non-malignant tumour in the brain, pituitary gland or spine, resulting in:

- neurological deficit and
- a permanent and irreversible inability to perform at least one of the *activities of daily living*.

The impairment must be certified by an appropriate medical specialist.

The presence of the tumour must be confirmed by imaging studies such as CT scan or MRI.

Cysts, granulomas, aneurysms in or of the arteries or veins of the brain and haematomas are not covered.

cancer (excluding early stage cancers) means the presence of one or more malignant tumours characterised by the uncontrolled growth and spread of malignant cells with invasion and destruction of normal tissue, including malignant lymphoma, Hodgkin's disease, leukaemia and malignant bone marrow disorders.

Tumours which are histologically described as premalignant or show the malignant changes of carcinoma in situ, including cervical dysplasia CIN III and lower, are excluded except, in the case of the standard Trauma benefit amount, carcinoma in situ of the breast which results directly in the removal of the entire breast (including nipple sparing mastectomy) as the result of a procedure which is performed specifically to arrest the spread of malignancy and is considered to be the appropriate and necessary treatment.

All hyperkeratoses and basal cell carcinomas are excluded.

All squamous cell carcinomas of skin are excluded unless there is evidence of metastases.

All tumours of the prostate are excluded unless histologically classified as:

- in the case of the standard Trauma benefit amount,
  - having a Gleason score of 7 or above or
  - having progressed to at least clinical stage T2bN0M0 on the TNM clinical staging system or
  - where major interventionist therapy (including a total prostatectomy, chemotherapy, radiotherapy, brachytherapy) or hormonal therapy has been undertaken and the procedure or treatment was specifically to arrest the spread of malignancy and was considered by treating doctors to be the appropriate and necessary treatment.
- in the case of the sumo Trauma benefit amount, progressed to at least clinical TNM classification T3N0M0.

All melanomas are excluded unless:

- in the case of the standard Trauma benefit amount, the melanoma is stage 1b (T1bN0M0) or higher, or
- in the case of the sumo Trauma benefit amount, the melanoma is stage 2a (T2bN0M0) or higher.

In the case of the sumo Trauma benefit amount, the following are excluded:

- breast cancer unless the tumour is greater than 2cm in size or there is lymph node involvement or metastases
- chronic lymphocytic leukaemia unless Binet stage C or Rai stages III or IV
- Hodgkin's disease unless stage 3 or higher
- Non-Hodgkin's Lymphoma (NHL) unless stage 2 or higher
- thyroid cancers unless extending outside the organ of origin, invading lymph nodes or with distant metastases
- testicular cancers unless extending outside the organ of origin, invading lymph nodes or with distant metastases, and
- cancer of the cervix unless stage 2 and higher.

carcinoma in situ (limited sites) means a carcinoma in situ characterised by a focal autonomous new growth of carcinomatous cells, which has not yet resulted in the invasion of normal tissues.

'Invasion' means an infiltration and/or active destruction of normal tissue beyond the basement membrane. The tumour must be classified as Tis according to the TNM staging method or FIGO stage 0.

Only carcinoma in situ of the following sites is covered:

- cervix uteri (excluded are Cervical Intraepithelial Neoplasia (CIN) classifications CIN-I and CIN-II)
- corpus uteri
- fallopian tube – the tumour must be limited to the tubal mucosa
- ovary
- penis or testicle
- perineum
- vagina, vulva or breast.

Note: FIGO refers to the staging method of The Federation Internationale de Gynecologie et d'Obstetrique.

cardiac arrest (out of hospital) means cardiac arrest that occurs outside of a hospital due to cardiac asystole or ventricular fibrillation with or without ventricular tachycardia.

The cardiac arrest must not be related to any medical procedure and must be documented by an electrocardiogram (ECG).

If an ECG is not available, we will consider medical evidence which is acceptable to us as confirming that an out of hospital cardiac arrest has occurred.

Examples of suitable evidence includes but is not limited to: Ambulance and Hospital Medical Reports confirming cardiac arrest or the administration of Cardiopulmonary Resuscitation (CPR) by an attending ambulance officer or hospital clinical staff or Automated External Defibrillator (AED) data.

cardiomyopathy (with significant permanent impairment) means disease of the heart muscle causing it to enlarge and become weaker, resulting in significant cardiac impairment to the degree of at least Class III of the *New York Heart Association functional classification system.*

chronic kidney failure (end stage) means chronic irreversible failure of the function of both kidneys requiring either regular renal dialysis or renal transplantation.

chronic liver disease (end stage) means end stage liver failure resulting in permanent jaundice, bleeding varices, ascites or encephalopathy.

chronic lung disease (end stage) means end stage lung disease, including chronic obstructive pulmonary disease and interstitial lung disease, requiring long term continuous oxygen therapy prescribed by a specialist physician and

- with a persistent FEV1 less than 30% predicted or
- with a DLCO less than 40% predicted.

cognitive loss (permanent) means a total and permanent deterioration or loss of intellectual capacity (supported by a score of 15 or less out of 30 in a Mini Mental State Examination or evidence from another neuropsychometric test that is acceptable to us) that has required the life insured to be under continuous care and supervision by another person for at least three consecutive months and at the end of that three month period the life insured is likely to require ongoing continuous care and supervision by another person.

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

coma (of specified severity) means a state of unconsciousness with no reaction to external stimuli or internal needs, resulting in a documented Glasgow Coma Scale of 8 or less, for a continuous period of at least 72 hours.

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

coronary artery bypass surgery means the undergoing of coronary artery bypass surgery for the treatment of coronary artery disease that is considered the appropriate and necessary treatment but not including angioplasty, other intra-arterial or laser procedures.

crohn's disease (severe) means the diagnosis of severe or refractory Crohn's disease confirmed by a gastroenterologist, which:

- has failed to be controlled by initial therapy (eg. corticosteroids, 5-ASA) and
- requires permanent maintenance therapy (eg. immunosuppressant or biologic agent therapy) treatments.

Maintenance therapy must have been in use for at least 12 months.

dementia including alzheimer's disease (diagnosis) means:

- unequivocal diagnosis of permanent and irreversible dementia or Alzheimer's disease confirmed by a consultant neurologist or geriatrician, and
- the life insured requires continual supervisory care as the result of cognitive impairment characterised by a Mini Mental State Examination score of 24 or less out of 30 or evidence from another neuro-psychometric test that is acceptable to us.

diabetes complications means diagnosis of Type 1 insulin dependent diabetes mellitus, as certified by a consultant endocrinologist and resulting in at least two of the following criteria:

- creatinine clearance of 30-44ml/min
- diabetic retinopathy with a minimum severity of at least exudates and/or dot-blot haemorrhages, or
- persistent neuropathy.

diabetes (of specified severity) means severe diabetes mellitus, either insulin or non-insulin dependent, as certified by a consultant endocrinologist and resulting in at least two of the following criteria:

- severe diabetic retinopathy resulting in visual acuity even when aided of 6/36 or worse in both eyes
- severe diabetic neuropathy causing motor and/or autonomic impairment
- diabetic gangrene resulting in surgical intervention, or
- severe diabetic nephropathy causing chronic irreversible renal impairment as measured by a corrected creatinine clearance less than 30ml/min.

Diabetes complications (as defined above) is excluded.

encephalitis (with permanent neurological deficit) means acute inflammation of the brain caused by viral or bacterial infection, resulting in:

- permanent neurological deficit and
- a permanent and irreversible inability to perform at least one of the *activities of daily living*.

The impairment must be certified by an appropriate medical specialist.

heart attack (of specified severity) means death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area.

The diagnosis must be supported by diagnostic rise and/or fall of cardiac biomarkers with at least one value above the 99th percentile of the upper reference limit and at least one of the following:

- signs and symptoms of ischaemia consistent with myocardial infarction or
- ECG changes indicative of new ischaemia (new ST-T changes or new left bundle branch block [LBBB]) or
- development of pathological Q waves in the ECG or
- imaging evidence of new loss of viable myocardium or new regional wall motion abnormality.

If the above tests are inconclusive or our noted diagnostic techniques are impractical to apply or have been superseded, we will consider other appropriate and medically recognised tests.

Excluded are:

- a rise in biological markers as a result of an elective percutaneous procedure for coronary artery disease which is not performed as necessary treatment for a heart attack
- other acute coronary syndromes including but not limited to angina pectoris
- other causes of cardiac biological marker rise including but not limited to pulmonary embolism and
- viral myocarditis.

In the case of the sumo Trauma benefit amount, heart attack means, in addition to the above being met, the left ventricular ejection fraction (taken six weeks or more after the event) is calculated as 40% or less.

heart valve surgery means the undergoing of surgery that is considered necessary to replace or repair cardiac valves as a consequence of heart valve defects or abnormalities that cannot be corrected by non-surgical techniques.

Specifically excluded are angioplasty and intra-arterial procedures.

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

idiopathic pulmonary arterial hypertension (with permanent impairment) means idiopathic pulmonary arterial hypertension characterised by enlargement of the right ventricle as a result of high pulmonary artery pressure. It must have resulted in significant cardiac and respiratory impairment equivalent to at least Class III of the *New York Heart Association functional classification system*.

loss of a hand or foot means the total and irreversible loss of the use of:

- an entire hand or
- an entire foot.

loss of hands or feet means the total and irreversible loss of the use of two or more of:

- an entire hand or
- an entire foot.

loss of hearing means irreversible hearing loss in the better ear which even with amplification, results in an average hearing threshold of 91dB or greater as measured at 500, 1000 and 1500 Hz.

loss of hearing in one ear means irreversible hearing impairment in the worse ear which even with amplification, results in an average hearing threshold of 91dB or greater as measured at 500, 1000 and 1500 Hz.

loss of independent existence means the total and irreversible inability to perform at least two of the *activities of daily living* without the assistance of another person.

loss of sight means permanent and irrecoverable loss of sight, to the extent that:

- even when aided, eyesight is reduced in both eyes to 6/60 or worse of central visual acuity on the Snellen test chart or
- the degree of vision is less than or equal to 20 degrees of arc.

loss of sight in one eye means the permanent and irrecoverable loss of sight in one eye, to the extent that:

- even when aided, eyesight is reduced in that eye to 6/60 or worse of central visual acuity on the Snellen test chart or
- the degree of vision is less than or equal to 20 degrees of arc.

loss of speech or total aphasia means the total loss of speech.

Loss of speech must have existed continuously for a period of at least three months and be permanent and irreversible.

Loss of speech due to psychological reasons is excluded.

major head trauma (with permanent neurological deficit) means accidental cerebral injury, resulting in:

- permanent neurological deficit and
- a permanent and irreversible inability to perform at least one of the *activities of daily living*.

The impairment must be certified by a consultant neurologist.

major organ transplant means the life insured is the recipient of an organ transplant of one of the following organs:

- heart
- kidney
- liver
- lung
- pancreas
- small bowel, or
- the transplantation of bone marrow.

The transplant must be considered the appropriate and necessary treatment.

major organ transplant (on waiting list) means the life insured, upon the advice of an appropriate medical specialist, has been placed on an official Australian waiting list, approved by us, for the organ transplant of one of the following organs:

- heart
- kidney
- liver
- lung
- pancreas
- small bowel, or
- the transplantation of bone marrow.

medically acquired HIV means the *accidental* infection with Human Immunodeficiency Virus (HIV), which on the balance of probabilities arose from one of the following medical procedures:

- transfusion of blood or blood products
- organ transplant
- assisted reproduction techniques, or
- other medical procedure or operation performed by a doctor or at a registered medical facility.

The procedure must have been performed by a registered health professional and have occurred in Australia. We require a statement from the appropriate Statutory Health Authority that provides documented proof of the incident and confirms that the infection is medically acquired. We may require further tests as reasonably required to confirm the diagnosis of medically acquired HIV.

A Trauma claim for medically acquired HIV will not be payable if:

- HIV infection is caused by any other means, including sexual activity or recreational intravenous drug use, or
- a treatment is developed and approved which renders the HIV virus inactive and non-infectious.

melanoma (early stage) means the diagnosis of a malignant melanoma on biopsy which is classified as stage T1aN0M0.

motor neurone disease (diagnosis) means unequivocal diagnosis of motor neurone disease, resulting in neurological deficit.

The diagnosis must be made by an appropriate medical specialist.

motor neurone disease (with impairment level) means unequivocal diagnosis of motor neurone disease, resulting in:

- neurological deficit and
- a permanent and irreversible inability to perform at least one of the *activities of daily living*.

The impairment must be certified by an appropriate medical specialist.

multiple sclerosis (diagnosis) means unequivocal diagnosis of multiple sclerosis, and evidenced by appropriate neuro-imaging and spinal fluid abnormalities, resulting in neurological deficit.

The diagnosis must be made by an appropriate medical specialist.

If spinal fluid abnormalities are not present or the test was not completed, we will consider other medical evidence acceptable to us that supports the diagnosis.

multiple sclerosis (with impairment level) means unequivocal diagnosis of multiple sclerosis with more than one episode of well defined neurological deficit with persisting neurological abnormalities, evidenced by appropriate neuro-imaging and spinal fluid abnormalities, and resulting in a permanent and irreversible inability to perform at least one of the *activities of daily living*.

The impairment must be certified by an appropriate medical specialist.

If spinal fluid abnormalities are not present or the test was not completed, we will consider other medical evidence acceptable to us that supports the diagnosis.

muscular dystrophy (diagnosis) means unequivocal diagnosis of muscular dystrophy, evidenced by permanent neurological deficit and confirmed by a specialist physician based on confirmation of neurological investigation.

muscular dystrophy (with impairment level) means unequivocal diagnosis of muscular dystrophy, which causes progressive and selective degeneration and weakness of voluntary muscles.

The diagnosis must be supported by both of the following:

- evidence of permanent neurological deficit confirmed by a specialist physician as a definite result of the diagnosis of muscular dystrophy and
- a permanent and irreversible inability to perform at least one of the *activities of daily living*.

occupationally acquired HIV means infection with Human Immunodeficiency Virus (HIV) as the result of an accident during the course of the life insured's regular occupation. The production and detection of HIV antibodies (sero-conversion) must be confirmed by way of a positive HIV antibody test within six months of the *accident*.

Any *accident* giving rise to a potential claim must be reported to us within seven days of the incident and supported by a negative HIV antibody test taken after the *accident*. We must be given access to test all blood samples used. We may require further tests as reasonably required to confirm the diagnosis of occupationally acquired HIV.

A Trauma claim for occupationally acquired HIV will not be payable if:

- HIV infection is caused by any other means, including sexual activity or recreational intravenous drug use
- a treatment is developed and approved which renders the HIV virus inactive and non-infectious, or
- the life insured has elected not to take an approved vaccine that is recommended by the relevant government body for use in the life insured's occupation and is available prior to the event which causes infection.

paralysis means the total and irreversible loss of the use of two limbs, where a limb is defined as the shoulder down to the hand or the hip down to the foot.

parkinson's disease (diagnosis) means unequivocal diagnosis of Parkinson's disease, resulting in irreversible neurological deficit.

The diagnosis must be made by an appropriate medical specialist.

parkinson's disease (with impairment level) means unequivocal diagnosis of Parkinson's disease, resulting in:

- neurological deficit and
- a permanent and irreversible inability to perform at least one of the *activities of daily living*.

The diagnosis must be made by an appropriate medical specialist.

prostate cancer (early stage) means localised cancer characterised by focal autonomous new growth of cancer cells. The tumour must be described histologically as TNM Classification T1 and have a Gleason score of 6 or less.

severe burns (of specified extent) means tissue injury caused by thermal, electrical or chemical agents causing third degree burns to at least:

- 20% of body surface as measured by the Rule of Nines or the Lund and Browder Body Surface Chart
- the whole of both hands, requiring surgical debridement and/or grafting, or
- the whole of the face, requiring surgical debridement and/or grafting.

severe burns (of limited extent) means tissue injury caused by thermal, electrical or chemical agents causing third degree burns to at least:

- 10% of body surface as measured by the Rule of Nines or the Lund and Browder Body Surface Chart
- 50% of the combined surface area of both hands, requiring surgical debridement and/or grafting, or
- 50% of the face, requiring surgical debridement and/or grafting.

severe osteoporosis (before age 50) means:

- before the age of 50, the life insured suffers at least two vertebral body fractures or a fracture of the neck or the femur, due to osteoporosis, and
- the life insured has a bone mineral density reading with a T-score of less than -2.5 (ie. 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 (with permanent daily life impact) means unequivocal diagnosis of rheumatoid arthritis confirmed by a rheumatologist or clinical immunologist, that has:

- failed to respond to at least two disease-modifying anti-rheumatic drugs (DMARDs), excluding corticosteroids and non-steroidal anti-inflammatories, administered consistently for a period of at least nine months, and
- resulted in a permanent and irreversible inability to perform at least one of the *activities of daily living*.

Degenerative osteoarthritis and all other arthritides are excluded.

stroke (of specified severity) means a cerebrovascular incident characterised by the sudden disruption of blood supply via one or more of the arteries to the brain due to a blood clot or plaque or because an artery breaks or bursts. The stroke must:

- in the case of the standard Trauma benefit amount, result in an acute onset of objective and ongoing neurological signs and clinical symptoms lasting for more than 24 hours and be evidenced by neuroimaging (such as magnetic resonance imaging, computerised tomography, or other reliable imaging techniques) that demonstrate a lesion consistent with the acute haemorrhage, embolism or thrombosis, and
- in the case of the sumo Trauma benefit amount, the stroke must also result in permanent neurological deficit with persisting clinical symptoms, and result in a score of 2 or greater on the modified Rankin scale as assessed by an appropriate medical specialist.

Brain damage due to an *accident*, infection, reversible ischaemic neurological deficit, transient ischaemic attack, vasculitis or an inflammatory disease is excluded.

For the purposes of the stroke definition, the Modified Rankin scale is as follows:

0 no symptoms at all

1 no significant disability despite symptoms, able to carry out all usual duties and activities

2 slight disability, unable to carry out all previous activities, but able to look after own affairs without assistance

3 moderate disability, requiring some help, but able to walk without assistance

4 moderately severe disability, unable to walk without assistance and unable to attend to own bodily needs without assistance

5 severe disability, bedridden, incontinent and requiring constant nursing care and attention.

ulcerative colitis (severe) means the diagnosis of severe ulcerative colitis confirmed by a gastroenterologist, that has:

- failed to be controlled by initial therapy (eg. corticosteroids, 5-ASA) and
- requires permanent maintenance therapy (eg. immunosuppressant or biologic agent therapy) treatments.

Maintenance therapy must have been in use for at least 12 months.

This page has been left blank intentionally.

How to contact us

Enquiries and policy admin

We can answer enquiries relating to any of the products in this PDS, and if you take out a policy with us, we can help you to keep your policy details up to date.

We can also help you with basic alterations to your policy, to help keep cover in line with your needs – for example if you wish to exercise an option on your policy.

Please contact Zurich Customer Care in the most convenient way for you:

131 551

client.service@zurich.com.au

Locked Bag 994
North Sydney NSW 2059

www.zurich.com.au

Zurich head office
Zurich Australia Limited
5 Blue Street
North Sydney NSW 2060

Financial advice

Your financial adviser should be your first point of contact for financial advice. Zurich can only provide you with factual information about these products and how they operate.

Additional support

We recognise that some customers require additional support, for example customers who are from a non-English speaking background. Your financial adviser will help you through the process at the time when you apply for a policy, if you make a change to your policy, if you make a claim or if you wish to make a complaint. If you contact us and we identify that you need additional support or that you are experiencing financial hardship, we will provide you with reasonable additional support including providing you with options available under your policy.

Complaints resolution

If you have a complaint about any product described in this PDS, you should contact Zurich Customer Care on 131 551. We will aim to acknowledge any complaint within 5 days and to resolve your complaint within 45 days. If you are not satisfied with the response you receive from us, or we fail to resolve the complaint within 45 days, you can raise the matter with the Australian Financial Complaints Authority (AFCA), which provides a free dispute resolution scheme to consumers and small businesses for all financial products and services.

Contact details for AFCA are as follows:

The Australian Financial Complaints Authority

Online:	www.afca.org.au
Email:	info@afca.org.au
Phone:	1800 931 678
Mail:	Australian Financial Complaints Authority, GPO Box 3 Melbourne VIC 3001

Zurich Australia Limited
ABN 92 000 010 195, AFSL 232510
5 Blue Street North Sydney NSW 2060
Zurich Customer Care: 131 551
Email: client.service@zurich.com.au
www.zurich.com.au

AWAS-014195-2019 ZU23280 V3 05/19

ZURICH®