

Zurich Income Replacement

Policy Disclosure Statement and
Policy conditions



This PDS, prepared on 25 November 2015, is provided in two parts:

Part 1 – Policy information

Part 2 – Policy conditions

This PDS is an important document. You should read both parts (Parts 1 and 2) in full before making a decision to purchase these policies. It will help you to:

- decide whether these policies will meet your needs and
- compare these policies with other policies you may be considering.

These policies are not available to new customers

This PDS has been prepared to cater for customers (life insured) who are insured under a Zurich Income Replacement or Zurich Superannuation Income Replacement policy and who wish to alter or replace their existing policy (eg. due to a change in the ownership of that policy).

Defined terms

In this PDS, all terms appearing in *italics* are defined terms with special meanings. Detailed definitions appear in the policy conditions (Part 2). Policy features are capitalised for ease of identification.

In Part 1, 'Zurich', 'us', 'our', and 'we' means Zurich Australia Limited. 'You' means the person making the insurance decisions and applying for cover ie. generally the policy owner (including trustees of a self-managed super fund). Where you are taking out insurance as a member of any other super fund, 'you' will be the life insured. See ownership structures on page 6.

Policy conditions

Part 2 of this PDS contains 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 them 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. 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

Issued by Zurich Australia Limited
ABN 92 000 010 195, AFSL 232510:

- Zurich Income Replacement

Issued by Zurich Australian Superannuation Pty Limited ABN 78 000 880 553, AFSL 232500:

- Zurich Superannuation Income Replacement

This PDS is jointly issued by Zurich Australia Limited and Zurich Australian Superannuation Pty Limited, each of whom takes full responsibility for the whole PDS.

Zurich Australian Superannuation Pty Limited is the trustee of the Zurich Master Superannuation Fund ABN 33 632 838 393, SFN 2540/969/42 (the fund). The fund obtains an insurance policy issued by Zurich Australia Limited for the benefits offered. Zurich Australia Limited is also the administrator of the fund.

Contact details for both issuers appear on the inside back cover of this PDS.

Finding your way around this PDS

Part 1 – Policy information



Policy overview

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A quick snapshot of the policies which are explained in this PDS.

Policy overview

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Additional details

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Useful information about the policies including details about our complaints handling procedure and our privacy provisions.

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Complaints resolution

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Zurich Income Replacement

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Zurich Income Replacement can provide an income stream in the event of sickness or injury.



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Zurich Superannuation Income Replacement

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Insurance through membership of the Zurich Master Superannuation Fund. Zurich Superannuation Income Replacement can provide an income stream in the event of sickness or injury.

Benefits are only payable if the life insured satisfies a condition of release under superannuation law.



Insurance-only superannuation information

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Important information about structuring insurance inside superannuation which you should be aware of.

Contributing to superannuation funds

Payments under superannuation

Tax file numbers

Further information

Part 2 – Policy conditions



Policy conditions

Page 1

The policy conditions that apply to each policy are in Part 2 of this document so that you have all the information in one place.

Refer to the detailed table of Contents on page 2 of Part 2.



How to contact us

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Your financial adviser should be your primary contact point for advice. However Zurich Customer Care is well equipped to answer general questions about these policies and can help you with day to day administration, like updating your payment details.

Policy overview

Income policies

Zurich Income Replacement and Zurich Superannuation Income Replacement

The Income benefit is the core	A selection of in-built benefits	Optional extras
	Benefits vary depending on the level of cover selected.	An extensive range of optional benefits can be included depending on the level of cover and occupation.
Income benefit a monthly benefit if the life insured experiences a loss in income due to sickness or injury Cover can be tailored with a choice of: • agreed value* or indemnity • premier*, comprehensive or standard cover • a range of waiting periods • a range of benefit periods	Premier, comprehensive and standard • Income benefit • Specified injury benefit* • Rehabilitation benefit* • Funeral benefit • Flexible cover benefit* Premier and comprehensive • Confined to bed benefit • Special care benefit* Premier* only • Family support benefit* • Trauma benefit* • Future insurability All policies include: • Inflation protection • Waiver of premium • Recurrent disability • Concurrent disability • Premium holiday[#]	• Increasing claims option • Super contributions option • Business expenses option* • Lump sum accident option* • Day 4 accident option • Trauma option* • Future insurability option • Booster option • Family care option* • Severe disability option • Needlestick cover option* • Home support option*

Superannuation ownership

*These in-built benefits and optional extras are not available under Zurich Superannuation Income Replacement or when the policy is owned by an SMSF trustee or super platform trustee.

Certain other available benefits may be subject to special superannuation conditions.

[#] Premium holiday is not available on policies which are set up under a platform arrangement.

Important features

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 '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.

World-wide cover

You are covered under these income replacement policies 24 hours a day, seven days a week, world-wide. If you are claiming income replacement benefits while overseas, we will require you to have a medical examination every 12 months for benefits to continue. Detailed information about making a claim can be found in Part 2 (page 6).

Upgrade of benefits

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

Guaranteed renewable

Provided you pay *premiums* as required, these income replacement 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. Your policy will only cease in accordance with the terms of the policy, for example, on the policy expiry date, when you cancel the policy or when the entire benefit amount is paid as a claim.

Cover that keeps up with you

These policies have been designed with long-term, flexible cover in mind, and include automatic yearly increases in sum insured to protect cover against the impact of inflation. Inflation protection increases and Future insurability increases do not require underwriting assessment.

Significant risks

There are certain risks associated with holding a Zurich Income Replacement or Zurich Superannuation Income Replacement policy:

- 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 25.

Policy ownership

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

Two important considerations are policy ownership and whether or not to structure any of your insurance cover in super – through your own self managed super fund (SMSF), as a member of an approved superannuation platform or through membership in the Zurich Master Superannuation Fund.

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

If you wish to hold as much of your cover as possible in super, but still wish to access benefits which cannot be held in super (ie. agreed value income replacement cover), Zurich's tailored super structuring could be the solution. More information about tailored super structuring can be found on page 8.

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

	Policy owner	Policies available	Life insured	Benefits payable to
Outside of super	You as an individual (can be via a platform)	Zurich Income Replacement	You	You
	You as a corporation		Individual	Policy owner
In super (superannuation ownership)	You as SMSF trustee/s (individual or corporation) (can be via a platform)	Zurich Income Replacement (benefits adjusted to comply with super laws)	SMSF member	SMSF trustee/s
	Super platform trustee	Zurich Income Replacement (benefits adjusted to comply with super laws)	You (applying for cover through your super platform)	Policy owner
	Trustee of the Zurich Master Superannuation Fund	Zurich Superannuation Income Replacement	You	Policy owner

Benefits under these policies are usually payable on an event (eg. sickness or injury) happening to the life insured but payable to the policy owner. Outside of super, income replacement policies are usually self-owned (ie. the policy owner is also the life insured).

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

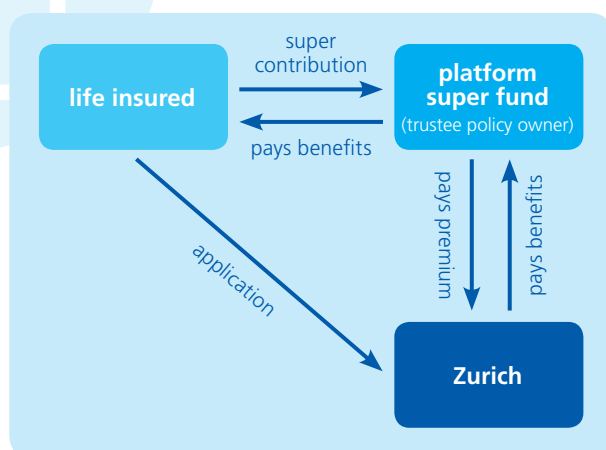
Holding insurance through a platform

You can take out Zurich Income Replacement through selected platforms. Platforms offer the convenience of consolidated finances and reporting. If you include Zurich insurance in your platform account, your *premiums* will be paid by automatic deduction from the platform account on the same day each month, quarter, half year or year (depending on your chosen payment frequency).

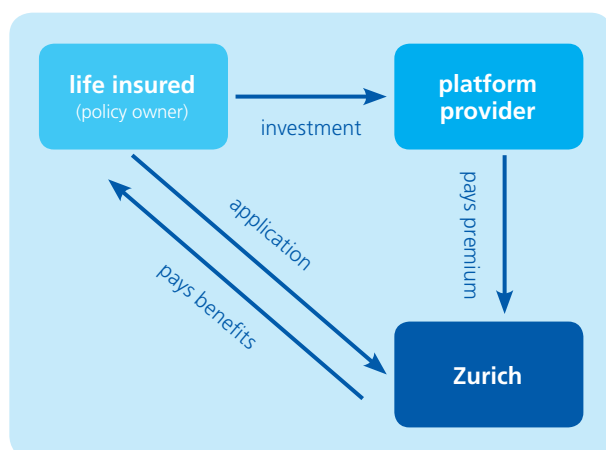
The platform may be a super platform allowing insurance to be funded by a superannuation account or it may be a non-super platform funded by an investment account.

The diagrams below show how this works.

Superannuation platform



Non-super platform



If *premiums* are not paid in any month due to insufficient funds, then the outstanding *premium* will be deducted from the account in the following month, to bring *premiums* up to date.

Information about how the platform operates can be found in the PDS prepared by the platform provider or the trustee of the platform superannuation fund.

If cover is set up though a non-super platform, then the full range of Zurich Income Replacement benefits are available. If cover is held through a superannuation platform, then normal restrictions apply to the benefits which can be held in superannuation, and the cover is indemnity. Refer to page 4 for the list of benefits which are not available with superannuation ownership.

If agreed value cover is required, then a cost efficient solution is to use Zurich's tailored super structuring, which will allow access to agreed value cover, via a second policy held outside super.

More information about tailored super structuring can be found on the following pages.

Tailored super structuring

Zurich's tailored super structuring allows benefits to be split across two policies, resulting in some cover owned by the trustee of a superannuation fund and some cover owned by you personally.

To hold your income cover as a mix of super and ordinary benefits, you can structure this through either:

- two related Zurich Income Replacement policies (one owned by the trustee of an external superannuation fund) or
- a Zurich Income Replacement policy and a Zurich Superannuation Income Replacement policy.

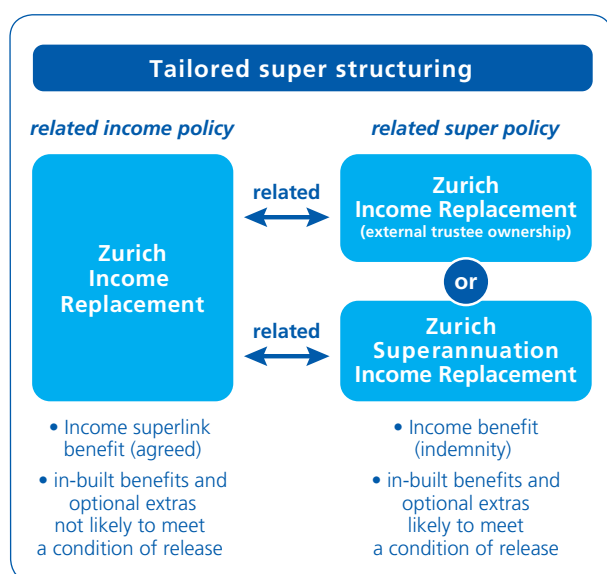
You can only have related policies insuring the same life insured (one life insured only).

How the covers are allocated

We will automatically allocate any income cover you select into the two policies based on whether or not the benefit is likely to be payable under superannuation laws.

Both policies will have the same *level of cover* (standard, comprehensive or premier), and the entry parameters and benefit restrictions which apply to each *level of cover* still apply. If you choose premier cover, the benefits under the *related super policy* will be the same as the comprehensive *level of cover*. However, the additional premier benefits will apply on your *related income policy*.

The diagram below shows how the in-built benefits and optional extras are allocated across the two policies.



Note that if selected, some optional extras must be held on both policies, regardless of likely access to benefits in superannuation, because they are charged as a premium loading. This will be clearly shown on your policy schedules.

Income superlink benefit

The Income superlink benefit is the Income benefit payable under your *related income policy* (which takes into account any Income benefit already payable under your *related super policy*) and is assessed on an 'agreed value' basis.

How the two related policies interact

In the event of a claim, your claim will be assessed under the *related super policy* first based on indemnity cover. If the life insured qualifies for a benefit under the *related super policy*, the benefit is payable to the trustee. Where the benefit paid under the *related super policy* is less than the amount you would be entitled to under the *related income policy*, we will pay you the balance of cover under the *related income policy* on an agreed value basis, up to the *insured monthly benefit*.

You will need to provide us with sufficient financial information for us to assess your claim on an indemnity and an agreed value basis.

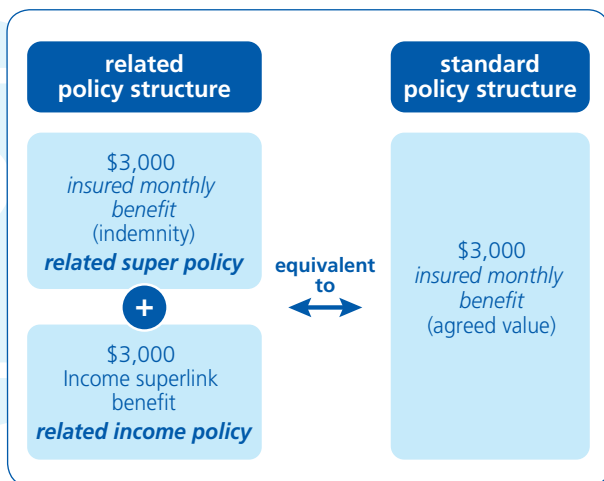
If you are eligible for an Income benefit, then your benefit may be paid in either of the following ways:

- as one Income benefit – an indemnity benefit amount under the *related super policy* or an agreed value amount under the *related income policy* or
- as two Income benefits:
 - an indemnity benefit amount under the *related super policy*, and
 - the balance of cover under the *related income policy* on an agreed value basis, up to the *insured monthly benefit* (Income superlink benefit amount).

For example, if your *insured monthly benefit* is \$3,000 and you qualify for an Income benefit, your claim will be assessed in two steps. Under the *related super policy*, we will pay the trustee an indemnity Income benefit of \$2,000, depending on your *pre-disability income*. Under your *related income policy*, the claim will then be assessed on an agreed value basis, paying you an additional benefit of up to \$1,000.

Premiums are separately charged for each related policy.

The diagram below shows how the main benefit is apportioned across the two related policies to provide the equivalent of agreed value cover overall. In this example, the total *insured monthly benefit* under both policies combined is \$3,000.



If payable, in-built benefits are paid from one policy or the other (not from both).

Optional extras and tailored super structuring

If you are eligible to receive a payment under an optional extra on a policy within this structure, then benefits will be paid as follows:

- if the optional extra is available under the *related income policy* only (see table), then a benefit is only payable under the *related income policy*
- if the optional extra is available under both policies (see table), then a benefit is payable under both policies, but the total benefit payable will be split across the related policies in the same proportion as the total Income benefit.

For example, if you are entitled to an Income benefit of \$2,000 per month under your *related super policy* and an Income benefit of \$1,000 per month under your *related income policy* and you are also eligible for a payment of \$1,000 per month under the Severe disability option, \$667 of this benefit will be paid to the trustee, under your *related super policy* and \$333 of this benefit will be paid to you under your *related income policy*.

The following table outlines which optional extras are available under each policy. Any selected optional extra which is available on both policies must be included in both related policies.

	<i>related super policy</i>	<i>related income policy</i>
Increasing claims option	✓	✓
Super contributions option	✓	✓
Day 4 accident option	✓	✓
Future insurability option*	✓	✓
Booster option	✓	✓
Severe disability option [#]	✓	✓
Lump sum accident option		✓
Trauma option		✓
Family care option		✓
Needlestick cover option		✓
Home support option		✓
Business expenses option	not available	not available

* not available if the *level of cover* is standard.

[#] there may be circumstances where payment of this benefit does not meet a condition of release. In those circumstances, the benefit may not be able to be released by the trustee.

Related policy conditions

The benefit amount on the policy schedule for the *insured monthly benefit* and the Income superlink benefit will match at the policy commencement date and will continue to match over the life of the policy.

The insured amounts set out on each policy schedule represent the total insured amounts across both related policies. In the event of a claim, each benefit is payable only to a maximum of the total insured amount and where benefits are payable from both related policies, the total benefit payable from both related policies will not exceed the *insured monthly benefit*. Some benefits will be paid proportionately from both related policies.

Under this structure, if the *related super policy* terminates, the *related income policy* will also terminate.

Some in-built benefits apply only to one of the related policies and others apply to both policies. Refer to the additional conditions set out in Part 2 (page 20).

Premium and other costs

Choice of premium structures

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

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

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

Level premiums do not stay level for the life of the policy. Level premiums convert to stepped premiums on the *policy anniversary* following the life insured's 65th birthday.

Both stepped and level premiums increase:

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

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

Choice of payment options

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

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

* into Zurich Superannuation Income Replacement

If you make any overpayment of *premium*, we may retain the overpayment, unless it exceeds \$5.00.

Unpaid premiums will cause cover to lapse

If *premiums* are not paid when due, your policy will lapse after 30 days and you will not be covered. You may be able to reinstate your policy after it lapses. Reinstatement of cover is explained in Part 2 (page 4).

Premium rates are not guaranteed

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

Premium calculation factors

Your *premium* will depend on:

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

- the *waiting period* selected (the shorter the *waiting period*, the higher the *premium*) and
- the *level of cover* selected (the *premium* is higher for premier than comprehensive than standard).

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

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

Further information on how *premiums* are calculated can be obtained by contacting us (see the inside back cover of this PDS for details).

Commission

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

Premium holiday

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

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

Other charges

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

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

premium frequency	management fee payable	annual equivalent
monthly	\$8.97	\$107.64
quarterly	\$26.90	\$107.60
half-yearly	\$44.85	\$89.70
yearly	\$89.70	\$89.70

The management fees above apply for new policies until 29 February 2016. The management fee increases each year on the *policy anniversary* in line with the *consumer price index*.

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.

Paying premiums via rollover

Rollover payments

Zurich will allow a rollover of superannuation benefits to fund insurance policies held within the Zurich Master Superannuation Fund, (ie. Zurich Superannuation Income Replacement), provided the rollover amount exactly matches the yearly *premium*.

Members can provide Zurich with an authority to facilitate the rollover of funds from a nominated external superannuation fund to pay for insurance for one year or for all future years (until instructed otherwise). Alternatively, members can make their own arrangements for rollover of funds directly with the external superannuation fund (including rollovers as part of a super contribution splitting arrangement).

Any rollover amount received that does not exactly match the yearly *premium* due will be returned to the external superannuation fund.

Rollover reward

A rollover reward will automatically apply to Zurich Superannuation Income Replacement policies where a full yearly *premium* is paid via rollover from another superannuation fund.

In the first year of a new policy, a 15 per cent discount will be applied on the initial yearly *premium* (excluding management fee). In subsequent years, if the *premiums* continue to be funded by rollover, the discount is then calculated as 15 per cent of the value of the yearly *premium* (excluding the management fee) paid by rollover in the previous year.

The discount is only available to members of the Zurich Master Superannuation Fund. If cover is transferred at any time prior to anniversary, the discount cannot be transferred to the new policy at anniversary.

If superannuation law changes and *premiums* funded by rollover cease to generate a tax benefit for the Zurich Master Superannuation Fund, then Zurich may no longer offer the rollover reward.

Rollover terms and conditions

If you are requesting a rollover as part of your application, please note that by doing so:

- You consent to the transfer of any benefits from the transferring fund to the Zurich Master Superannuation Fund as required to fund the *premium* payable under the Zurich policy, as quoted by Zurich.
- Where you have selected the 'ongoing automatic rollovers' option, you are making a repeating request each time the yearly *premium* becomes payable.
- You consent to the transfer of information between the two funds including the tax file number you have provided. (Note: If you do not want your tax file number to be used, please contact us).
- Neither Zurich nor the trustee will be liable or responsible for any failed attempts to transfer money including where the transferring fund declines to transfer the amount.
- If the rollover is not successful, an alternate payment must be provided otherwise the application will not be accepted or the existing policy may lapse.
- If the authority is for a new policy application, and the application does not proceed, you authorise and request Zurich to transfer the amounts back to the transferring fund (provided the transferring fund accepts).
- You acknowledge that you may ask the trustee of the transferring fund for any information you require in relation to the effect of the rollover/s on your entitlements in the transferring fund (including information on fees or insurance benefits) and you agree that, if you require such information, you will ask them for such information before any rollover.

Zurich Income Replacement

Introduction

Income replacement insurance provides a monthly benefit generally up to 75 per cent of *pre-tax income* if the life insured is unable to work due to *sickness or injury*. It can:

- provide an income to support the life insured and his/her family
- continue to pay mortgage, bills, credit cards and other debts and
- keep investment strategies in place.

Business expenses is a similar insurance used to cover fixed business expenses if the life insured is unable to work due to *sickness or injury*. It can keep the business running while the business owner takes time out to recover.

Both types of insurance are available under the Zurich Income Replacement policy which pays, after the expiry of the *waiting period*, an income while the life insured is disabled and suffers a loss of income because of that disability.

Although the concept is relatively simple, there are many choices to be made when setting up income replacement cover to ensure the policy is aligned with the life insured's individual situation.

The parameters which can be tailored are set out in the table on page 19 and some brief explanations of the terminology we use is provided below.

A financial adviser will help you to determine which parameters are most appropriate to your situation.

Common terminology

The *waiting period* is the number of days that the life insured needs to qualify for the Income benefit due to *sickness or injury* before being eligible for payment.

The *benefit period* is the maximum period we will pay Income benefits for when the life insured suffers from the same or a related *sickness or injury*.

Agreed value cover means that the benefits we pay at claim time are based on the amount we agree to cover when the policy is taken out and is most relevant to people with fluctuating income. The alternative is indemnity cover, which will cap any benefits paid at 75 per cent of the income the life insured is earning at the time of the claim (the best consecutive 12 months in the previous two years can be used).

If the policy has superannuation ownership, the Income benefit will be indemnity.

The *level of cover* refers to the number of policy features included in the cover, which can be chosen to fit with needs and budget.

Level of cover	Description
standard	A base level of cover. The cost of cover is reduced because in order to qualify for a benefit, the life insured must totally stop work for 14 days during the <i>waiting period</i> .*
comprehensive	A fully featured level of cover which can pay an Income benefit from day one (the life insured doesn't have to stop working in the <i>waiting period</i> to be eligible for an Income benefit) when held outside of super. It includes more in-built benefits than the standard level of cover.*
premier	Zurich's highest level of cover, providing all of the benefits provided under comprehensive, and some additional in-built benefits. This level of cover is only available to white collar occupations. It is not available in super.

A summary of the different benefits provided under each *level of cover* is set out on page 16.

Eligibility & amount of cover

The availability of cover depends on the life insured's occupation and state of health. The life insured will be assigned an occupation rating (A1, A1M, A2, A3, B1, B2, B3 or SR) – your financial adviser will be able to assist in determining the correct rating. Some policy features and optional extras are restricted to certain occupations.

The amount of cover you can apply for will depend on the life insured's income. Generally, up to 75 per cent of *average monthly pre-tax income* can be insured.

*Superannuation law

Benefits are only payable to trustees where the life insured satisfies a condition of release under superannuation law. Currently this includes a requirement to cease gainful employment (under superannuation law) solely due to *sickness or injury* for at least one full day before being able to access benefits (assuming the life insured then returns to work). The total benefit may also be capped so that the total benefit plus any *post-disability income* does not exceed the life insured's *pre-disability income*. See Part 2 (page 14).

Income benefit

Qualifying for an Income benefit

To be eligible for an Income benefit, the life insured must be under the regular care of, and following the advice of, a *medical practitioner*.

We will pay an Income benefit after the expiry of the *waiting period* if, solely as a result of a *sickness or injury*, until the expiry of the *waiting period*:

- the life insured's *pre-disability income* from his/her *usual occupation* has reduced by 20 per cent or more or
- the life insured is unable to perform one or more *income producing duties* of his/her *usual occupation* or
- the life insured is unable to perform the *income producing duties* of his/her *usual occupation* for more than 10 hours per week.

Under the standard *level of cover* the life insured must also stop working for a period of at least 14 days during the *waiting period*.

Determining the benefit amount

The amount we pay if the life insured isn't earning any income (often referred to as being totally disabled) is different to the amount of benefit we pay if the life insured is still earning income (often referred to as being partially disabled). Both situations are explained below, and examples for each are set out on page 18.

If the policy has superannuation ownership, all benefits are subject to the cap explained in the box on the previous page.

If the life insured isn't earning any income

If, at the expiry of the *waiting period*, the life insured has no *post-disability income* or is working for 10 hours or less per week solely as a result of a *sickness or injury* then we will pay:

- agreed value: the *insured monthly benefit*
- indemnity: the lesser of the *insured monthly benefit* and 75 per cent of *pre-disability income*.

The *insured monthly benefit* is the amount of benefit shown on the policy schedule, plus indexation increases (if any).

The life insured can work for up to 10 hours per week and still claim the maximum Income benefit available under the policy. This could allow him/her to check on his/her business while suffering from *sickness or injury*.

If the life insured is earning income

If, at the expiry of the *waiting period*, the life insured has *post-disability income*, the benefit we will pay will be proportionate to the loss and calculated on a monthly basis using the following formula:

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

When benefits are paid

We pay the Income benefit two weeks in arrears and two weeks in advance, depending on the likely duration of the claim, with the first payment due 15 days after the expiry of the nominated *waiting period* until:

- the *sickness or injury* giving rise to the claim does not prevent the life insured from earning his/her *pre-disability income* from personal exertion from his/her *usual occupation*
- the *benefit period* ends
- the cover expires
- the life insured's death
- the life insured is no longer under the regular care of a *medical practitioner* for treatment of the *sickness or injury*
- the life insured is not following the treatment recommended by a *medical practitioner*.

Income benefit exclusions

We will not pay for *sickness or injury* occurring as a direct or indirect result of:

- an intentional self-inflicted act or
- attempted suicide or
- *uncomplicated pregnancy or childbirth* or
- elective surgery or donor transplant surgery (unless the surgery occurs more than six months after any cover start date, increase or reinstatement) or
- an act of war (whether declared or not).

Unemployment/employment breaks and income replacement

Zurich Income Replacement is designed for people who are working in paid employment. However, cover can continue during periods of unemployment.

For all occupation categories except SR

The definition of *usual occupation* will change if the life insured has been unemployed or on long service leave, maternity leave, paternity leave or sabbatical leave for more than 12 consecutive months immediately prior to the *sickness or injury* causing disability. Rather than *usual occupation* being the occupation predominantly performed in the 12 months prior to the *sickness or injury* it will be any occupation to which the life insured is reasonably qualified by education, training or experience.

If the life insured is involuntarily unemployed other than as a direct result of a *sickness or injury*, cover has been in force for the previous 12 months and he/she is registered with an employment agency approved by us, we will waive *premium* for up to three months at a time (12 months over the life of the policy). Each request to waive *premium* must occur at least 12 months apart.

For SR occupations

Zurich Income Replacement terminates at the end of any 12 month period during which the life insured has not been engaged in *full-time paid employment* other than as a direct result of a *sickness or injury* or where we have given prior written approval.

Extending cover (if the life insured has 'to age 65' benefit period and continues working)

On the *policy anniversary* following the life insured's 65th birthday, cover can be extended on a limited basis, up to the *policy anniversary* following his/her 70th birthday, if he/she is still working in paid employment for more than 30 hours per week. We must receive a request to extend cover at least 60 days before the cover would otherwise end (shown on the policy schedule), but no more than 90 days before the policy expiry date. The extended cover will be indemnity.

The *benefit period* on extended cover is one year and an Income benefit will only be payable where there is no *post-disability income* (ie. no partial benefits are payable). The extended cover does not include any optional extras and the premier *level of cover* (if applicable) will be altered to the comprehensive *level of cover*.

Waiting period flexibility with employment related salary continuance

If a 2 year *waiting period* is selected because the life insured has employment related salary continuance, we may allow a reduction in the *waiting period* without health assessment if he/she changes employer and salary continuance cover is not provided by the new employer.

Cover descriptions

A summary of the cover provided and a parameter table, including age ranges and available sum insured information are set out on the following pages.

The policy conditions contain all the detailed terms and conditions – they are set out in Part 2 of this PDS.

Policy summary

		Outside of super			Super ownership	
		standard	comprehensive	premier	standard	comprehensive
In-built benefits	Summary					
Income benefit	Provides an income if the life insured is disabled and suffers a loss of income as a direct result (as described in the previous section).	✓ [#]	✓	✓	✓ [#]	✓
Specified injury benefit	Fixed period of benefits in lieu of the Income benefit if the life insured suffers a specified injury from a range of covered events including <i>quadriplegia</i> , <i>loss of limbs or sight</i> and certain <i>fractures</i> . Only one specified injury can be claimed at a time and the benefit ceases on death or benefit expiry.	✓	✓	✓		
Rehabilitation benefit	Extra benefits to help the life insured get back to work sooner including: reimbursement for approved workplace modifications, <i>rehabilitation programs</i> and other approved expenses. It does not cover health costs typically covered by Medicare or private health insurance.	✓	✓	✓		
Funeral benefit	A lump sum of three times the <i>insured monthly benefit</i> to help with immediate expenses is payable on death. We will only pay one funeral benefit if the life insured has multiple Zurich income policies.	✓	✓	✓	✓	✓
Flexible cover benefit	A temporary reduction of cover is available if income is reduced when having a child. No cover is provided for <i>sickness or injury</i> which becomes apparent in the first 90 days after cover is reinstated and the cover reinstated will be indemnity if financial evidence cannot support the reinstated cover. The policy must be in force for 2 years before this benefit is available.	✓	✓	✓		
Confined to bed benefit	Benefits are payable right away during the <i>waiting period</i> (max 180 days) if the life insured is disabled and <i>confined to bed</i> for more than 2 days and unable to earn any income.		✓	✓		✓
Special care benefit	Benefits are payable for a <i>direct family member</i> who ceases work to care for the life insured, hiring a personal attendant, and accommodation and relocation costs, up to certain amounts. This benefit is only payable for one claim for the life of the policy. See Part 2 (page 11) for more details.		✓	✓		
Family support benefit	Benefits can continue to be paid to a surviving <i>spouse</i> for up to 12 months if you (policy owner and life insured) die while claiming the Income benefit.			✓		
Trauma benefit (waiting periods 90 days or less)	A benefit paid in advance (equal to six monthly income benefits) if the life insured suffers and survives a specified Trauma. After six months, if the life insured is still disabled, an Income benefit may be payable for the remaining balance of the <i>benefit period</i> . No cover is provided for certain conditions if they arise in the first 90 days after cover is applied for or is reinstated.			✓		
Future insurability	In-built for premier only. See description on the next page.			✓		

[#] life insured must totally stop work for 14 days during the *waiting period*.

In-built policy provisions which apply to all policies	Key exclusions on in-built provisions
Inflation protection – cover will increase every year, unless declined by you, without health assessment.	The policy must be in force for 12 months before a Premium holiday is available. No cover is provided for any insured event apparent or occurring during a Premium holiday.
Waiver of premium – <i>Premiums</i> are waived while we are paying a claim.	
Recurrent disability – no <i>waiting period</i> applies if disability recurs from a related cause within 12 months (6 months for SR occupations).	
Concurrent disability – if the life insured has more than one <i>sickness or injury</i> , the one which pays the most benefit will apply (we won't pay the benefit twice).	
Premium holiday – allows a 3, 6, 9, or 12 month break in cover (max 12 months over the life of the policy) to ease financial pressure. Not available under platform.	



Optional extras	Summary	Outside of super	Super ownership
Increasing claims option	Benefits can increase quarterly with CPI while on claim.	✓	✓
Super contributions option*	Cover is available for regular super contributions in addition to the Income benefit, so super savings continue during a claim. See Part 2 (page 15) for details of how this benefit works.	✓	✓
Business expenses option	Pays up to 100 per cent of the fixed cost of running a business if the life insured is disabled and suffers a loss of income. This benefit is payable for a period of 12 months (but may be extended). See Part 2 (page 16).	✓	
Lump sum accident option	Lump sum payable once if the life insured suffers an <i>injury</i> which causes (within 180 days) <i>accidental death</i> or a specified loss, eg. <i>loss of limbs or sight</i> .	✓	
Day 4 accident option*	Benefits during the <i>waiting period</i> if the life insured is disabled due to accident. This option is only available with <i>waiting periods</i> of 90 days or less.	✓	✓
Trauma option*	Extra benefits if the life insured suffers a specified Trauma or dies while we are paying another benefit. Some conditions will not be covered if they arise during the first 90 days after cover is applied for or reinstated and only one claim can be made on each event.	✓	
Future insurability option*	Increase cover without <i>underwriting</i> every year subject to conditions set out in Part 2 (page 18).	^	^
Booster option*	Benefits paid in the first 30 days of a claim can be boosted by one third.	✓	✓
Family care option	Benefits can continue being paid to a surviving <i>spouse</i> for up to 5 years if the life insured dies while on claim.	✓	
Severe disability option*	The Income benefit or Specified injury benefit is increased by one third if the life insured is severely disabled and unable to perform two <i>activities of daily living</i> for more than three months during the <i>benefit period</i> .	✓	✓
Needlestick cover option*	A lump sum payable on <i>occupationally acquired HIV</i> or <i>occupationally acquired hepatitis B or C</i> as a result of an occupational accident (for people who work in exposure-prone occupations).	✓	
Home support option	Cover for the life insured's <i>spouse</i> carrying out home duties full-time up to age 55, see Part 2 (page 19).	✓	

✓ option available for all levels of cover

^ available as an option under comprehensive and in-built for premier – not available under standard

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

Certain benefits overlap and are not payable for the same period, see More than one benefit at a time in Part 2 (page 14).

Certain optional extras added after policy commencement cannot be exercised if an insured event occurs or is apparent within 90 days after the option is added.

Full conditions and exclusions for all Zurich Income Replacement benefits and optional extras are set out in the policy conditions in Part 2 starting on page 8.

Income benefit examples

Agreed value cover

When the life insured isn't earning any income:

Example 1

The *insured monthly benefit* is \$3,000

Pre-disability income is \$4,000

The Income benefit we will pay is the *insured monthly benefit* of \$3,000.

Example 2

The *insured monthly benefit* is \$4,000

Pre-disability income is \$4,000

The Income benefit we will pay is the *insured monthly benefit* of \$4,000.

When the life insured is earning income:

Example 3

The *insured monthly benefit* is \$3,000

Pre-disability income is \$4,000

Because of *sickness* or *injury* the life insured is only generating 25 per cent of *pre-disability income* (25 per cent of \$4,000 = \$1,000)

The Income benefit we will pay is:

$$\frac{\$4,000 - \$1,000}{\$4,000} \times \$3,000 = \$2,250$$

Example 4

The *insured monthly benefit* is \$4,000

Pre-disability income is \$4,000

Because of *sickness* or *injury* the life insured is only generating 25 per cent of *pre-disability income* (25 per cent of \$4,000 = \$1,000)

The Income benefit we will pay is:

$$\frac{\$4,000 - \$1,000}{\$4,000} \times \$4,000 = \$3,000$$

Indemnity cover

(including all policies with super ownership)

When the life insured isn't earning any income:

Example 1

The *insured monthly benefit* is \$3,000

Pre-disability income is \$4,000

The Income benefit is calculated as the lesser of the *insured monthly benefit* (\$3,000) and 75 per cent of *pre-disability income* (75 per cent of \$4,000 = \$3,000)

The Income benefit we will pay is \$3,000.

Example 2

The *insured monthly benefit* is \$4,000

Pre-disability income is \$4,000

The Income benefit is calculated as the lesser of the *insured monthly benefit* (\$4,000) and 75 per cent of *pre-disability income* (75 per cent of \$4,000 = \$3,000)

The Income benefit we will pay is \$3,000.

When the life insured is earning income:

Example 3

The *insured monthly benefit* is \$3,000

Pre-disability income is \$2,800

Because of *sickness* or *injury* the life insured is only generating 25 per cent of *pre-disability income* (25 per cent of \$2,800 = \$700) and he/she is receiving \$500 per month from another disability policy which will be offset.

The maximum benefit payable under the policy is the lower of the *insured monthly benefit* (\$3,000) and 75 per cent of *pre-disability income* (75 per cent of \$2,800 = \$2,100), less offsets (\$500). So the total disability benefit amount would be \$2,100 less \$500 = \$1,600, and the Partial disability benefit is calculated using the formula:

$$\frac{\$2,800 - \$700}{\$2,800} \times \$1,600 = \$1,200$$

The Partial disability benefit we will pay is \$1,200.

Example 4

The *insured monthly benefit* is \$4,000

Pre-disability income is \$4,000

Because of *sickness* or *injury* the life insured is only generating 25 per cent of *pre-disability income* (25 per cent of \$4,000 = \$1,000)

The Income benefit is calculated using the formula.

$$\frac{\$4,000 - \$1,000}{\$4,000} \times \$4,000 = \$3,000$$

The Income benefit we will pay is \$3,000.

Useful parameters

Parameters	Standard, comprehensive & premier cover	Restricted parameters which apply to SR occupations
Application ages	19 – 48 for benefits to age 55 19 – 53 for benefits to age 60 19 – 59 for all other <i>benefit periods</i>	19 – 53
Occupation eligibility	Standard cover is available to all occupation categories Comprehensive cover is available to all occupation categories, except SR Premier cover is available to A1, A1M, A2 and A3 occupation categories	SR occupations can only have the standard <i>level of cover</i>
Employment status	The life insured must be working in <i>full-time paid employment</i> (minimum 26 hours per week)	
Choice of cover	Agreed value or indemnity cover is available	
Available waiting periods	14, 30, 60, 90 or 180 days 1 or 2 years The <i>waiting period</i> may be split so that different <i>waiting periods</i> apply to two portions of Income benefit. - The Business expenses option can only have the following <i>waiting periods</i>: 14, 30, 60 or 90 days.	30, 60 or 90 days
Available benefit periods	1, 2 or 5 years - benefits payable to age 55 - benefits payable to age 60 - benefits payable to age 65 - benefits payable to age 70 (only A1, A1M, A2 and A3 occupations)	1, 2 or 5 years
When ability to increase cover ends	Up to the expiry of the policy	
Expiry ages (for the Income benefit)	<i>policy anniversary</i> following 55th birthday for benefits payable to age 55 <i>policy anniversary</i> following 60th birthday for benefits payable to age 60 <i>policy anniversary</i> following 65th birthday for benefits payable for 1, 2 and 5 years and for benefits payable to age 65 <i>policy anniversary</i> following 70th birthday for benefits payable to age 70 (from the <i>policy anniversary</i> following 65th birthday, the caps shown in the table on page 15 of Part 2 apply)	<i>policy anniversary</i> following 60th birthday
Expiry ages (for optional extras)	Optional extras generally end at the same time as the Income benefit (ie. when the policy ends). The exceptions are: - Business expenses option: ceases on <i>policy anniversary</i> following 65th birthday - Future insurability option: ceases on <i>policy anniversary</i> following 54th birthday - Home support option: ceases on the first of the <i>policy anniversary</i> following spouse's 55th birthday or the benefit expiry date - where cover is extended to age 70	
Minimum cover available	\$1,500 per month (subject to income)	
Minimum cover increase amount	\$500 per month	
Maximum cover available at outset	\$30,000 per month with any <i>benefit period</i> plus up to \$30,000 per month with a 1 or 2 year <i>benefit period</i>	\$10,000 per month
Maximum cover available at outset for options	Business expenses option: depends on individual circumstances Needlestick cover option: \$1,000,000 (across all Zurich policies)	
Minimum premium	\$200 per year excluding stamp duty and management fee	

Zurich Superannuation Income Replacement

This is insurance through Zurich's trustee

Zurich Superannuation Income Replacement is an insurance-only superannuation policy which provides an income benefit in the event of *sickness* or *injury* resulting in a loss of income.

In this section of the PDS, 'you' means the person who will become the life insured (since the owner of the policy will be the fund trustee).

Once your application has been accepted you will become a member of and have an interest in the Zurich Master Superannuation Fund (the fund), supported by a life insurance policy issued by Zurich Australia Limited.

Zurich Superannuation Income Replacement does not contain an investment component. There may be advantages to paying life insurance premiums through superannuation but there are also restrictions on benefits being paid under superannuation law and there may be tax implications upon payment.

Superannuation law

Benefits are only payable to trustees where you satisfy a condition of release under superannuation law. Currently this includes a requirement to cease gainful employment (under superannuation law) solely due to *sickness* or *injury* for at least one full day before being able to access benefits (assuming you then return to work). The total benefit may also be capped so that the total benefit plus any *post-disability income* does not exceed your *pre-disability income*. See Part 2 (page 26).

Cover provided

The Zurich Superannuation Income Replacement policy pays, after the expiry of the *waiting period*, an income while you are disabled and suffer a loss of income because of that disability.

Although the concept is relatively simple, there are many choices to be made when setting up income replacement cover to ensure the policy is aligned with your individual situation.

The parameters which can be tailored are set out in the table on page 24 and some brief explanations of the terminology we use is provided on this page.

A financial adviser will help you to determine which parameters are most appropriate to your situation.

Common terminology

The *waiting period* is the number of days that you need to qualify for the Income benefit due to *sickness* or *injury* before being eligible for payment.

The *benefit period* is the maximum period we will pay Income benefits for when you suffer from the same or a related *sickness* or *injury*.

The *level of cover* refers to the number of policy features included in the cover, which can be chosen to fit with needs and budget.

Level of cover	Description
standard	A base level of cover. The cost of cover is reduced because in order to qualify for a benefit, you must totally stop work for 14 days during the <i>waiting period</i> .
comprehensive	A fully featured level of cover. You must totally stop work for at least one full day in the <i>waiting period</i> to be eligible for an Income benefit.

A summary of the different benefits provided under each *level of cover* is set out on page 23.

Eligibility & amount of cover

The availability of cover depends on your occupation and state of health. You will be assigned an occupation rating (A1, A1M, A2, A3, B1, B2, B3 or SR) – your financial adviser will be able to assist in determining the correct rating. Some policy features and optional extras are restricted to certain occupations.

The amount of cover you can apply for will depend on your income. Generally, up to 75 per cent of *average monthly pre-tax income* can be insured.

Income benefit

Qualifying for an Income benefit

To be eligible for an Income benefit, you must be under the regular care of, and following the advice of, a *medical practitioner*.

We will pay an Income benefit after the expiry of the *waiting period* if, solely as a result of a *sickness or injury*, until the expiry of the *waiting period*:

- your *pre-disability income* from your *usual occupation* has reduced by 20 per cent or more or
- you are unable to perform one or more *income producing duties* of your *usual occupation* or
- you are unable to perform the *income producing duties* of your *usual occupation* for more than 10 hours per week.

Under the standard *level of cover* the life insured must also stop working for a period of at least 14 days during the *waiting period*.

Determining the benefit amount

The amount we pay if you aren't earning any income (often referred to as being totally disabled) is different to the amount of benefit we pay if you are still earning income (often referred to as being partially disabled). Both situations are explained below, and examples for each are set out on the next page. All benefits are subject to the cap explained in the box on the previous page.

If you aren't earning any income

If, at the expiry of the *waiting period*, you have no *post-disability income* or are working for 10 hours or less per week solely as a result of a *sickness or injury* then we will pay the lesser of the *insured monthly benefit* and 75 per cent of *pre-disability income*.

The *insured monthly benefit* is the amount of benefit shown on the policy schedule, plus indexation increases (if any).

You can work for up to 10 hours per week and still claim the maximum Income benefit available under the policy. You could use this time to check on your business while suffering from *sickness or injury*.

If you are earning income

If, at the expiry of the *waiting period*, you have *post-disability income*, the benefit we will pay will be proportionate to the loss and calculated on a monthly basis using the following formula:

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

When benefits are paid

We pay the Income benefit two weeks in arrears and two weeks in advance, depending on the likely duration of the claim, with the first payment due 15 days after the expiry of the nominated *waiting period* until:

- the *sickness or injury* giving rise to the claim does not prevent you from earning your *pre-disability income* from personal exertion from your *usual occupation*
- the *benefit period* ends
- the cover expires
- your death
- you are no longer under the regular care of a *medical practitioner* for treatment of the *sickness or injury*
- you are not following the treatment recommended by a *medical practitioner*.

Income benefit exclusions

We will not pay for *sickness or injury* occurring as a direct or indirect result of:

- an intentional self-inflicted act or
- attempted suicide or
- *uncomplicated pregnancy or childbirth* or
- elective surgery or donor transplant surgery (unless the surgery occurs more than six months after any cover start date, increase or reinstatement) or
- an act of war (whether declared or not).

Income benefit examples

When you aren't earning any income

Example 1

The *insured monthly benefit* is \$3,000
The *pre-disability income* is \$4,000

The Income benefit is calculated as the lesser of the *insured monthly benefit* (\$3,000) and 75 per cent of *pre-disability income* (75 per cent of \$4,000 = \$3,000)

The Income benefit we will pay is \$3,000.

Example 2

The *insured monthly benefit* is \$4,000
The *pre-disability income* is \$4,000

The Income benefit is calculated as the lesser of the *insured monthly benefit* (\$4,000) and 75 per cent of *pre-disability income* (75 per cent of \$4,000 = \$3,000)

The Income benefit we will pay is \$3,000.

When you are earning income

Example 3

The *insured monthly benefit* is \$3,000
The *pre-disability income* is \$4,000

Because of *sickness* or *injury* you are only generating 25 per cent of *pre-disability income* (25 per cent of \$4,000 = \$1,000)

The Income benefit is calculated using the formula.

$$\frac{\$4,000 - \$1,000}{\$4,000} \times \$3,000 = \$2,250$$

The Income benefit we will pay is \$2,250.

Example 4

The *insured monthly benefit* is \$4,000
The *pre-disability income* is \$4,000

Because of *sickness* or *injury* you are only generating 25 per cent of *pre-disability income* (25 per cent of \$4,000 = \$1,000)

The Income benefit is calculated using the formula.

$$\frac{\$4,000 - \$1,000}{\$4,000} \times \$4,000 = \$3,000$$

The Income benefit we will pay is \$3,000.

Unemployment/employment breaks and income replacement

Zurich Superannuation Income Replacement is designed for people who are working in paid employment. However, cover can continue during periods of unemployment.

For all occupation categories except SR

The definition of *usual occupation* will change if you have been unemployed or on long service leave, maternity leave, paternity leave or sabbatical leave for more than 12 consecutive months immediately prior to the *sickness* or *injury* causing disability. Rather than *usual occupation* being the occupation predominantly performed in the 12 months prior to the *sickness* or *injury* it will be any occupation to which you are reasonably qualified by education, training or experience.

If you are involuntarily unemployed other than as a direct result of a *sickness* or *injury*, cover has been in force for the previous 12 months and you are registered with an employment agency approved by us, we will waive *premium* for up to three months at a time (12 months over the life of the policy). Each request to waive *premium* must occur at least 12 months apart.

For SR occupations

Zurich Superannuation Income Replacement terminates at the end of any 12 month period during which you have not been engaged in *full-time paid employment* other than as a direct result of a *sickness* or *injury* or where we have given prior written approval.

Extending cover (if you have 'to age 65' benefit period and continue working)

On the *policy anniversary* following your 65th birthday, cover can be extended on a limited basis, up to the *policy anniversary* following your 70th birthday, if you are still working in paid employment for more than 30 hours per week. You must apply to us at least 60 days before the cover would otherwise end (shown on the policy schedule), but no more than 90 days before the policy expiry date.

The *benefit period* on extended cover is one year and an Income benefit will only be payable where there is no *post-disability income* (ie. no partial benefits are payable). The extended cover does not include any optional extras.

Waiting period flexibility with employment related salary continuance

If you select a 2 year *waiting period* because you have employment related salary continuance, we may allow a reduction in the *waiting period* without health assessment if you change employer and salary continuance cover is not provided by your new employer.

Cover descriptions

A summary of the cover provided and a parameter table, including age ranges and available sum insured information are set out on the following pages.

The policy conditions contain all the detailed terms and conditions – they are set out in Part 2 of this PDS.

Policy summary

In-built benefits	Summary	standard	comprehensive
Income benefit	Provides an income if you are disabled and suffer a loss of income as a direct result (as described in the previous section).	✓ [#]	✓
Funeral benefit	A lump sum of three times the <i>insured monthly benefit</i> to help with immediate expenses is payable on death. We will only pay one funeral benefit if you have multiple Zurich income policies.	✓	✓
Confined to bed benefit	Benefits are payable right away during the <i>waiting period</i> (max 180 days) if you are disabled and <i>confined to bed</i> for more than 2 days and unable to earn any income.		✓

life insured must totally stop work for 14 days during the *waiting period*.

In-built policy provisions which apply to all policies	Key exclusions on in-built provisions
Inflation protection – cover will increase every year, unless declined by you, without health assessment.	The policy must be in force for 12 months before a Premium holiday is available. No cover is provided for any insured event apparent or occurring during a Premium holiday.
Waiver of premium – <i>Premiums</i> are waived while we are paying a claim.	
Recurrent disability – no <i>waiting period</i> applies if disability recurs from a related cause within 12 months (6 months for SR occupations).	
Concurrent disability – if you have more than one <i>sickness</i> or <i>injury</i> , the one which pays the most benefit will apply (we won't pay the benefit twice).	
Premium holiday – allows a 3, 6, 9, or 12 month break in cover (12 months over the life of the policy) to ease financial pressure.	

Optional extras	Summary	standard	comprehensive
Increasing claims option	Benefits can increase quarterly with CPI while on claim.	✓	✓
Super contributions option*	Cover is available for regular super contributions in addition to the Income benefit, so super savings continue during a claim. See Part 2 (page 27) for details of how this benefit works.	✓	✓
Day 4 accident option*	Benefits during the <i>waiting period</i> if you are disabled due to accident. This option is only available with <i>waiting periods</i> of 90 days or less.	✓	✓
Future insurability option*	Increase cover without <i>underwriting</i> every year subject to conditions set out in Part 2 (page 28).		✓
Booster option*	Benefits paid in the first 30 days of a claim can be boosted by one third.	✓	✓
Severe disability option*	Additional income if you are severely disabled and unable to perform two <i>activities of daily living</i> for more than three months during the <i>benefit period</i> .	✓	✓

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

Certain benefits overlap and are not payable for the same period, see More than one benefit at a time in Part 2 (page 25).

Certain optional extras added after policy commencement cannot be exercised if an insured event occurs or is apparent within 90 days after the option is added.

Full conditions and exclusions for all Zurich Superannuation Income Replacement benefits and optional extras are set out in the policy conditions in Part 2 starting on page 23.

Useful parameters

Parameters	Standard & comprehensive cover	Restricted parameters which impact SR occupations
Application ages	19 – 48 for benefits to age 55 19 – 53 for benefits to age 60 19 – 59 for all other <i>benefit periods</i>	19 – 53
Occupation eligibility	Standard cover is available to all occupation categories. Comprehensive cover is available to all occupation categories, except SR.	SR occupations can only have the standard <i>level of cover</i>
Employment status	You must be working in <i>full-time paid employment</i> (minimum 26 hours per week)	
Available <i>waiting periods</i>	• 14, 30, 60, 90 or 180 days • 1 or 2 years The <i>waiting period</i> may be split so that different <i>waiting periods</i> apply to two portions of Income benefit.	30, 60 or 90 days
Available <i>benefit periods</i>	• 1, 2 or 5 years • benefits payable to age 55 • benefits payable to age 60 • benefits payable to age 65 • benefits payable to age 70 (only A1, A1M, A2 and A3 occupations)	1, 2 or 5 years
When ability to increase cover ends	Up to the expiry of the policy	
Expiry ages (for the Income benefit)	• <i>policy anniversary</i> following 55th birthday for benefits payable to age 55 • <i>policy anniversary</i> following 60th birthday for benefits payable to age 60 • <i>policy anniversary</i> following 65th birthday for benefits payable for 1, 2 and 5 years and for benefits payable to age 65 • <i>policy anniversary</i> following 70th birthday for benefits payable to age 70 (from the <i>policy anniversary</i> following 65th birthday, the caps shown in the table on page 26 of Part 2 apply)	<i>policy anniversary</i> following 60th birthday
Expiry ages (for optional extras)	Optional extras generally end at the same time as the Income benefit (ie. when the policy ends). The exceptions are: • Future insurability option: ceases on <i>policy anniversary</i> following 54th birthday • where cover is extended to age 70	
Minimum cover available	\$1,500 per month (subject to your income)	
Minimum cover increase amount	\$500 per month	
Maximum cover available at outset	no maximum (depends on individual needs)	\$10,000 per month
Minimum <i>premium</i>	\$200 per year excluding stamp duty and management fee	

Duty of disclosure

When completing your application form, it is important that you answer the questions correctly and note the following important information.

If you are replacing existing cover with us, with no changes to the cover (eg. *insured monthly benefit, level of cover, benefit period, waiting period* and optional extra benefits are unchanged) you do not need to complete a Life Insured's Statement informing us of changes to your personal circumstances since your original application. The duty of disclosure will only apply to matters set out in the application form.

Your duty of disclosure

Before you enter into a life insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you extend, vary or reinstate the contract.

You do not need to tell us anything that:

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

If the insurance is for the life of another person and that person does not tell us everything he or she should have, this may be treated as a failure by you to tell us something that you must tell us.

If you do not tell us 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 you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the contract within 3 years of entering into it.

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

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

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

Privacy

Zurich is bound by the Privacy Act 1988 (Cth). Before providing us with any personal or sensitive information ('information'), you should know the following.

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

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

The Australian laws include:

- Australian Securities and Investment Commissions Act 2001
- Corporations Act 2001
- Insurance Contracts Act 1984
- Life Insurance Act 1995
- Superannuation Industry (Supervision) Act 1993
- Anti Money Laundering and Counter Terrorism Financing Act 2006
- Anti Money Laundering and Counter Terrorism Financing Rules Instrument 2007 (No. 1)
- Income Tax Assessment Act 1997
- Taxation Administration Act 1953
- Superannuation Guarantee (Administration) Act 1992
- Small Superannuation Accounts Act 1995
- Superannuation (Unclaimed Money and Lost Members) Act 1999

- Superannuation (Resolution of Complaints) Act 1993
- Superannuation (Government Co-contribution for low income earners) Act 2003 and
- Family Law Act 1975 (Part VIIIB)

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

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

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

Complaints resolution

If you have a complaint about Zurich Income Replacement, you should contact Zurich Customer Care on 131 551. We will aim to acknowledge any complaint within 5 days and to resolve your complaint within 45 days. If you are not satisfied with the response you receive from us, or we fail to resolve the complaint within 45 days, you can raise the matter with the Financial Ombudsman Service, GPO Box 3, Melbourne VIC 3001. The telephone number is: 1300 780 808 and the email address is: info@fos.org.au

Zurich Superannuation Income Replacement is provided through Zurich Master Superannuation Fund by the trustee of that fund, Zurich Australian Superannuation Pty Limited. A complaint about the trustee can be made by contacting Zurich Customer Care on 131 551. We will aim to acknowledge any complaint within 5 days and to resolve the complaint within 90 days. If you are not satisfied with the response you receive from us, or we fail to resolve the complaint within 90 days, you can raise the matter with the Superannuation Complaints Tribunal (SCT) at Locked Bag 3060, GPO Melbourne VIC 3001. The telephone number is: 1300 884 114 and the email address is: info@sct.gov.au

The SCT is an independent body established by the Commonwealth Government to review trustee decisions relating to its members, as opposed to trustee decisions about the management of a superannuation fund as a whole. The objective of the SCT is to provide a fair, timely and economical means of resolution of complaints as an alternative to the court system. The SCT cannot consider

complaints that have not been first referred to a trustee's complaints resolution process.

If your complaint is outside the jurisdiction of the SCT, you may instead be able to raise it with the Financial Ombudsman Service (FOS). FOS is an independent body designed to help you resolve complaints relating to your Zurich product, as well as complaints relating to financial or investment advice and sales of financial or investment products. You can contact FOS at GPO Box 3, Melbourne VIC 3001. The telephone number is: 1300 780 808 and the email address is: info@fos.org.au

Initial premiums

If we are unable to process your application straight away for any reason, Zurich will deposit any money received into a Trust Account. Under current legislation this money can only be held in a Trust Account for a maximum of one month or a period that is 'reasonable' in the circumstances. Provided Zurich has sufficient proof that we have been attempting to finalise the application by way of following up the outstanding requirements, then the 'reasonable' period will be not more than four months.

Any interest earned on the moneys in the Trust Account will be retained by Zurich to recover administration costs incurred in finalising the application.

Conversion of cover to a non-superannuation (life insurance) policy

If you are insured under a Zurich Superannuation Income Replacement policy, you can apply to convert your cover to a non-superannuation policy.

You can apply to effect this conversion:

- at any time while you are a member of the fund or
- within 30 days of ceasing to be a member of the fund.

If you are over the age of 65 and do not inform the trustee whether you are still eligible to contribute to superannuation, the trustee will apply to convert your cover to a non-superannuation policy and transfer ownership to you. The *premiums* will no longer be contributions to a superannuation fund.

Transferring ownership

If you wish to change the ownership of your policy from one owner to another, you may use a Memoranda of transfer which is available from us. The Memoranda of transfer cannot be used to change ownership in some instances eg. from a non-superannuation owner to a superannuation fund, instead we will cancel and replace your policy in order to make this change. Please contact us if you require further information about assignment of ownership.

The following information is a guide only for individual policy owners (or for the life insured in the case of Zurich Superannuation Income Replacement).

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 Income Replacement

The *premiums* you pay for your policy, except for the *premiums* for the Lump sum accident option, Home support option, Family care option, Needlestick cover option and Family support benefit, if applicable, can generally be claimed as a tax deduction by both employees and self-employed people who are the policy owner and life insured. 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 Income benefits and Super contributions option benefits you receive from your policy must be included in your tax return and will be taxed at your marginal income tax rate. However, lump sum amounts under the Lump sum accident option and Needlestick cover option are not generally taxable.*

If you have opted to insure your monthly superannuation contribution by selecting the Super contributions option then these benefits will be applied directly to your fund as superannuation contributions. Benefits are applied on your behalf pursuant to a 'direction to pay' which you give us by making an application for this benefit. This benefit counts as part of your income for tax purposes and we do not deduct or withhold tax from it. If you are self-employed you may be entitled to a deduction on some or all of the superannuation contributions made on your behalf.

* This assumes (1) proceeds are either received by the original beneficial owner or by an owner who acquired the policy for no consideration, or (2) cover proceeds are received by the life insured. If your situation varies from either of these assumptions, there may be different taxation results.

Policies held in superannuation

Zurich Income Replacement can be set up with external superannuation ownership (eg. through a self-managed super fund or superannuation platform).

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 super funds, you should consult your tax adviser on the taxation implications of contributions made by your members to your fund and payments of insurance proceeds from your fund to members. For members of an external superannuation platform provider, please consult the taxation section of the PDS prepared by your platform provider.

Zurich Superannuation Income Replacement

Premiums for Zurich Superannuation Income Replacement are funded either by contributions you make to the fund or by rollovers.

Non-concessional contributions

Non-concessional contributions are generally contributions for which a tax deduction cannot be claimed, for example contributions from after tax income. The amount of non-concessional contributions you are eligible to contribute to superannuation in a financial year is capped. The cap applies across all superannuation funds you are a member of and can vary depending on your age and work status. For information on current caps, please refer to the ATO website (www.ato.gov.au)

The trustee is only able to accept non-concessional contributions if you provide your TFN and up to the maximum contribution cap (on a per transaction basis).

From 1 July 2013, if you exceed your non-concessional contributions cap, you will receive an excess non-concessional contributions determination. You will have the option to withdraw all your excess non-concessional contributions and 85% of the associated earnings (as tax has already been paid on the earnings by your super fund). If you choose this option the total amount of your associated earnings will be included in your assessable income and taxed at your marginal tax rate. You will be eligible to receive a 15% tax offset for the tax paid in your personal tax return.

If you choose not to release your excess non-concessional contributions from the fund, you will receive an excess non-concessional contributions tax assessment. The excess amount is taxed at the highest marginal tax rate.

Concessional contributions

In general, an employer and certain eligible individuals (eg. a self-employed or substantially self-employed person) may make contributions to superannuation and receive a tax deduction on the full amount contributed to superannuation.

However, contributions made by an individual or an employer for insurance-only superannuation income replacement benefits will generally not be tax deductible.

Within superannuation, contribution caps will limit the amount of concessional contributions and contribution caps apply across all funds you are a member of. The ATO will receive information from superannuation providers to determine if concessional contributions to superannuation in a financial year exceed the cap. For information on current caps, please refer to the ATO website: www.ato.gov.au

From 1 July 2013, if you exceed your concessional cap, your excess concessional contributions will be included in your assessable income and are subject to your marginal rate of tax plus an interest charge. The excess contributions are eligible for a 15% tax offset, to allow for the 15% contributions tax already deducted from the super contribution upon entry to the super fund. You can choose to withdraw part or up to 85% of the excess contributions to help pay the higher amount of income tax. You can do this by filling out the excess concessional contributions election form, which provides a release authority to the fund. Alternatively, you can choose to retain the excess concessional contributions within your super account, and pay the extra income tax from your personal savings. If you do choose to retain the excess contributions within your super account, the excess amount will count towards your non-concessional cap.

As Zurich Superannuation Income Replacement has no account balance you will need to nominate a different superannuation fund to pay your tax bill unless you will pay this bill personally.

Benefits

The benefits paid under Zurich Superannuation Income Replacement must be included in your tax return and will be taxed at your marginal income tax rate (except for benefits transferred to another super fund under the Super contributions option and benefits payable on death).

Insurance-only superannuation information

If you have chosen Zurich Superannuation Income Replacement, you should be aware of the following information which affects your cover.

Contributing to superannuation funds

When you pay *premiums* for your insurance cover, you are making contributions to a superannuation fund and you will need to be eligible to contribute to super.

In addition to compulsory employer contributions, the fund may accept contributions that are made:

- in respect of a member who is under the age of 65
- in respect of a member who is over the age of 65 and under the age of 75 and is gainfully employed on at least a part-time basis during the financial year in which the contributions are made (spouse contributions are not permitted after age 70).

A member is gainfully employed on a part-time basis during a financial year if he/she has worked at least 40 hours in a period of not more than 30 consecutive days in that financial year.

At application, we will ask you the source of your contributions and report contributions paid based on the information you provide to us. It is important to keep us updated of changes to your circumstances as we may be unable to re-report contributions.

If the trustee is notified that you have become ineligible to contribute to the superannuation fund, your cover will in normal circumstances cease due to the trustee not being able to fund the risk *premiums*.

If you are over the age of 65 and do not inform the trustee whether or not you are eligible to contribute to superannuation, the trustee will apply to convert your cover to a non-superannuation policy and transfer ownership to you.

Premiums paid during a period in which you were ineligible to contribute will not be refunded.

Payments under superannuation

An insurance benefit is only payable to you if you meet a condition of release under superannuation law.

In some situations, certain amounts (including refunds of *premium*) may be paid to the trustee where it is not permitted, either by superannuation law or the terms of the governing rules of the fund, to pay the amount to you.

Also, situations can occur where there is no entitlement to an insurance benefit but the incapacity suffered is such that you would be entitled, under superannuation law and the governing rules of the fund to receive your

superannuation account balance. It should be noted that in such cases, no insurance benefit will be payable under the policy and accordingly by the fund.

Where an amount under Zurich Superannuation Income Replacement is paid or refunded to the trustee of the fund, but the trustee is required to preserve the amount, we will contact you for instructions to transfer the amount to another complying superannuation fund. If you do not provide us with instructions for payment within the timeframe provided, we may transfer the amount to AUSfund. If this occurs, you must apply to the trustee of AUSfund for payment.

AUSfund can be contacted at:

AUSfund Administration
PO Box 543
Carlton South VIC 3053

Phone: 1300 361 798

Email: admin@ausfund.net.au

Web: www.unclaimedsuper.com.au

Any funeral benefits will normally be paid to your legal personal representative (generally the executor of your will or the administrator of your estate), unless the trustee:

- is unable to identify your legal personal representative within 6 months of the trustee being notified of your death or
- has reason to believe your estate is insolvent.

If either of the above apply, benefits are instead paid to spouses or, if none, children in equal shares (where there are more than one). For example, if you have no spouse and two children, both children would receive 50 per cent.

Note that a person is only a 'spouse' or a 'child' if the trustee is aware of the person's existence and is satisfied of their status as such.

If there is no spouse or child, then the trustee must pay the death benefit to your legal personal representative (even if the estate is insolvent) or deal with the death benefit under applicable laws relating to unclaimed super.

Tax file numbers

In order to apply for Zurich Superannuation Income Replacement you must provide your TFN. If you do not provide your TFN, you are unable to become a member of the fund and purchase the nominated insurance. Provision of the TFN will also allow you to make non-concessional (after-tax) contributions and/or to avoid paying excessive tax on employer (concessional) contributions.

Important information you need to know before providing your TFN

We are required to tell you the following before you provide your TFN to the trustee.

- Under the *Superannuation Industry (Supervision) Act 1993*, we are allowed to collect your TFN.
- We will use it only for legal purposes. This includes finding or identifying your superannuation benefits where other information is insufficient, verifying that certain contributions may be accepted, calculating tax on any superannuation lump sum you may be entitled to, quoting your TFN to the ATO when reporting details of contributions, and providing information to the ATO. These purposes may change in the future.
- It is not an offence if you choose not to quote your TFN. However, if you decline to quote your TFN to a super fund trustee, either now or later, you may not be able to make certain types of contributions and/or pay more tax than you would otherwise have to. You may be able to reclaim this through the income tax assessment process. It may also be more difficult to find your benefits in the future to pay you any superannuation benefits you are entitled to, or to amalgamate or find any other benefits for you. These consequences may change in the future. We will not record a TFN provided to us from another fund or the ATO if you tell us not to in writing.
- We may provide your TFN to the trustee of any other superannuation fund to which your benefits are transferred in the future. We will not pass your TFN to any other fund if you tell us in writing that you do not want us to pass it on. We may also give it to the ATO. Otherwise we will treat it as confidential.

Further information

You may request further information about these policies, including a copy of the trust deed for the fund, by contacting us (see Part 2, page 39 for details). If so requested, we will give you further information which has previously been generally made available to the public. The provision of further information may be subject to a charge.



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Important notes

This section of the PDS (Part 2) contains the policy conditions which apply to the following policies:

- **Zurich Income Replacement**
- **Zurich Superannuation Income Replacement**

These policy conditions are a legal document. It is important to read them carefully and keep them in a safe place. This document is a record of the terms and conditions of the policy once cover is accepted.

Defined terms

In this PDS, all terms appearing in *italics* are defined terms with special meanings. Detailed definitions begin on page 30. Policy features are capitalised for ease of identification.

General policy conditions

General policy conditions

These policy conditions set out the benefits applicable to Zurich Income Replacement and Zurich Superannuation Income Replacement and explain how the policies operate. The policy includes these policy conditions (Part 2 of the PDS) and the policy schedule, which will be sent when the policy is issued. The policy schedule shows details of the policy including the policy type, ownership details, the lives insured, the amount of cover, any optional benefits and any terms and conditions particular to the policy.

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 'we', 'our' or 'us' is a reference to Zurich Australia Limited.

If we have accepted an application to vary an existing policy with a benefit or option which is no longer available (as the policy is described in this PDS), the terms and conditions for such benefit or option are set out in the latest version of the policy conditions that describes it.

Contract

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

There is no contract between a member of the fund and Zurich Australia Limited in relation to Zurich Superannuation Income Replacement.

All communications (including instructions, requests and notifications) must be made between the policy owner and us except where there is an agreement for communications to be made between another person and us. For example, this would apply to the life insured in the case of:

- insurance-only superannuation policies and
- life insurance policies issued to a superannuation platform trustee where we have an arrangement with the platform trustee.

Cooling off period

The policy provides valuable insurance protection. However, if it is not completely satisfactory, you can cancel the policy in writing or by phone within 21 days.

We will cancel the policy and promptly refund *premiums* paid provided no rights have been exercised under the policy.

The '21 day' period commences from the date of receipt of the policy schedule. Unless proven otherwise, we will assume it was received within five business days of us issuing it.

Guarantee to renew

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

Upgrade of benefits

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

Changes to the policy

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.

World-wide cover

This policy provides cover 24 hours a day, seven days a week, world-wide.

Termination of the policy

The policy terminates on the first to occur of:

- the *insured monthly benefit* expiry date
- the death of the life insured covered under the policy, unless a benefit continues to be payable under the Family care option, Home support option or Family support benefit
- if the life insured's occupation is Special Risk (SR), the policy will terminate at the end of any 12 month period during which the life insured has not been engaged in *full-time paid employment* other than where this is a direct result of a claimable event under the policy or where we have given written permission for cover to continue
- the death of the life insured covered under the policy
- the latest benefit expiry date on the policy schedule
- the non-payment of any *premium* within 30 days of its due date
- termination of the *related super policy* (if applicable)
- our receipt of written notification to terminate this policy.

The following additional termination applies to Zurich Superannuation Income Replacement:

- if the life insured is no longer eligible to contribute to superannuation and the policy is not converted to a non-superannuation policy (see the Conversion to a non-superannuation policy clause on page 27).

Premium and reinstatements

Payment of premium

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

Unpaid premium

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

Reinstatement

In the first 30 days after lapse, we will reinstate the cover immediately if we receive a request and all outstanding *premiums* are paid. If the policy is reinstated in this period, no benefits will be paid for an event which occurred or was apparent while the policy was lapsed.

After 30 days, the policy can be considered for reinstatement if we receive a signed reinstatement application. We will consider an application for

reinstatement within 12 months of the due date of the first unpaid *premium* but we may decline to reinstate or impose conditions. If the policy is reinstated in this 12 month period, the cover recommences from the date that we accept the application for reinstatement and no cover is provided during the period of lapse. This means that no payments will be made for an insured event which occurred or became apparent while the policy was lapsed.

Amount of premium

The *premium* payable from the start of the policy to the first *policy anniversary* is shown on the policy schedule. Where relevant, the policy schedule will also show whether stepped premium or level premium applies.

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

Stepped premium

Where the stepped premium structure applies, the *premium* payable changes on each *policy anniversary*.

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

- the gender, age next birthday and smoking status of the life insured
- the *level of cover*, *waiting period* and *benefit period*
- the life insured's occupation
- if applicable, any optional benefits applying
- the amount of cover for each benefit provided
- the frequency of payment
- any extra *premium* or loading applying.

Level premium

Where the level premium structure applies, the *premium* payable (except for the management fee) does not change on each *policy anniversary* until the level switch date, when *premiums* will be calculated each year as per the stepped premium structure.

The level switch date is the *policy anniversary* following the life insured's 65th birthday.

If the amount of cover increases at the *policy anniversary* under the Inflation protection benefit, the *premium* for the increase in cover is calculated at that time from our current standard premium rates on the basis of:

- the age next birthday of the life insured
- the gender and smoking status of the life insured

- the *level of cover, waiting period and benefit period*
- the life insured's occupation
- if applicable, any optional benefits applying
- the amount of the increase in cover for each benefit provided
- the frequency of payment
- any extra *premium* or loading applying.

Even when the level premium structure applies, the *premium* may change if we change the standard premium rates applying to a benefit provided by the policy. When the standard premium rates can be changed is explained in the Premium review clause below.

Premium review

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

Management fee

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

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

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

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.

Premium holiday

This provision does not form part of the policy if the policy is administered via platform.

A Premium holiday can be activated by request, on any policy which has been continuously in force for a period of at least 12 months. A Premium holiday can be activated for a 3, 6, 9 or 12 month period starting from the latest unpaid premium due date.

When a Premium holiday is activated we will confirm in writing:

- the premium holiday start date
- the premium holiday end date and
- the next premium due date.

From the premium holiday start date until the premium holiday end date ('premium holiday period'):

- the policy is not in force for any life insured
- no *premiums* are required in respect of that period and
- Inflation protection increases will continue to be offered if a *policy anniversary* passes.

No cover is provided under the policy for any insured event which:

- is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) before the premium holiday start date, unless all elements of the insured event are already fully satisfied before the premium holiday start date or
- occurs or is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) at any time during the premium holiday period.

If we receive the requested *premium* within 30 days of the next premium due date, the policy will be back in force automatically on the premium holiday end date, subject to the above exclusion. The *premium* will recommence and become payable from the premium holiday end date. The *premium* payable will be calculated as if the Premium holiday had not occurred. If the requested *premium* is not paid within 30 days of the next premium due date, the policy will terminate.

Varying a Premium holiday

Subject to our approval and on any additional terms we determine, a Premium holiday which has already started can be extended or reduced. We must receive the request 14 days before the earlier of the original or proposed premium holiday end date and the variation is not effective until we confirm our acceptance in writing.

If the premium holiday period is reduced, it must be reduced by a minimum of 4 months and, in addition to the conditions above, no cover is provided under the policy for any insured event which occurs or is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) in the first 90 days after the revised premium holiday end date.

Restrictions and limitations – Premium holiday

A Premium holiday cannot be used to access *premiums* that have already been paid. We will not refund any paid *premiums* under this provision.

Any subsequent Premium holiday must be separated by 12 months during which all requested *premiums* are paid on the policy.

A Premium holiday may only be used once in any 12 month period and a maximum total period of 12 months of Premium holiday is available over the life of the policy.

For the purposes of these policy conditions, when the policy is back in force following a period of Premium holiday, it is considered a reinstatement of the policy and certain benefits are not payable for a period of time after the premium holiday end date.

Making a claim

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

All claims are paid in Australian dollars.

How to claim

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

Claim requirements

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

- the policy schedule
- proof of claimable event or condition and when it occurred
- supporting evidence from appropriate specialist *medical practitioners* registered in Australia or New Zealand (or other country approved by us)
- proof of the life insured's age

- in the case of a claim under the Home support option, proof of the covered *spouse'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, applications must be made by the person to whom the 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 the Business expenses option:

- proof of *pre-disability business earnings*
- proof of *business earnings* received during the period of the claim, and *eligible business expenses* incurred during the period of the claim
- proof of the basis normally applying in the *business* or professional practice for apportioning the expenses and outgoings to the life insured
- proof of any other income, and expenses, taken into account in the calculation of the Business expenses benefit.

Assessing the claim

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

For Zurich Income Replacement and Zurich Superannuation Income Replacement:

- 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.

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.

Payment of benefits under Zurich Income Replacement

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

Payment of benefits under Zurich Superannuation Income Replacement

All benefits under these policies are payable to the trustee of the fund.

Residency and applicable laws

These policies are designed for customers who are resident in Australia. If you or the life insured moves to another country outside of Australia, your policy may no longer be suitable for your individual needs, and you may no longer be eligible to make payments into your policy. 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.

You need to tell us of any planned change in residency before the change happens.

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.

A change in residency might require us to suspend or terminate your insurance accordingly.

We and other companies within the worldwide Zurich group of companies have obligations under Australian and foreign laws. Regardless of any other policy terms and conditions, 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.

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 or any directors, officers or beneficial owners of the policy owner (as applicable) as sanctioned persons, 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 condition to the changed legal and regulatory requirements, provided the change is lawful.

Zurich Income Replacement

These policy conditions apply to Zurich Income Replacement.

The policy schedule shows the life insured covered under the policy, the *level of cover* (standard, comprehensive or premier), the *insured monthly benefit*, whether the policy is 'agreed value' or 'indemnity', the *benefit period*, the *waiting period*, the premium structure, any optional benefits provided and whether the policy has a *related super policy* or a *related income policy*. The policy schedule also shows the benefit expiry date applying to each insured benefit. Benefits are only 'in force' from the applicable start date until the applicable benefit is terminated.

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

Optional benefits are described in the Optional benefits section starting on page 15.

We will offer to increase the cover each year in line with inflation under the Inflation protection benefit unless we receive a request not to make these increases.

The benefits provided by the Zurich Income Replacement policy are set out below. The benefits that apply to the policy will depend on the *level of cover* selected. Each benefit description in this section indicates whether it applies to the standard, comprehensive and/or premier *level of cover* and (if applicable) sets out provisions that apply to each *level of cover*. If the *level of cover* shown on the policy schedule is not listed under a benefit description, then that benefit does not apply to the policy.

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

Income benefit

Level of cover: comprehensive/premier

To be eligible for the Income benefit, the life insured must be under the regular care of, and following the advice of, a *medical practitioner*. He/she must be unable to earn his/her *pre-disability income* from his/her *usual occupation* until the end of the *waiting period*.

The Income benefit is payable after the expiry of the *waiting period* if, until the expiry of the *waiting period*, solely as a result of a *sickness* or *injury*, while the policy is in force and before termination of the policy:

- the life insured's *pre-disability income* from his/her *usual occupation* has reduced by 20 per cent or more, or
- the life insured is unable to perform one or more *income producing duties* of his/her *usual occupation* or
- the life insured is unable to perform the *income producing duties* of his/her *usual occupation* for more than 10 hours per week.

The policy schedule will show whether the cover is agreed value or indemnity.

Level of cover: standard

To be eligible for the Income benefit, the life insured must be under the regular care of, and following the advice of, a *medical practitioner*. He/she must not work in any occupation for a period of at least 14 days and he/she must be unable to earn his/her *pre-disability income* from his/her *usual occupation* until the end of the *waiting period*.

The Income benefit is payable after the expiry of the *waiting period* if, until the expiry of the *waiting period*, solely as a result of a *sickness* or *injury*, while the policy is in force and before termination of the policy:

- the life insured's *pre-disability income* from his/her *usual occupation* has reduced by 20 per cent or more, or
- the life insured is unable to perform one or more *income producing duties* of his/her *usual occupation* or
- the life insured is unable to perform the *income producing duties* of his/her *usual occupation* for more than 10 hours per week.

The policy schedule will show whether the cover is agreed value or indemnity.

Amount of benefit payable under agreed value cover**Level of cover: standard/comprehensive/premier**

If at the expiry of the *waiting period* the life insured has no *post-disability income* then we will pay a benefit that is equal to the *insured monthly benefit*. Otherwise, the benefit we will pay after the expiry of the *waiting period* will be proportionate to the income loss and calculated on a monthly basis using the following formula:

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

Amount of benefit payable under indemnity cover**Level of cover: standard/comprehensive/premier**

If at the expiry of the *waiting period* the life insured has no *post-disability income* then we will pay a benefit that is equal to the lesser of the *insured monthly benefit* and 75 per cent of *pre-disability income*. Otherwise, the benefit we will pay after the expiry of the *waiting period* will be proportionate to the income loss and calculated on a monthly basis using the following formula:

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

When the Income benefit is payable until

Under agreed value and indemnity cover, we will continue to pay the Income benefit until any one of the following events occurs:

- the *sickness* or *injury* giving rise to the claim does not prevent the life insured earning his/her *pre-disability income* from personal exertion in his/her *usual occupation*
- the *benefit period* ends
- the policy is terminated
- the death of the life insured
- the life insured is no longer under the regular care of a *medical practitioner* with regard to treatment for the *sickness* or *injury*
- the life insured is no longer following the treatment recommended by a *medical practitioner* at such intervals and frequency as will lead to a cure, alleviation or minimisation of the condition causing the disability.

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

We pay a proportion of the Income benefit when the claim requirements have been provided, with the first payment due 15 days after the *waiting period* ends, and monthly thereafter. When the claim ends before the next payment due date, we will pay 1/30th of the Income benefit for each day less than 15 days.

Restrictions and limitations – Income benefit

If the policy is issued to the trustee of a superannuation fund, the Income benefit is subject to the superannuation restrictions and limitations described on page 14.

Specified injury benefit**Level of cover: standard/comprehensive/premier**

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

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

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

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

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

whichever happens first.

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

Under agreed value cover, the Specified injury benefit will be the *insured monthly benefit*.

Under indemnity cover, the Specified injury benefit will be the lesser of the *insured monthly benefit* and 75 per cent of the life insured's *pre-disability income*.

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

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

The Income benefit is not payable while the Specified injury benefit is being paid, however, eligibility to receive the Income benefit for the remaining balance of the *benefit period* will be determined in the normal way after the end of the Specified injury benefit period (or at the end of the *waiting period* if it is longer than the Specified injury benefit period).

Rehabilitation benefit

Level of cover: standard/comprehensive/premier

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

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

The Rehabilitation benefit is payable as follows:

Rehabilitation benefit – workplace modification

This benefit provides assistance if the life insured's workplace needs modification to allow the life insured to return to gainful employment. We will pay up to three times the Income benefit for expenses incurred in modifying the life insured's workplace.

Rehabilitation benefit – rehabilitation program

While the life insured takes part in a *rehabilitation program*, we will pay an additional 50 per cent of the Income benefit each month for a maximum period of 12 months.

Rehabilitation benefit – rehabilitation costs

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

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

Funeral benefit

Level of cover: standard/comprehensive/premier

The Funeral benefit is payable if the life insured dies while this policy is in force and before termination of the policy. We will pay a lump sum of three times the *insured monthly benefit*.

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

Flexible cover benefit

Level of cover: standard/comprehensive/premier

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

This benefit only applies if the policy has been in force for two years.

If the life insured's average monthly income reduces while pregnant, after a child is born or after a child is adopted, the *insured monthly benefit* can be reduced by up to 75 per cent, in line with any corresponding reduction in income.

All or part of the *insured monthly benefit* can be reinstated at any time in the 24 months following the reduction without reassessment of the life insured's health, provided the life insured returns to *full-time paid employment*.

The maximum amount which can be reinstated without reassessment of health is the amount which was reduced, ie. Indexation offers will not apply while this benefit is being exercised.

If financial evidence cannot be provided to support an increase in *insured monthly benefit*, the reinstated cover will be indemnity.

To arrange a reduction in *insured monthly benefit*, simply apply to us in writing and provide appropriate evidence of the pregnancy, birth or adoption of a child.

After cover is reinstated, subsequent reductions of the *insured monthly benefit* can only occur after the life insured returns to *full-time paid employment* for a minimum period of 12 months.

Exclusion – Flexible cover benefit

No claim will ever be paid in respect to a reinstated portion of *insured monthly benefit* in the first 90 days after it is reinstated.

Confined to bed benefit

Level of cover: comprehensive/premier

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

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

Under agreed value cover, the Confined to bed benefit will be the *insured monthly benefit*.

Under indemnity cover, the Confined to bed benefit will be the lesser of the *insured monthly benefit* and 75 per cent of the life insured's *pre-disability income*.

Special care benefit

Level of cover: comprehensive/premier

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

The Special care benefit is payable if the Income benefit, Specified injury benefit, Day 4 accident benefit or Confined to bed benefit is payable and one of the following three conditions exist:

Special care benefit – direct family member

A benefit is payable if a *direct family member* has to stop *full-time paid employment* to care for the life insured at home because of his/her *sickness or injury*.

We will pay an additional benefit of the Income benefit or \$2,500 per month, whichever is lower, for up to six months after the end of the *waiting period* while the life insured is:

- *confined to bed* or to the house, while dependent on home assistance and
- unable to earn any income by personal exertion.

We will not pay if the *direct family member* had been working for the policy owner, the life insured or for the policy owner or life insured's employer before the life insured suffered the *sickness or injury*.

Special care benefit – nurse or personal care attendant

A benefit is payable if the life insured needs the care of a *nurse* or a *personal care attendant* because of his/her *sickness or injury*.

We will pay an additional benefit of \$150 per day for up to six months after the end of the *waiting period* while the life insured is:

- *confined to bed* or to the house, while dependent on home assistance or nursing care and
- unable to earn any income by personal exertion.

We will not pay if the *nurse* or *personal care attendant* had been working for the policy owner, the life insured or for the policy owner or life insured's employer before the life insured suffered the *sickness or injury*.

Special care benefit – more than 100km from home

We will reimburse accommodation and travel costs if the life insured is 100 kilometres or more away from home and has to stay there beyond his/her scheduled return date on his/her *medical practitioner's* advice. We will also reimburse the accommodation and travel costs of a *direct family member* who has to stay with the life insured.

We will pay a maximum of \$500 for reimbursement of travel costs (other than by emergency transport, such as ambulance which is covered by health insurance). We will pay a maximum of \$250 per day for accommodation up to 30 days in any 12 month period.

However, we will not pay for both a *direct family member* and a *nurse* or a *personal care attendant* for the same period.

We will also pay the following Special care benefit if the

Income benefit is payable and the life insured, having suffered the *sickness* or *injury* whilst overseas, chooses to return to Australia after the end of the *waiting period* but before the expiry date shown on the policy schedule. We will pay the cost of a single standard economy airfare to enable the life insured to return, less any reimbursement from another source. We will also pay the costs (on the same basis) of accompanying transport for any *direct family member* travelling companion the life insured has while disabled overseas.

Under agreed value cover, the maximum total amount we will pay for these travel costs is three times the *insured monthly benefit*.

Under indemnity cover, the maximum total amount we will pay for these travel costs is three times the lesser of the *insured monthly benefit* and 75 per cent of the *pre-disability income*.

The Special care benefit is payable only once in relation to the same or related cause under all policies issued by us.

Family support benefit

Level of cover: premier

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

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

The Family support benefit is payable if the life insured dies while receiving a *monthly benefit*, and leaves a surviving *spouse*. We will continue to pay the *spouse* an Income benefit for up to 12 months after death while the *spouse* remains alive, but not beyond the balance of the *benefit period* or the expiry date shown on the policy schedule, if earlier.

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

We will not pay this benefit if the Family care option has also been selected.

Trauma benefit

Level of cover: premier

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

We will pay the Trauma benefit if the life insured suffers an insured event in the *trauma events – extended* list:

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

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

Under indemnity cover, the Trauma benefit will be the lesser of:

- the *insured monthly benefit* and
- 75 per cent of the life insured's *pre-disability income*

for a period of six months.

The Trauma benefit will be paid in advance as a lump sum.

Some trauma events in the list are marked with an asterisk (*). We will not pay a benefit for any trauma event marked with an asterisk which occurs or becomes apparent within 90 days of the date an application for Zurich Income Replacement (including a fully completed Life Insured's Statement) is lodged with us.

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

We will not pay a benefit for any trauma event marked with an asterisk which occurs or becomes apparent within 90 days of:

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

A Trauma benefit will only be paid if:

- the life insured survives for at least 14 days after the date of the insured event and
- this occurs before the benefit expiry date shown on the policy schedule.

A Trauma benefit will only be paid once for each insured event. We will not pay a subsequent claim if we are paying or have paid a benefit under the policy at any time in the last 12 months or if the life insured has not yet returned to work following a claim under this benefit.

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

This benefit does not apply if the *waiting period* is longer than 90 days.

Interaction with the Trauma option

- If the Trauma option is not selected: No other *monthly benefit* is payable in respect of the same six month

period that the Trauma benefit is being paid. Eligibility to receive the Income benefit for the remaining balance of the *benefit period* will be determined in the normal way after the end of the six month period.

- If the Trauma option is selected: The Income benefit or Specified injury benefit is payable in respect of the same six month period that the Trauma benefit is being paid (provided the life insured is eligible for the Income benefit or Specified injury benefit).

Other policy features, exclusions and conditions

Inflation protection

Level of cover: standard/comprehensive/premier

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

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

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

Indexation increases will apply automatically while there is an entitlement to make a claim.

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

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

Waiver of premium

Level of cover: standard/comprehensive/premier

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

Recurrent disability

Level of cover: standard/comprehensive/premier

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

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

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

Employment related salary continuance

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

For Special Risk (SR) occupations

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

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

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

Concurrent disability

Level of cover: standard/comprehensive/premier

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

More than one benefit at a time

Level of cover: standard/comprehensive/premier

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

- the Confined to bed benefit and the Specified injury benefit
- the Income benefit and the Specified injury benefit
- the Trauma benefit and the Specified injury benefit (unless the Trauma option is selected)
- the Income benefit and the Trauma benefit (unless the Trauma option is selected)
- the Confined to bed benefit and the Trauma benefit
- the Confined to bed benefit and the Day 4 accident benefit
- the Specified injury benefit and the Day 4 accident benefit
- the Trauma benefit and the Day 4 accident benefit
- the Severe disability benefit and the Booster benefit
- the Family care benefit and the Family support benefit.

Exclusions – all benefits

Level of cover: standard/comprehensive/premier

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

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

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

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

Superannuation restrictions and limitations

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

This may mean that:

- to qualify for a *monthly benefit*, the life insured must have, during the *waiting period*, ceased gainful employment (under superannuation law) solely due to the *sickness* or *injury* for a period of at least one full day
- any *monthly benefit* payable will be offset by any sick leave entitlements payable to the life insured
- the total benefit paid under the policy for any month (including the Income benefit and any other applicable in-built and optional benefits) will be capped. The total benefit payable plus any *post-disability income* cannot exceed 100 per cent of the life insured's *pre-disability income*, and
- we will apply any additional restrictions or limitations as directed by the trustee in accordance with superannuation legislation and regulations.

Extending cover

(if the benefit period is 'to age 65' and the life insured continues working)

Level of cover: comprehensive/premier

On the *policy anniversary* following the life insured's 65th birthday, the cover can be extended on a limited basis up to the *policy anniversary* following the life insured's 70th birthday if the life insured is still working in paid employment for more than 30 hours per week.

To extend cover, an application must be received by us at least 60 days before the benefit expiry date shown on the policy schedule (but no more than 90 days before the benefit expiry date).

Restrictions and limitations – extended cover

The *benefit period* on extended cover is one year. The extended cover will be indemnity cover.

An Income benefit will only be payable if the life insured is not earning any *post-disability income* (ie. no proportionate benefits are payable).

The extended cover does not apply if there is an entitlement to receive a benefit under the policy, or if we are paying or have paid a benefit under the policy at any time in the last 12 months.

Any optional benefits which were part of the original policy will cease to apply from the *policy anniversary* following the life insured's 65th birthday. The premier *level of cover* will be altered to the comprehensive *level of cover*.

To age 70 benefit period

Level of cover: standard/comprehensive/premier

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

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

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

Age at <i>policy anniversary</i> prior to claim commencing:	Percentage of total benefit payable
65	100 per cent
66	80 per cent
67	60 per cent
68	40 per cent
69	20 per cent

Involuntary unemployment

Level of cover: standard/comprehensive/premier

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

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

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

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

Optional benefits

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

Each optional benefit terminates on the first to occur of:

- our receipt of written notification to terminate the option
- the optional benefit expiry date
- termination of the policy (see Termination of the policy clause on page 4).

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

Each optional benefit only applies if specified on the policy schedule. A policy cannot exist if it only includes optional benefits.

Increasing claims option

After each three continuous months of Income benefit payments, the Income benefit will be increased by the percentage increase in the *consumer price index* for the previous quarter.

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

Super contributions option

In selecting this option we are deemed to be directed to pay any benefit payable under this option to a nominated complying superannuation fund.

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

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

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

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

Business expenses option

To be eligible for a Business expenses benefit, the life insured must be under the regular care of, and following the advice of, a *medical practitioner*. He/she must be unable to earn his/her *pre-disability business earnings* from his/her *usual occupation* until the end of the *waiting period*.

When the Business expenses benefit is payable

The Business expenses benefit is payable after expiry of the *waiting period* if, until the expiry of the *waiting period*, solely as a result of a *sickness or injury*, while the policy is in force and before termination of the option:

- the life insured's *pre-disability business earnings* from his/her *usual occupation* have reduced by 20 per cent or more, or
- the life insured is unable to perform one or more *business income producing duties* of his/her *usual occupation* or
- the life insured is unable to perform the *business income producing duties* of his/her *usual occupation* for more than 10 hours per week.

The Business expenses benefit payable after expiry of the *waiting period* will be calculated on a monthly basis as the lesser of:

- the monthly Business expenses benefit and
- *eligible business expenses* incurred in that month less:
 - *business earnings* received during that month and
 - any other income, net of expenses, produced for the life insured or any other person from any source as a result (directly or indirectly) of the provision of the life insured's personal services with respect to the covered business and which relate to the period of disability.

'Income' for this purpose includes salaries, fees, bonuses and commissions and the like, but excludes income from any deferred compensation plans, disability income policies or retirement policies.

We will continue to pay the Business expenses benefit until any one of the following events occurs:

- the *sickness or injury* giving rise to the claim does not prevent the life insured generating his/her *pre-disability business earnings*
- the policy terminates
- the death of the life insured

- the life insured is no longer under the regular care of a *medical practitioner* with regard to treatment for the *sickness or injury*
- the life insured ceases to follow the treatment recommended by a *medical practitioner* at such intervals and frequency as will lead to a cure, alleviation or minimisation of the condition causing his/her disability
- the *benefit period* ends.

The *benefit period* will be extended if, after the Business expenses benefit has been paid continuously for 12 months, the total amount paid is less than 12 times the monthly Business expenses benefit. The *benefit period* will be extended:

- for 12 months or
- until the total amount paid equals 12 times the monthly Business expenses benefit

whichever happens first.

We pay a proportion of the Business expenses benefit when the claim requirements have been provided, with the first payment due 15 days after the *waiting period* ends, and monthly thereafter. When the claim ends before the next payment due date, we will pay 1/30th of the Business expenses benefit for each day less than 15 days.

Depending on policy ownership, the Business expenses benefit and a *monthly benefit* may be directed to be paid to different parties. If the policy owner is:

- the life insured, the policy owner may direct us to pay the Business expenses benefit directly to the policy owner's *business*
- the *business*, the policy owner may direct us to pay a *monthly benefit* directly to the life insured.

Where we do not receive a written direction to pay a benefit under the above provisions to a different party, the benefit is payable to the policy owner.

Exclusions – Business expenses benefit

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

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

Lump sum accident option

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

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

Restrictions and limitations – Lump sum accident option

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

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

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

Day 4 accident option

The Day 4 accident benefit is payable if the life insured is disabled due to an *injury* for more than three consecutive days during the *waiting period*. If the life insured's *pre-disability income* has reduced by 20 per cent or more, and he/she is not working in any occupation solely due to that *injury*, we will pay 1/30th of the Income benefit for each day of the *waiting period* for so long as the life insured continues to meet these criteria solely due to his/her *injury*.

Trauma option

The Trauma benefit is payable if, while the Income benefit or Specified injury benefit is payable, the life insured:

- suffers a specified Trauma
- dies after the *waiting period*.

Trauma option – benefit for specified trauma

The benefit payable under this option depends on the level of cover selected.

For standard or comprehensive cover, we will double the Income benefit or Specified injury benefit for up to six months.

For premier cover, the in-built Trauma benefit is payable as a lump sum in the event the life insured suffers a specified Trauma. This Trauma option allows for the Income benefit or Specified injury benefit to be paid for the same period (up to six months), provided the life insured is eligible for the Income benefit or Specified injury benefit.

The benefit is payable if the life insured survives for at least 14 days after suffering any of the traumas in the *trauma events – extended list*.

Some trauma events in the list are marked with an asterisk (*). We will not pay a benefit for any trauma event marked with an asterisk which occurs or becomes apparent within 90 days of the date an application for Zurich Income Replacement (including a fully completed Life Insured's Statement) is lodged with us.

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

We will not pay a benefit for any trauma event marked with an asterisk which occurs or becomes apparent within 90 days of:

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

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

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

Trauma option – benefit paid on Death

We will pay a lump sum of three times the *insured monthly benefit* on the death of the life insured prior to the expiry date shown on the policy schedule.

Future insurability option

The Future insurability benefit allows increases to the *insured monthly benefit* (and any super contributions monthly benefit) by up to 15 per cent on every *policy anniversary* after this option begins, without reassessment of the life insured's personal circumstances. We must receive notification in writing within 30 days of the relevant *policy anniversary* for the increase to apply. The increase cannot be made:

- if the *policy anniversary* following the life insured's 54th birthday has already passed
- if we are currently paying benefits or have ever paid benefits under the policy
- to the extent that after the increase, the *insured monthly benefit* will be more than 75 per cent of the life insured's average monthly *pre-tax income* at that date
- to the extent that after the increase, the super contributions monthly benefit will be more than the actual average monthly superannuation contributions the life insured or the life insured's employer made in the preceding 12 months (indemnity only).

If the premier *level of cover* applies, this option is an in-built benefit, and will not appear as an optional extra benefit on the policy schedule, however, the situations under which an increase cannot be made will still apply.

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

Restrictions and limitations – Future insurability option

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

If the *insured monthly benefit* has been financially endorsed by us, the endorsement specifically doesn't

apply to any increase made under this option. We reserve the right to request financial evidence to justify increases made under this option if a claim is made.

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

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

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

Booster option

The Booster benefit is payable if we are paying the maximum *monthly benefit* under the policy for the first 30 days after the *waiting period* prior to the expiry date shown on the policy schedule. We will increase the *monthly benefit* by one third for that 30 day period.

Restrictions and limitations – Booster option

If this policy is issued to the trustee of a superannuation fund, the benefit is only payable if the life insured has no *post-disability income*.

If this option is added to the policy after the policy commencement date, as shown on the policy schedule, the *monthly benefit* cannot be increased within 90 days of the date the Booster option is added to the policy.

Family care option

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

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

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

Restriction – Family care option

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

Severe disability option

The Severe disability benefit is payable if the life insured has been continuously unable due to *sickness or injury* to perform at least two *activities of daily living* for more than three months while the policy is in force and before the termination of this option. We will increase the payment by one third while this condition continues and either the Income benefit or the Specified injury benefit is payable. We will pay this benefit until the end of the *benefit period* or to the expiry date shown on the policy schedule, whichever occurs first.

Restrictions and limitations – Severe disability option

No claim is payable within 90 days of the date the Severe disability option is added to the policy, as shown on the policy schedule (if the option is added to the policy after the policy commencement date).

Needlestick cover option

When the Needlestick benefit is payable

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

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

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

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

Restrictions and limitations – Needlestick cover option

The maximum combined amount we will pay for either:

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

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

Exclusions – Needlestick benefit

A benefit will not be payable if:

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

Home support option

This option only applies for the covered *spouse* named on the policy schedule. Only one person can be covered under this option and each person can only be covered under one Zurich Income Replacement policy.

The Home support benefit is payable if:

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

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

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

The Home support benefit payable is:

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

Restrictions and limitations – Home support option

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

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

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

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

Home support option – home modification

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

Home support option – rehabilitation program

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

Home support option – rehabilitation costs

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

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

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

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

Related policies – Additional conditions

If this Zurich Income Replacement policy is related to another Zurich Income Replacement policy or a Zurich Superannuation Income Replacement policy, as shown on the policy schedules, the following conditions will apply and, to the extent of any inconsistency, will override.

The Income benefit is split across the two related policies, so that the *related super policy* contains an indemnity *insured monthly benefit* and the *related income policy* contains the balance of cover on an agreed value basis, up to the *insured monthly benefit* (the Income superlink benefit).

In the event of a claim, the claim will be assessed under the *related super policy* first based on indemnity cover. If the life insured qualifies for a benefit under the *related super policy*, the benefit is payable to the trustee. Where the benefit paid under the *related super policy* is less than the amount that would be payable under the *related income policy*, we will pay the balance of cover under the *related income policy* on an agreed value basis, up to the *insured monthly benefit*.

The following tables show which other in-built benefits form part of each policy.

In-built benefits	<i>related super policy</i>		
	standard	comprehensive	premier
Rehabilitation benefit	X	X	X
Specified injury benefit	X	X	X
Funeral benefit	✓	✓	✓
Confined to bed benefit		✓	✓
Special care benefit		X	X
Family support benefit			X
Trauma benefit			X
Future insurability			✓

In-built benefits	related income policy		
Level of cover	standard	comprehensive	premier
Flexible cover benefit	✓	✓	✓
Rehabilitation benefit	✓	✓	✓
Specified injury benefit	✓	✓	✓
Funeral benefit	X	X	X
Confined to bed benefit		X	X
Special care benefit		✓	✓
Family support benefit			✓
Trauma benefit			✓
Future insurability			✓

Optional benefits only apply if they appear on the applicable policy schedule.

Termination of related policy

If the *related super policy* is terminated, the *related income policy* will also terminate.

If the *related income policy* is cancelled, the *related super policy* will continue in accordance with the policy's conditions. A new policy schedule will be issued indicating that there is no *related income policy*.

Related policies and standard in-built benefits

Specified injury benefit

If we pay a Specified injury benefit under the *related income policy*, the full benefit is payable and no further Specified injury benefit will be payable under the *related super policy*.

Rehabilitation benefit

If we pay a Rehabilitation benefit under the *related income policy*, the full benefit is payable and no further Rehabilitation benefit will be payable under the *related super policy*. We will use the combined Income benefit payable on both of the related policies when we calculate Rehabilitation benefits.

Funeral benefit

If we pay a Funeral benefit under the *related super policy*, the full benefit is payable to the trustee and no further Funeral benefit will be payable under the *related income policy*.

Confined to bed benefit

If we pay a Confined to bed benefit under the *related super policy*, the full benefit is payable to the trustee and no further Confined to bed benefit will be payable under the *related income policy*.

Special care benefit

If we pay a Special care benefit under the *related income policy*, the full benefit is payable and no further Special care benefit will be payable under the *related super policy*. We will use the combined Income benefit payable on both of the related policies when we calculate the Special care benefit.

Family support benefit (premier)

If we pay a Family support benefit under the *related income policy*, the full benefit is payable to the spouse and no further Family support benefit will be payable under the *related super policy*. We will use the combined Income benefit payable on both of the related policies when we calculate the Family support benefit.

Trauma benefit (premier)

If we pay a Trauma benefit under the *related income policy*, the full benefit is payable and no further Trauma benefit will be payable under the *related super policy*.

Future insurability (premier)

Any increase in cover made under this benefit will apply to both the *related super policy* and the *related income policy*.

Related policies and other policy features

Waiver of premium

If we pay a benefit under the *related income policy* or *related super policy*, a waiver of premium will apply to both related policies.

Inflation protection

If the Inflation protection offer is rejected on either of the related policies, the offer is automatically rejected on both related policies.

Premium holiday

If a Premium holiday is activated, it must be activated on both related policies for the same period.

Related policies and optional benefits

The following options (if selected) are held on both the *related income policy* and the *related super policy*. If a benefit is payable, it will be paid under both the *related income policy* and the *related super policy*, but the total benefit payable will be split across both related policies in the same proportion as the total *monthly benefit*:

- Super contributions option
- Day 4 accident option
- Booster option
- Severe disability option.

The following additional terms apply to other options:

Increasing claims option

Any increase in cover under this option will apply to both the *related super policy* and the *related income policy*.

Lump sum accident option

Any Lump sum accident benefit payable under this option is only payable under the *related income policy*.

Trauma option

Any Trauma benefit payable under this option is only payable under the *related income policy*.

Future insurability option

Any increase in cover under this option will apply to both the *related super policy* and the *related income policy*.

Family care option

Any Family care benefit payable under this option is only payable under the *related income policy*.

Needlestick cover option

Any Needlestick benefit payable under this option is only payable under the *related income policy*.

Home support option

Any Home support benefit payable under this option is only payable under the *related income policy*.

Zurich Superannuation Income Replacement

The issuer of Zurich Superannuation Income Replacement is Zurich Australian Superannuation Pty Limited which is the trustee of the Zurich Master Superannuation Fund (the fund). The issuer of life insurance under this policy (and the administrator of this policy) is Zurich Australia Limited.

These policy conditions apply to Zurich Superannuation Income Replacement, and are issued by Zurich Australia Limited to Zurich Australian Superannuation Pty Limited (trustee).

The policy schedule shows the life insured covered under the policy and shows the *insured monthly benefit* amount that applies. It also shows any optional benefits provided and whether the policy has a *related income policy*. Benefits are only 'in force' from the applicable start date until the applicable benefit is terminated.

If a *related income policy* is shown, additional conditions apply (see the section 'Related policies – Additional conditions' on page 29).

The benefits provided by the Zurich Superannuation Income Replacement policy are set out below. The benefits that apply to the policy will depend on the *level of cover* selected. Each benefit description in this section indicates whether it applies to the standard and/or comprehensive *level of cover* and (if applicable) sets out provisions that apply to each *level of cover*. If the *level of cover* shown on the policy schedule is not listed under a benefit description, then that benefit does not apply to the policy.

Optional benefits or increases in cover may be applied for, but our acceptance is subject to consideration of the life insured's personal circumstances including health, occupation and pastimes.

Optional benefits are described in the Optional benefits section starting on page 27.

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

We will not refund *premiums* paid during a period when the life insured was ineligible to contribute to superannuation under relevant laws.

Income benefit

Level of cover: comprehensive

To be eligible for the Income benefit, the life insured must be under the regular care of, and following the advice of, a *medical practitioner*. He/she must be unable to earn his/her *pre-disability income* from his/her *usual occupation* until the end of the *waiting period*.

The Income benefit is payable after the expiry of the *waiting period* if, until the expiry of the *waiting period*, solely as a result of a *sickness* or *injury*, while the policy is in force and before termination of the policy:

- the life insured's *pre-disability income* from his/her *usual occupation* has reduced by 20 per cent or more, or
- the life insured is unable to perform one or more *income producing duties* of his/her *usual occupation* or
- the life insured is unable to perform the *income producing duties* of his/her *usual occupation* for more than 10 hours per week.

Level of cover: standard

To be eligible for an Income benefit, the life insured must be under the regular care of, and following the advice of, a *medical practitioner*. He/she must not work in any occupation for a period of at least 14 days and he/she must be unable to earn his/her *pre-disability income* from his/her *usual occupation* until the end of the *waiting period*.

The Income benefit is payable after the expiry of the *waiting period* if, until the expiry of the *waiting period*, solely as a result of a *sickness* or *injury*, while the policy is in force and before termination of the policy:

- the life insured's *pre-disability income* from his/her *usual occupation* has reduced by 20 per cent or more, or
- the life insured is unable to perform one or more *income producing duties* of his/her *usual occupation* or
- the life insured is unable to perform the *income producing duties* of his/her *usual occupation* for more than 10 hours per week.

Amount of benefit payable: standard/comprehensive

If at the expiry of the *waiting period* the life insured has no *post-disability income* then we will pay a benefit that is equal to the lesser of the *insured monthly benefit* and 75 per cent of the life insured's *pre-disability income*. Otherwise, the benefit we will pay after the expiry of the *waiting period* will be proportionate to the income loss and calculated on a monthly basis using the following formula:

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

When the Income benefit is payable until

We will continue to pay the Income benefit until any one of the following events occurs:

- the *sickness* or *injury* giving rise to the claim does not prevent the life insured earning his/her *pre-disability income* from personal exertion in his/her *usual occupation*
- the *benefit period* ends
- the policy terminates
- the death of the life insured
- the life insured is no longer under the regular care of a *medical practitioner* with regard to treatment for the *sickness* or *injury*
- the life insured is no longer following the treatment recommended by a *medical practitioner* at such intervals and frequency as will lead to a cure, alleviation or minimisation of the condition causing the disability.

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

We pay a proportion of the *Income benefit* when the claim requirements have been provided, with the first payment due 15 days after the *waiting period* ends, and monthly thereafter. When the claim ends before the next payment due date, we will pay 1/30th of the Income benefit for each day less than 15 days.

Restrictions and limitations – Income benefit

The Income benefit is subject to the superannuation restrictions and limitations described on page 26.

Funeral benefit**Level of cover: standard/comprehensive**

The Funeral benefit is payable if the life insured dies while this policy is in force and before termination of the policy. We will pay a lump sum of three times the *insured monthly benefit*.

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

Confined to bed benefit**Level of cover: comprehensive**

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

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

The Confined to bed benefit will be the lesser of the *insured monthly benefit* and 75 per cent of the life insured's *pre-disability income*.

Other policy features, exclusions and conditions

Inflation protection

Level of cover: standard/comprehensive

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 it is not required. To reject the increase, contact us within 30 days of receiving the offer.

Indexation increases will apply automatically while there is any entitlement to claim.

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

Waiver of premium

Level of cover: standard/comprehensive

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

Recurrent disability

Level of cover: standard/comprehensive

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

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

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

Employment related salary continuance

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

For Special Risk (SR) occupations

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

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

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

Concurrent disability

Level of cover: standard/comprehensive

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

More than one benefit at a time

Level of cover: standard/comprehensive

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

- the Confined to bed benefit and the Day 4 accident benefit
- the Severe disability benefit and the Booster benefit.

Exclusions – all benefits

Level of cover: standard/comprehensive

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

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

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

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

Superannuation restrictions and limitations

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

This may mean that:

- to qualify for a *monthly benefit*, the life insured must have, during the *waiting period*, ceased gainful employment (under superannuation law) solely due to the *sickness* or *injury* for a period of at least one full day
- any *monthly benefit* payable will be offset by any sick leave entitlements payable to the life insured
- the total benefit paid under the policy for any month (including the Income benefit and any other applicable in-built and optional benefits) will be capped. The total benefit payable plus any *post-disability income* cannot exceed 100 per cent of the life insured's *pre-disability income*, and
- we will apply any additional restrictions or limitations as directed by the trustee in accordance with superannuation legislation and regulations.

Extending cover

(if the 'to age 65' benefit period applies and the life insured continues working)

On the *policy anniversary* following the life insured's 65th birthday, cover can be extended on a limited basis up to the *policy anniversary* following the life insured's 70th birthday if the life insured is still working in paid employment for more than 30 hours per week. An application must be made to us at least 60 days before the benefit expiry date shown on the policy schedule (but no more than 90 days before the benefit expiry date).

Limitations which apply to extended cover

The *benefit period* on extended cover is one year.

An Income benefit will only be payable if the life insured has no *post-disability income* (ie. no proportionate benefits are payable).

The extended cover does not apply if we are paying a benefit, or if we have paid a benefit at any time in the last 12 months.

Any optional benefits which were part of the original policy will cease to apply from the *policy anniversary* following the life insured's 65th birthday.

To age 70 benefit period

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

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

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

Age at <i>policy anniversary</i> prior to claim commencing:	Percentage of total benefit payable
65	100 per cent
66	80 per cent
67	60 per cent
68	40 per cent
69	20 per cent

Conversion to a non-superannuation policy

The life insured may apply to us, in writing, to issue a new non-superannuation policy:

- within 30 days of the policy terminating because the life insured ceases to be a member of the fund, or
- at any time, if the life insured wishes to convert the cover provided under this policy to a non-superannuation policy.

We agree to issue the new policy subject to our standard policy issue requirements and subject to the terms of our standard non-superannuation policy which most closely resembles this policy at that time, but we will not reassess the life insured's health, occupation and pastimes.

The superannuation policy will terminate upon conversion.

Involuntary unemployment

Level of cover: standard/comprehensive

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

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

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

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

Optional benefits

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

Each optional benefit terminates on the first to occur of:

- our receipt of written notification to terminate the option
- the optional benefit expiry date
- termination of the policy (see Termination of the policy clause on page 4).

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

Each optional benefit only applies if specified on the policy schedule. A policy cannot exist if it only includes optional benefits.

The benefits payable under these optional benefits are subject to the superannuation restrictions and limitations described on the previous page.

Increasing claims option

After each three continuous months of Income benefit payments, the Income benefit will be increased by the percentage increase in the *consumer price index* for the previous quarter.

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

Super contributions option

The super contributions monthly benefit (or a proportion thereof) is payable to a complying superannuation fund (as nominated by the member) at any time an Income benefit, Confined to bed benefit or Day 4 accident benefit is being paid.

The amount payable will be the super contributions monthly benefit multiplied by the proportion of the *insured monthly benefit* we are paying as an Income benefit or Confined to bed benefit or Day 4 accident benefit.

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

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

Restrictions and limitations – Super contributions option

The benefit payable under the Super contributions option is subject to:

- the superannuation restrictions and limitations described on page 26, and
- the benefit being preserved until the life insured meets a condition of release as defined under superannuation law other than temporary incapacity.

Day 4 accident option

The Day 4 accident benefit is payable if the life insured is disabled due to an *injury* for more than three consecutive days during the *waiting period*. If the life insured's *pre-disability income* has reduced by 20 per cent or more, and he/she is not working in any occupation solely due to that *injury*, we will pay 1/30th of the Income benefit for each day of the *waiting period* for so long as the life insured continues to meet these criteria solely due to his/her *injury*.

Future insurability option

The Future insurability benefit allows an increase to the *insured monthly benefit* (and any super contributions monthly benefit) by up to 15 per cent on every *policy anniversary* after this option began, without us reassessing the life insured's personal circumstances. We must be advised in writing of the desire to increase within 30 days of the relevant *policy anniversary*. The increase cannot be made:

- if the *policy anniversary* following the life insured's 54th birthday has already passed
- if we are currently paying disability benefits or disability benefits have ever been claimed under the policy
- to the extent that after the increase, the *insured monthly benefit* will be more than 75 per cent of the life insured's average monthly *pre-tax income* at that date
- to the extent that after the increase, the super contributions monthly benefit will be more than the actual average monthly superannuation contributions the life insured or the life insured's employer made in the preceding 12 months.

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

Restrictions and limitations – Future insurability option

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

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

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

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

Booster option

The Booster benefit is payable if we are paying the maximum *monthly benefit* under the policy for the first 30 days after the *waiting period* prior to the expiry date shown on the policy schedule. We will increase the *monthly benefit* by one third for that 30 day period.

Restrictions and limitations – Booster option

The benefit is only payable if the life insured has no post-disability income.

If this option is added to the policy after the policy commencement date, as shown on the policy schedule, the *monthly benefit* cannot be increased within 90 days of the first time the Booster option is added to the policy.

Severe disability option

The Severe disability benefit is payable if the life insured has been continuously unable due to *sickness* or *injury* to perform at least two *activities of daily living* for more than three months while the policy is in force and before termination of this option. We will increase the payment by one third while this condition continues and the Income benefit is payable. We will pay this benefit until the end of the *benefit period* or to the expiry date shown on the policy schedule, whichever occurs first.

Related policies – Additional conditions

If this Zurich Superannuation Income Replacement policy is related to a Zurich Income Replacement policy, as shown on the policy schedule, the following additional conditions will apply and, to the extent of any inconsistency, will override.

The Income benefit is split across the two related policies, so that the *related super policy* contains an indemnity *insured monthly benefit* and the *related income policy* contains the balance of cover on an agreed value basis, up to the *insured monthly benefit* (the Income superlink benefit).

In the event of a claim, a claim will be assessed under the *related super policy* first based on indemnity cover. If the life insured qualifies for a benefit under the *related super policy*, the benefit is payable to the trustee. Where the benefit paid under the *related super policy* is less than the amount we would have paid under the *related income policy*, we will pay the balance of cover under the *related income policy* on an agreed value basis, up to the *insured monthly benefit*.

Termination of related policy

If the *related super policy* is terminated, the *related income policy* will also terminate.

If the *related income policy* is cancelled, the *related super policy* will continue in accordance with the policy's conditions. A new policy schedule will be issued indicating that there is no *related income policy*.

Related policies and other policy features

Waiver of premium

If we pay a benefit under the *related income policy* or *related super policy*, a waiver of *premium* will apply to both related policies.

Inflation protection

If the Inflation protection offer is rejected on either of the related policies, the offer is automatically rejected on both related policies.

Premium holiday

If a Premium holiday is activated, it must be activated on both related policies for the same period.

Related policies and optional benefits

The following options (if selected) are held on both the *related income policy* and the *related super policy*. If a benefit is payable, it will be paid under both the *related income policy* and the *related super policy*, but the total benefit payable will be split across both related policies in the same proportion as the total *monthly benefit*:

- Super contributions option
- Day 4 accident option
- Booster option
- Severe disability option.

The following additional terms apply to other options:

Increasing claims option

Any increase in cover under this option will apply to both the *related super policy* and the *related income policy*.

Future insurability option

Any increase in cover under this option will apply to both the *related super policy* and the *related income policy*.

Definitions

Note that Definitions for specified trauma conditions are grouped together for convenience and begin on page 35.

accidental death means the life insured dies as a result of sustaining bodily injury caused by accidental, violent, external and visible means where death occurs within three calendar months of the *injury* being sustained.

accidental injury means bodily injury caused by accidental, violent, external and visible means while this policy is current.

activities of daily living are:

- (1) bathing and showering
- (2) dressing and undressing
- (3) eating and drinking
- (4) using a toilet
- (5) moving from place to place by walking, wheelchair or with the assistance of a walking aid.

average monthly pre-tax income means 1/12th of *pre-tax income* in respect of either:

- the previous 12 months
 - the previous financial year
- at the life insured's option.

benefit period means the maximum length of time that we will pay the Income benefit or Business expenses benefit (as applicable) when the life insured suffers from the same or related *sickness* or *injury* during the life of the policy. The benefit period is shown on the policy schedule. All benefits cease, if not earlier, at the *policy anniversary* following the life insured's 70th birthday.

business means the entity on which we based our *underwriting* at the time the policy was applied for.

business earnings means income earned by the life insured's business or professional practice as the result of the life insured's personal services.

business income producing duties means duties which substantially contribute to *pre-disability business earnings*.

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

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.

direct family member means:

- the life insured's *spouse*
- the life insured's mother, father, mother-in-law, father-in-law or child.

eligible business expenses means the life insured's share of the expenses and outgoings incurred in running his/her business or professional practice. These may include:

- **premises**
 - insurance of premises
 - interest & fees on loan to finance premises
 - property rates/taxes
 - rent
 - repairs and maintenance

- **services**
 - electricity
 - fixed telephone and fax lines
 - gas
 - internet service provider
 - mobile telephone
 - postage and couriers
 - water and sewerage
- **equipment**
 - leasing of office equipment or machinery
 - loan repayments (principal and interest) for equipment and machinery
 - motor vehicle leasing (excluding taxi)
 - insurance of vehicles and equipment
 - registration of vehicles
 - repairs and maintenance
- **salaries and related costs**
 - salaries of employees who do not generate any business income, but not including any employees who are family members or who were not employees in the 90 days prior to the claim
 - payroll tax on the above salaries
 - superannuation (SGC) contributions for the above salaries
- **fixed contract costs**
 - contracted maintenance costs for upkeep of premises eg. cleaning, security, but not including any services provided by family members
- **other eligible expenses**
 - accounting and auditing fees
 - bank fees and charges
 - business insurances
 - regular advertising costs
 - interest and fees on business loan/s (not related to premises)
 - professional association and membership fees
 - subscriptions.

Eligible business expenses do not include:

- any expenses that are not regularly paid or payable
- cost of goods, merchandise or stock used in the life insured's profession, business or occupation
- depreciation of any kind
- items of a capital nature such as books, fixtures, fittings and furniture
- *premiums* payable on this policy
- salaries and related costs paid to the life insured, members of the life insured's family or to employees who generate income.

fracture means any fracture resulting from an accident requiring fixation, immobilisation or plaster cast as treatment.

full-time paid employment means being employed or self-employed, working 26 hours or more per week and receiving appropriate remuneration.

income producing duties means duties which substantially contribute to *pre-disability 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.

level of cover means either standard, comprehensive or premier, as shown on the policy schedule.

maximum underwriting limit means the maximum cover amount in relation to a benefit or coverage type acceptable by us as determined from time to time. The maximum underwriting limit current at the start of this policy will be detailed in Part 1 of this PDS. Updated limits can be obtained by contacting us on 131 551.

medical practitioner means a medical practitioner legally registered to practise in Australia or New Zealand or a medical practitioner legally registered to practise in another country.

Medical practitioner does not include:

- the policy owner, his/her relative or his/her business partner or employee
- the life insured, his/her relative or his/her business partner or employee
- other para-medical professionals such as chiropractors, physiotherapists or naturopaths.

mental disorder means any disorder classified in the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association which is current at the start of the period of disability (or such replacement or successor publication or if none then such comparable publication as selected by us).

Such mental disorders include, but are not limited to, stress (including post traumatic stress), physical symptoms of a psychiatric illness, anxiety, depression, psychoneurotic, psychotic, personality, emotional or behavioural disorders or disorders related to substance abuse and dependency which includes alcohol, drug and chemical abuse dependency.

For the purposes of this policy, mental disorder does not include dementia (except where the dementia is related to any substance abuse or dependency), Alzheimer's Disease or mental disorder caused by head injuries.

monthly benefit means a periodic benefit payable under the policy conditions, including the Income benefit and any other in-built benefits paid in lieu of the Income benefit, ie. Specified injury benefit, Confined to bed benefit, Trauma benefit, Day 4 accident option and Trauma option.

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

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

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

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

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

policy anniversary means the anniversary of the commencement date shown on the policy schedule.

post-disability income means the total of the amounts determined in accordance with paragraphs (a) and (b), except where the policy is issued to the trustee of a superannuation fund, in which case it means (a) and (c):

- (a) the life insured's *pre-tax income* from personal exertion during the relevant month
- (b) other benefits received during the relevant month by way of the following sources as a result of the life insured's *sickness or injury*:
 - other disability income policies not disclosed to us at the time of *underwriting*
 - workers' compensation or other legislated benefits (unless the life insured's occupation category is A1, A1M or A2, as shown on the policy schedule)
- (c) other benefits received during the relevant month by way of the following sources as a result of the life insured's *sickness or injury*:
 - other disability income policies
 - workers' compensation or other legislated benefits.

For the purposes of this definition:

- *pre-tax income* from personal exertion is income earned from any occupation, and is not restricted to income from the life insured's pre-disability occupation and
- a disability income policy is any individual or group disability insurance policy, including cover under a mortgage repayment policy or credit insurance policy, which pays a regular benefit due to the life insured's *sickness or injury* and
- where these amounts are paid or payable in a lump sum and cannot be allocated to specific months, then 1/60th of the lump sum shall be taken into account

each month for a maximum period of five years

- post-disability income includes any revenue generated by someone employed to replace the life insured eg. a locum, which is in excess of their employment cost.

If the other payment received is:

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

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

In the following situations, payments which would otherwise be considered post-disability income will be excluded from our benefit calculations:

- during the first three months that a *monthly benefit* is being paid, the life insured's post-disability income will be excluded if it is 10 per cent or less of his/her *pre-disability income**
- if the life insured is working for 10 hours or less per week, the payment received for that work will be excluded*
- if the life insured's occupation category is A1, A1M or A2 (as shown on the policy schedule), all other payments received will be excluded, provided the total amount of the benefit payable plus other payments received does not exceed 100 per cent of the life insured's *pre-disability income*.*

We will only pay benefits where the loss of income is a result of *sickness or injury*. Where *pre-tax income* from personal exertion has been reduced as a result of causes other than *sickness or injury*, we will adjust the life insured's post-disability income so that it only reflects the proportion of the income lost as a result of *sickness or injury*. In doing so, we will take into account available medical

evidence (including the opinion of the life insured's registered doctor) and any other relevant considerations directly related to the life insured's medical condition (including information provided by the policy owner or life insured).

* While these amounts will not be included as post-disability income in the calculation of benefits, they will be included as post-disability income in the calculation of superannuation restrictions and limitations (if applicable).

pre-disability business earnings

means the monthly *business earnings* averaged over the 12 months prior to the *sickness or injury* giving rise to the claim for the Business expenses benefit.

pre-disability income (for agreed value policies)

means the life insured's highest *average monthly pre-tax income* during any consecutive 12 months in the period starting 12 months immediately prior to commencement of this policy and ending when the *waiting period* begins.

We will index this amount each year on the anniversary of the date we accepted the claim, by the percentage increase in the *consumer price index* published for the quarter falling immediately prior to claim anniversary over that published for the same quarter in the previous year.

pre-disability income

(for indemnity policies) means the life insured's highest average monthly *pre-tax income* over any consecutive 12 months within the 24 month period immediately prior to the onset of his/her *sickness or injury*. Periods of unemployment or unpaid leave, long service leave, maternity leave, paternity leave or sabbatical leave, up to a maximum of 12 months, will be added to the 24 month period.

For example, if the life insured has been on maternity leave for six months during the 24 month period prior to *sickness or injury*, then the 24 month period will become the 30 month period immediately prior to *sickness or injury*.

We will index this amount each year on the anniversary of the date we accepted the claim, by the percentage increase in the *consumer price index* published for the quarter falling immediately prior to claim anniversary over that published for the same quarter in the previous year.

pre-tax income means:

- if the life insured does not directly or indirectly own all or part of the business or professional practice from which he/she earns his/her regular income: the salary, wages, fees, commissions, bonuses and other personal exertion income earned by the life insured, plus the value of any company benefits received by the life insured (for example superannuation contributions[#] or a company car), less any deductions for expenses directly incurred in earning this income or
- if the life insured does directly or indirectly own all or part of the business or professional practice from which he/she earns his/her regular income: the gross revenue generated by the life insured's business as a result of the life insured's personal exertion[#], plus income earned by the life insured from any other source as a result of personal exertion, less *eligible business expenses*.

[#] Pre-tax income does not include superannuation contributions if the Super contributions option has been selected.

premium means the amount payable for the primary benefit and each optional benefit, 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.

rehabilitation program means a program or plan that:

- is designed to assist the life insured in returning to work either in his/her own occupation or in any other occupation for which he/she is suited by training,

education or experience and

- has been approved by an appropriately tertiary qualified vocational or rehabilitation specialist.

related income policy means the related Zurich Income Replacement policy with an Income superlink benefit shown on the policy schedule.

related super policy means the related:

- Zurich Income Replacement policy without an Income superlink benefit (issued to the trustee of an external superannuation fund) or
- Zurich Superannuation Income Replacement policy

as the context requires.

sickness means sickness or disease which first manifests itself after the policy begins, or a pre-existing sickness or disease disclosed to us in the application that we have not expressly excluded. Any sickness or disease that is the direct or indirect result of elective or donor transplant surgery within six months of the start or reinstatement of the policy is excluded.

significant permanent impairment means a permanent impairment of at least 25 per cent of whole person function as defined in the current edition of the American Medical Association publication 'Guide to the Evaluation of Permanent Impairment', or an equivalent guide to impairment approved by us.

spouse means the legal or de facto husband or wife who may be of the same gender as the life insured.

trauma events – basic means:

- *benign tumour of the brain or spinal cord*
- *chronic kidney failure*
- *coronary artery bypass surgery**

- *diplegia*
- *heart attack**
- *hemiplegia*
- *loss of speech*
- *major organ transplant*
- *malignant cancer**
- *paraplegia*
- *quadriplegia*
- *stroke**

trauma events – extended means:

- *advanced diabetes*
- *aorta repair*
- *aplastic anaemia*
- *bacterial meningitis*
- *benign tumour of the brain or spinal cord*
- *blindness*
- *cardiomyopathy*
- *chronic kidney failure*
- *chronic liver disease*
- *chronic lung disease*
- *coma*
- *coronary artery bypass surgery**
- *deafness*
- *dementia (including alzheimer's disease)*
- *diplegia*
- *encephalitis*
- *heart attack**
- *heart valve surgery*
- *hemiplegia*
- *loss of independence*
- *loss of limbs or sight*
- *loss of speech*
- *major head trauma*
- *major organ transplant*
- *malignant cancer**
- *medically acquired HIV*
- *motor neurone disease*
- *multiple sclerosis*

- muscular dystrophy
- occupationally acquired hepatitis B or C
- occupationally acquired HIV
- out of hospital cardiac arrest
- paraplegia
- parkinson's disease
- pneumonectomy
- primary pulmonary hypertension
- quadriplegia
- severe accident or illness requiring intensive care
- severe burns
- severe rheumatoid arthritis
- stroke*
- triple vessel coronary artery angioplasty.

uncomplicated pregnancy or childbirth

means pregnancy, childbirth or termination which does not result in any serious medical complication. It includes participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarrying or having a termination.

underwriting means our assessment of the life insured's health and other factors, which could include occupation and pastimes, depending on the cover applied for. We will use the information provided to us and may also request a report from the life insured's doctor or ask him/her to undergo tests. Underwriting allows us to decide what the cost of cover will be for each individual. The process starts when we receive the completed Life Insured's Statement and ends when we issue a policy (on standard or modified terms) or decline to offer cover.

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

waiting period means the number of days the life insured must be disabled before being eligible for the Income benefit. There is a separate waiting period for the Business expenses option (if applicable). The waiting period is shown on the policy schedule.

If the life insured returns to full earning capacity for no more than five consecutive days during the waiting period and the disability recurs, the waiting period will not start again. We will simply extend the waiting period by the number of days that the life insured was able to work.

We should be notified in writing within 30 days of the *sickness* or *injury*. If we are notified after 30 days, the waiting period will commence from the date that we are notified.

Definitions for specified trauma conditions

These definitions apply to the Trauma benefit (refer to page 12) and the Trauma option (refer to page 17).

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

- severe diabetic retinopathy resulting in visual acuity uncorrected and corrected of 6/36 or less in both eyes
- severe diabetic neuropathy causing motor and/or autonomic impairment
- diabetic gangrene leading to surgical intervention
- severe diabetic nephropathy causing chronic irreversible renal impairment (as measured by a corrected creatinine clearance below the laboratory/ies measured normal range).

aorta repair means surgery performed to correct any narrowing, dissection or aneurysm of the thoracic or abdominal aorta performed either by open surgery or by thoracoscopic or laparoscopic minimally invasive 'keyhole' techniques. It excludes all percutaneous angioplasty and all other intravascular techniques.

aplastic anaemia means bone marrow failure which results in anaemia, neutropenia and thrombocytopenia requiring treatment, with at least one of the following:

- blood product transfusions
- marrow stimulating agents
- immunosuppressive agents or
- bone marrow transplantation.

bacterial meningitis means all potential manifestations of bacterial meningitis causing:

- *significant permanent impairment* or

- a permanent and total inability to perform without physical help from someone else, at least one of the *activities of daily living*.

benign tumour of the brain or spinal cord means a non-cancerous tumour in the brain or spinal cord which is histologically described and which produces neurological deficit causing *significant permanent impairment* or the undergoing of radical surgery for its removal.

We do not cover any of the following:

- cysts, granulomas and cerebral abscesses
- malformations in, or of, the arteries or veins of the brain
- haematomas or
- tumours in the pituitary gland.

blindness means the irrecoverable loss of sight of both eyes as a result of *sickness* or *injury*. The extent of the visual loss must be such that the eyesight is reduced to or less than 6/60 central acuity or degree of vision of less than or equal to 20 degrees.

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

Only carcinoma in situ of the following sites is covered:

- cervix uteri (excluded are Cervical Intraepithelial Neoplasia (CIN) classifications CIN-1 and CIN-2)
- corpus uteri
- fallopian tube – the tumour must be limited to the tubal mucosa
- penis or testicle
- perineum
- vagina, vulva or breast.

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

cardiomyopathy means impaired ventricular function of any reason resulting in significant permanent physical impairment to the degree of at least Class 3 of the New York Heart Association classification of cardiac impairment.

chronic kidney failure means end stage renal failure presenting as chronic irreversible failure of both kidneys to function as a result of which permanent regular renal dialysis is instituted or renal transplant undertaken.

chronic liver disease means end stage liver failure, with the diagnosis based on:

- permanent jaundice or ascites
- encephalopathy or liver biopsy.

chronic lung disease means end stage lung disease, including interstitial lung disease requiring extensive and permanent oxygen therapy or FEV 1 test results of less than one litre.

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

coma means a state of unconsciousness with no reaction to external stimuli or internal needs, resulting in a documented Glasgow Coma Scale of 6 or less, for a continuous period of at least 72 hours.

coronary artery bypass surgery means the actual undergoing of coronary artery bypass surgery which is considered medically necessary to correct or treat coronary artery disease but not including angioplasty, other intra-arterial or laser procedures.

deafness means the total, irreversible and irreparable loss of hearing, in both ears, whether aided or unaided.

dementia (including alzheimer's disease) means the life insured has Alzheimer's Disease or other dementia. The diagnosis must confirm permanent irreversible failure of brain function resulting in significant cognitive impairment for which no other recognisable cause has been identified. Significant cognitive impairment means a deterioration or loss of intellectual capacity that results in a requirement for continual supervision to protect the life insured or others.

diabetes (type 1) means the diagnosis of insulin dependent diabetes mellitus (IDDM) after the age of 30 by an appropriate consultant physician.

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

early stage chronic lymphocytic leukaemia means the presence of chronic lymphocytic leukaemia diagnosed as Rai stage 0, which is defined to be in the blood and bone marrow only.

early stage melanoma means the presence of one or more malignant melanomas of 1mm or less maximum thickness as determined by histological examination using the Breslow method, or less than Clark Level 3 depth of invasion as determined by histological examination. The malignancy must be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.

early stage prostate cancer means prostatic cancers that are not covered under the definition of malignant cancer in these definitions, and are histologically described as TNM classification T1 according to the TNM staging method or a Gleason Score of either 2, 3, 4 or 5.

encephalitis means an inflammatory disease of the brain resulting in neurological deficit causing:

- at least 25 per cent impairment of whole person function that is

permanent or

- total and permanent inability to perform at least one of the *activities of daily living*.

facial reconstructive surgery and skin grafting means skin grafting and plastic or reconstructive surgery above the neck which is deemed medically necessary for the treatment of facial disfigurement as a direct result of an *accidental injury* requiring inpatient hospital treatment of the life insured. The *accidental injury* must occur while this policy is current.

guillain barre syndrome means:

- the life insured has an unequivocal diagnosis of guillain barre syndrome by a neurologist and
- he/she has been unable to perform at least one of the *activities of daily living* for a continuous period of three calendar months.

heart attack means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The diagnosis must be supported by diagnostic rise and/or fall of cardiac biomarkers with at least one value above the 99th percentile of the upper reference limit and at least one of the following:

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

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

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

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

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

loss of hearing in one ear means the total, irreversible and irreparable loss of hearing in one ear, whether aided or unaided.

loss of independence means as a result of a disease, illness or injury the life insured is unable to perform at least two *activities of daily living* or cognitive impairment that results in the life insured requiring permanent and constant supervision. The inability or impairment must have existed continuously for a period of at least three months and be permanent and irreversible.

loss of limbs or sight means the entire and irrevocable loss of use of two or more of the sight in one eye, and a hand or a foot.

loss of speech means the total loss of speech both natural and assisted as a result of *sickness* or *injury* which is permanent. Loss of speech related to any psychological cause is excluded.

major head trauma means accidental cerebral injury resulting in permanent neurological deficit:

- causing *significant permanent impairment* or
- which results in a permanent and irreversible inability of the life insured, to perform, without the physical assistance of an adult, any one of the *activities of daily living*.

major organ transplant means the life insured:

- undergoes the organ transplant or
- upon specialist medical advice is placed on an official Australian acute care hospital waiting list to

undergo organ transplant or

- undergoes permanent mechanical replacement

for one or more of the following: kidney, heart, liver, lung, pancreas, small bowel and bone marrow.

The transplantation of all other organs or parts of any organ or of any other tissue is excluded.

malignant cancer means the presence of a malignant tumour, including leukaemia, malignant lymphoma and other haemopoietic malignancies.

The tumour must be confirmed by histological examination and:

- the life insured must require major interventionist therapy including surgery, radiotherapy, chemotherapy, biological response modifiers or any other major treatment, or
- the tumour must be sufficiently advanced such that major interventionist therapy is no longer recommended.

The following cancers are specifically excluded:

- chronic lymphocytic leukaemia less than RAI Stage 1
- all cancers described as carcinoma in situ. Carcinoma in situ of the breast is covered only if it requires:
 - the removal of the entire breast or
 - breast conserving surgery and radiotherapy or
 - breast conserving surgery and chemotherapy (chemotherapy means the use of drugs specifically designed to kill or destroy cancer cells)

Carcinoma in situ of the breast treated by breast conserving surgery and other forms of adjuvant systemic therapy, including endocrine manipulation therapy, hormonal manipulation therapy or non-endocrine adjuvant therapy, is not covered.

- all skin cancers unless:
 - they have metastasised to other organs or
 - the tumour is a malignant melanoma of Clark Level 3 and above or

- the tumour is a malignant melanoma with invasion greater than 1mm thickness or
- the tumour is a malignant melanoma where melanoma is showing signs of ulceration as determined by histological examination

- prostate cancers diagnosed as T1 with a Gleason score of 5 or less, unless major interventionist therapy is performed.

medically acquired HIV means infection with the Human Immunodeficiency Virus (HIV) which we believe, on the balance of probabilities, arose from one of the following medically necessary events which must have occurred to the life insured in Australia by a recognised and registered health professional:

- a blood transfusion
- transfusion with blood products
- organ transplant to the life insured
- assisted reproductive techniques
- a medical procedure or operation performed by a doctor or dentist.

HIV infection transmitted by any other means including sexual activity or recreational intravenous drug use is specifically excluded.

A benefit will not be payable in the event that a medical cure is found for Acquired Immune Deficiency Syndrome (AIDS) or the effects of the HIV virus or in the event of a treatment being developed and approved which makes the HIV virus inactive and non-infectious.

minimally invasive cardiac surgery – including coronary artery angioplasty means the actual undergoing of thoracoscopic, laparoscopic, 'minimally invasive' or 'keyhole' surgery to treat or repair:

- a narrowing or blockage of one or more coronary arteries or
- an obstruction of the aorta or a coarctation of the aorta.

Investigative or diagnostic procedures are not included.

motor neurone disease means unequivocal diagnosis of Motor Neurone Disease.

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

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

muscular dystrophy means the unequivocal diagnosis of Muscular Dystrophy.

occupationally acquired hepatitis B or C means infection with hepatitis B or hepatitis C where the virus was acquired as a result of an accident occurring during the course of the life insured's normal occupation and sero-conversion from hepatitis B surface antigen negative to hepatitis B surface antigen positive or hepatitis C antibody negative to hepatitis C antibody positive must occur within six months of the accident.

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

A benefit will not be payable in the event of a medical cure being found for hepatitis B or hepatitis C (as applicable), or if the life insured elected not to take an available medical treatment which results in the prevention of infection with hepatitis B or hepatitis C prior to making a claim.

Any accident giving rise to a potential claim must be reported to us within 7 days of the accident and supported by a negative hepatitis B surface antigen test or negative hepatitis C antibody test taken after the accident. We must be given access to test independently all the blood samples used.

occupationally acquired HIV

means infection with the Human Immunodeficiency Virus (HIV) where the virus was acquired as a result of an accident occurring during the course of the life insured's normal occupation and sero-conversion of the HIV infection must occur within six months of the accident.

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

A benefit will not be payable in the event of a medical cure being found for Acquired Immune Deficiency Syndrome (AIDS) or the effects of the HIV virus or in the event of a treatment being developed and approved which makes the HIV virus inactive and non-infectious.

Any accident giving rise to a potential claim must be reported to us within 7 days of the accident and supported by a negative HIV antibody test taken after the accident. We must be given access to test independently all the blood samples used.

out of hospital cardiac arrest

means cardiac arrest that is not associated with any medical procedure, is documented by an electrocardiogram, occurs out of hospital and is:

- cardiac asystole or
- ventricular fibrillation with or without ventricular tachycardia.

paraplegia means the permanent and total loss of use of both legs resulting from disease, illness or injury of the brain or spinal cord.

parkinson's disease means an unequivocal diagnosis of degenerative idiopathic Parkinson's Disease confirmed by a consultant neurologist, as characterised by the clinical manifestation of one or more of the following:

- rigidity
- tremor and
- akinesia

resulting in the degeneration of the nigrostriatal system.

All other types of Parkinsonism are excluded (for example, secondary to medication).

pneumectomy means the removal of an entire lung when considered necessary and appropriate treatment.

primary pulmonary hypertension

means primary pulmonary hypertension with substantial right ventricular enlargement established by investigations including cardiac catheterisation, resulting in physical impairment to the degree of at least Class 3 of the New York Heart Association Classification of cardiac impairment.

quadriplegia means the permanent and total loss of use of both arms and both legs resulting from disease, illness or injury of the brain or spinal cord.

severe accident or illness

requiring intensive care means an accident or illness that has resulted in:

- the life insured requiring continuous mechanical ventilation by means of tracheal intubation for 10 consecutive days (24 hours a day) in an authorised intensive care unit of an acute care hospital and
- *significant permanent impairment.*

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

- 20 per cent of the body surface area as measured by The Rule of 9 or the Lund & Browder Body Surface chart or
- 50 per cent of each hand and/or 50 per cent of the face.

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

- at least a six week history of severe rheumatoid arthritis which involves three or more of the following joint areas:
 1. proximal interphalangeal joints in the hands
 2. metacarpophalangeal joints in the hands
 3. metatarsophalangeal joints in the foot, or any joint of the wrist, elbow, knee or ankle

- simultaneous bilateral and symmetrical joint soft tissue swelling or fluid (not bony overgrowth alone)
- typical rheumatoid joint deformity
- and at least two of the following criteria:
 - morning stiffness
 - rheumatoid nodules
 - erosions seen on x-ray imaging
 - the presence of either a positive rheumatoid factor or the serological markers consistent with the diagnosis of severe rheumatoid arthritis.

Degenerative osteoarthritis and all other arthritides are excluded.

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

- one foot or
- one hand or
- sight in one eye (to the extent of 6/60 or less).

stroke means a cerebrovascular event producing neurological sequela lasting at least 24 hours. This requires clear evidence on a Computerised Tomography (CT), Magnetic Resonance Imaging (MRI) or similar scan that a stroke has occurred and of:

- infarction of brain tissue or
- intracranial or subarachnoid haemorrhage.

Cerebral symptoms due to transient ischaemic attacks, reversible neurological deficit, migraine, cerebral injury resulting from trauma or hypoxia, disturbances of vision or balance due to disease of the eye, optic nerve or the vestibular apparatus of the ear are excluded.

triple vessel coronary artery angioplasty

means the actual undergoing of angioplasty to three or more coronary arteries within the same procedure or via two procedures no more than two months apart. Angiographic evidence, indicating obstruction of three or more coronary arteries, is required to confirm that the procedure is medically necessary.

How to contact us

Enquiries and policy admin

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

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

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



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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.

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