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ZURICH

Zurich Superannuation Plan Optional Protection Benefits

Information Booklet including policy conditions

This booklet

This document is the **Zurich Superannuation Plan Optional Protection Benefits Information Booklet** referred to in the Zurich Superannuation Plan ('ZSP') and Zurich Account-Based Pension ('ZABP') Product Disclosure Statement ('PDS'), dated 1 January 2017, and forms part of the PDS.

We may update this Booklet from time to time in accordance with the Fund's Trust Deed and the law. The updated Booklet will be available on our website and you can obtain a copy free of charge upon request. You should keep a copy of this Booklet and any updates to it for your reference.

The ZSP and ZABP PDS is an important document and is available online at www.zurich.com.au or by calling Zurich Customer Care on 131 551. You should read the PDS and all incorporated documents referred to in the PDS (available online at www.zurich.com.au/ZSPandZABP) in full before making a decision about the ZSP or ZABP.

Defined terms

In this Booklet, all terms appearing in *italics* are defined terms with special meanings. Detailed definitions appear in the Definitions section of the PDS. Policy features are capitalised for ease of identification.

'The Trustee' means Zurich Australian Superannuation Pty Limited ABN 78 000 880 553, AFSL 232500, which is the trustee of the Zurich Master Superannuation Fund ABN 33 632 838 393 (the 'Fund') and the issuer of ZSP.

'Zurich', 'us', 'our' and 'we' normally means Zurich Australia Limited ABN 92 000 010 195, AFSL 232510. Zurich is the administrator of ZSP, and the issuer of insurance policies to the Trustee.

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

Policy conditions

This Booklet 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 this document in a safe place.

General information only

The information contained in this Booklet 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 Booklet is up to date at the date it is prepared. Certain information in this Booklet 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 Booklet for details).

Issuer

The issuer of the Zurich Superannuation Plan (SPIN ZUR0473AU) and the Zurich Account-Based Pension (SPIN ZUR0469AU) is Zurich Australian Superannuation Pty Limited ABN 78 000 880 553, AFSL 232500 who is the Trustee of the Zurich Master Superannuation Fund ABN 33 632 838 393, SFN 2540/969/42.

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Introduction

What are ZSP Optional protection benefits?

The Zurich Superannuation Plan ('ZSP') does not automatically include insurance cover. ZSP Optional protection benefits are life insurance options you can elect to add to your ZSP.

ZSP Optional protection benefits are not available with the Zurich Account-Based Pension.

The range of ZSP Optional protection benefits that can be structured to meet your individual circumstances include:

- Death cover
- Total and Permanent Disablement (TPD) cover
- Income protection.

Applying for cover

The only way to apply for a ZSP Optional protection benefit is to complete and submit the Application form that forms part of the ZSP and ZABP PDS.

Applications for the ZSP Optional protection benefits described in this document are not automatically accepted and are subject to Zurich's assessment and acceptance of your application for cover.

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 Booklet).

Upon cancellation of your policy, your premiums may be required to be preserved under superannuation law and any repayments made under this cooling off period will be subject to those rules.

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

Worldwide cover

You are covered under these policies 24 hours a day, seven days a week, worldwide. If you are claiming income protection benefits while overseas, we will require you to have a medical examination every 12 months for benefits to continue.

Guaranteed upgrade of benefits

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

Guaranteed renewable

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

Cover that keeps up with you

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

Life insurance code of practice

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

Payment of benefits

Benefits under the insurance policies are payable to the Trustee who will pay you or your beneficiaries a benefit as permitted by superannuation law and the fund trust deed.

Benefits may also be kept inside your ZSP in certain circumstances. In some situations a payment (such as a refund of premiums) may be paid to the Trustee where the Trustee must preserve the amount and is not permitted to pay the benefit to you. In such situations the payment will be made to your ZSP account.

Also, situations can occur where you meet a superannuation condition of release (eg. permanent disablement) but because you, for example, did not elect to be covered for TPD as an Optional protection benefit, no insurance benefit will be paid, but you will be entitled to access your ZSP account balance.

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

If you are insured under a Zurich Superannuation Term Life Plus or Zurich Superannuation Income Protector/Plus 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.

Further information

You may request further information about these policies, including a copy of the trust deed for the fund, by contacting us (see the inside back cover of this Booklet 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.

Significant risks

There are certain risks associated with holding ZSP Optional protection benefits:

- the insurance you have chosen might be inadequate to fully protect your financial needs based on your circumstances now or in the future
- 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 1 of the Life Insured's Statement accompanying the ZSP and ZABP PDS.

Up-to-date information

The information in this Booklet may be updated. It is therefore important that you check the issue date and visit the website for the latest versions before applying. A printed copy of this document and any updated information will be available free of charge upon request by calling Zurich Customer Care on 131 551.

Additional information

As this insurance cover is provided through your superannuation, there is other important information you should know. Please refer to the **Zurich Superannuation Plan and Zurich Account-Based Pension Fee Guide and Additional Information Booklet** available online at www.zurich.com.au/ZSPandZABP for details of the following:

- contributing to superannuation funds
- accessing your superannuation
- nominating a dependant to receive death benefits.

If you would like a printed copy of the latest version of this Booklet, free of charge, please contact Zurich Customer Care on 131 551.

Optional protection benefits at a glance

Zurich Superannuation Term Life Plus

Death cover
Provides a lump sum payment if you die or are diagnosed with a *terminal illness*

Entry ages	10 – 70	
Expiry age	99	
Minimum sum insured	$50,000	
Maximum sum insured	No maximum (depends on individual needs)	
Increasing cover after the policy begins (in addition to Inflation protection increases)	Cover can be increased until the policy anniversary following the life insured's 69th birthday. The minimum increase amount is $50,000.	
Included benefits	• Death & terminal illness benefit • Advancement for funeral expenses • Accidental injury benefit	page 6 page 6 page 6

Total and Permanent Disablement (TPD) cover
Provides a lump sum payment if you suffer *total and permanent disablement*

Entry ages	15 – 60 15 – 65 (modified TPD)	
Expiry age	99 Limited cover applies from age 65 (the definition changes to modified TPD, the sum insured is capped at $3,000,000, and Double TPD becomes standard TPD)	
Minimum sum insured	$50,000	
Maximum sum insured	• $5 million • $2 million modified TPD • $2 million domestic duties	
Increasing cover after the policy begins (in addition to Inflation protection increases)	Cover can be increased until the policy anniversary following the life insured's 59th birthday. The minimum increase amount is $50,000.	
Available definitions	• Any occupation TPD • Domestic duties TPD • Modified TPD	page 5 page 5 page 5
Included benefits	• TPD benefit	page 7
Optional benefits	• Double TPD option • Buy back death option	page 10 page 10

With all Death & TPD cover

Included features	• Inflation protection • Future insurability • Financial planning advice	page 8 page 8 page 9
Optional benefits	• Premium waiver option • Business future cover option	page 9 page 9

Zurich Superannuation Income Protector

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

Entry ages	19 – 60	
Expiry age	65 70 (with age 70 benefit period)	
Eligibility	The life insured must be working in *full-time paid employment*	
Minimum insured amount	$1,500 per month	
Maximum insured amount	$30,000 per month, plus an additional $30,000 per month restricted to a one or two year benefit period.	
Increasing cover after the policy begins (in addition to Inflation protection increases)	Cover can be increased until the policy ends. The minimum increase amount is $500 per month.	
Choice of cover	• Zurich Superannuation Income Protector Plus • Zurich Superannuation Income Protector	
Benefit type	• Indemnity	
Waiting periods available	• 14, 30, 60, 90, 180 days • 1 or 2 years	
Benefit periods available	• 1 year • 2 years • 5 years • to age 65 • to age 70 (A1, A1L, A1M, A2, A3)	
Included benefits	• Total disability benefit • Partial disability benefit • Funeral benefit • Confined to bed benefit (Plus only)	page 14 page 15 page 16 page 16
Included features	• Inflation protection • Waiver of premium • Waiting period reduction feature • Involuntary unemployment	page 16 page 16 page 17 page 18
Optional benefits	• Increasing claims option • Super contributions option • Day 4 accident option • Future insurability option	page 18 page 18 page 19 page 19

Special Risk (SR) occupations
Some restrictions apply to occupations which we classify as 'special risk', as follows:

Income protection restrictions for SR occupations		
Entry ages	19 – 53	
Expiry age	60	
Unemployment	Cover terminates after you are no longer in *full-time paid employment* for 12 months.	
Choice of cover	Zurich Superannuation Income Protector Plus is not available	
Waiting periods available	• 30, 60, 90 days	
Benefit periods available	• 1, 2, 5 years	
Maximum insured amount	$10,000 per month	
Optional benefit	• Increasing claims option	page 18

Zurich Superannuation Term Life Plus

The Zurich Superannuation Term Life Plus policy pays a lump sum on your death, terminal illness or total and permanent disablement (TPD), depending on the covers you select. You can select any combination of Death cover and TPD cover.

Death cover

Benefit name	Description
Death & terminal illness benefit	A lump sum payment on death or diagnosis of *terminal illness*.
Advancement for funeral expenses	An advance payment of $15,000 towards funeral expenses.
Accidental injury benefit	An advance payment of part or all of the Death benefit if you suffer a specified accidental injury eg. loss of use of a hand or foot. You must also meet the definition of *permanent incapacity* for a benefit to be payable.

TPD cover

Benefit name	Description
TPD benefit	The TPD offered under this policy is Essential TPD, allowing the selection of any occupation, domestic duties or modified TPD definitions. Pays the TPD sum insured if you suffer a permanent disability that meets the TPD definition provided by your policy. You must also meet the definition of *permanent incapacity* for a benefit to be payable. There are qualifying periods that apply in order to meet a TPD definition. See the Definitions on page 31 for more detail.

In-built policy provisions

Benefit name	Description
Inflation protection	Cover will increase every year, unless declined by you, without health assessment.
Future insurability	Allows an increase in cover without underwriting on certain life events eg. marriage or birth of a child.
Financial planning advice	Reimburses the cost of advice up to $3,000.
Interim cover	Puts some accident cover in place as soon as cover is applied for, as set out in the Interim cover certificate (located in the Application Form).

Optional benefits

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

Option name	Description
Double TPD option	Allows reinstatement of the Death cover amount 14 days after it was reduced due to the payment of the full TPD cover amount. The premium for the reinstated Death cover amount is then waived for the remaining life of the policy.
Buy back death option	Death cover can be reinstated on the anniversary of the payment of a TPD benefit.
Premium waiver option	No premiums are payable if you are disabled and cannot work.
Business future cover option	Allows increases in cover without health evidence each year if certain events occur. Useful for loan/guarantor protection, buy-sell/shareholder or partnership protection.

The terms and conditions which apply to Death cover and TPD cover under Zurich Superannuation Term Life Plus are set out on pages 6 and 7.

Death & TPD cover

Death and Total and Permanent Disablement (TPD) cover can be provided by electing to be covered by Zurich's Superannuation Term Life Plus policy as a ZSP Optional protection benefit.

The Zurich Superannuation Term Life Plus policy pays a lump sum on your death or TPD (depending on the covers selected). If you select Death cover, it also covers you if you are diagnosed with a *terminal illness*.

If you are accepted for cover you will be insured under Zurich Superannuation Term Life Plus.

Premiums for Death and/or TPD cover are paid by the Trustee from your ZSP account.

Policy owner and life insured

The policy owner will be the Trustee of the Fund, Zurich Australian Superannuation Pty Limited and the life insured will be you, the member applying for cover.

Choice of cover

You can select either of the following combinations of cover:

- Death cover
- Death and TPD cover
- TPD cover.

If your Death and TPD cover are taken together, then they are 'linked' covers, which means that a claim on the TPD cover will reduce the Death cover.

Your financial adviser will help you to determine the most appropriate combination of cover.

TPD definitions

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

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

At the policy anniversary following your 65th birthday, all definitions will revert to modified TPD.

Under superannuation law, you must also satisfy the definition of *permanent incapacity* in order for the benefit to be payable. This means that if you do not meet the *permanent incapacity* definition then no payment will be available even if you have met the other requirements of the TPD definition applicable to your policy.

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

Zurich Superannuation Term Life Plus terms and conditions

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

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

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

You have the option to make changes to your policy. Optional benefits or increases to the benefit amounts may be applied for after policy commencement, but our acceptance is subject to consideration of the life insured's personal circumstances including health, occupation and pastimes.

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

These policy conditions for Zurich Superannuation Term Life Plus are set out in the following order:

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

Death cover

Death benefit

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

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

Terminal illness benefit

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

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

Advancement for funeral expenses

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

Accidental injury benefit

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

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

which causes a condition specified.

The life insured must also meet the definition of *permanent incapacity*.

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

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

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

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

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

or any combination of two of the following:

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

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

The Accidental injury benefit will not be payable if:

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

Exclusions – Death cover

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

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

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

Benefit adjustments – Death cover

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

- Terminal illness benefit
- Advancement for funeral expenses
- Accidental injury benefit
- TPD benefit.

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

Termination of the Death cover

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

- the payment of the total Death benefit amount
- the death of the life insured
- our receipt of written notification to terminate this benefit
- the Death benefit expiry date shown on the policy schedule and
- termination of the policy (see 'Termination of the policy' on page 23).

Conversion to a non-superannuation policy

The life insured may apply to us, while this policy is in force (or within 30 days of termination) and in a form that we approve, to convert the cover provided under this policy to cover under a non-superannuation policy. We will issue the new policy subject to standard policy issue requirements but we will not reassess the life insured's health, occupation and pastimes already disclosed to us. The policy provided will be a non-superannuation policy offering the most comparable cover, in our opinion, available at the time of the conversion. Once conversion is effected, this policy will terminate. Any exclusions or loadings that applied to the original cover will also apply to the new cover.

TPD cover

TPD benefit

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

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

The policy schedule will show the definition of *total and permanent disablement* that applies.

Exclusions – TPD cover

No claim is paid if the life insured's *total and permanent disablement* is caused directly or indirectly by:

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

Benefit adjustments – TPD cover

The TPD benefit amount is reduced by any amount advanced under the Terminal illness benefit or Accidental injury benefit.

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

When TPD changes

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

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

Termination of the TPD cover

The TPD benefit terminates on the first to occur of:

- the payment of the total TPD benefit amount
- the death of the life insured
- on receipt of written notification to terminate this benefit
- the TPD benefit expiry date shown on the policy schedule and
- termination of the policy (see 'Termination of the policy' on page 23).

Standard in-built benefits

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

Inflation protection

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

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

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

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

The increase may be rejected if it is not required. To reject the increase, contact us within 30 days of the policy anniversary.

Future insurability

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

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

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

(a) If the life insured:

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

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

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

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

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

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

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

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

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

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

Restrictions and limitations

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

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

The TPD benefit amount cannot be increased if the increase would cause the TPD benefit amount to exceed our maximum sum insured.

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

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

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

This benefit will not apply to any cover bought back or reinstated under another policy benefit or option.

Financial planning advice

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

Optional benefits

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

Premium waiver option

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

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

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

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

Under this option, 'usual occupation' means the occupation predominantly performed in the 12 months prior to the *sickness* or *injury*, unless the life insured has been unemployed or on long service, maternity or paternity leave for more than 12 consecutive months immediately prior to the *sickness* or *injury* causing disability, in which case his/her usual occupation is any occupation to which he/she is reasonably qualified by education, training or experience.

To qualify for this waiver, premiums must be paid for the three month period.

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

Exclusions

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

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

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

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

- the death of the life insured
- our receipt of written notification to terminate this option
- the policy anniversary following the 69th birthday of the life insured and
- termination of the policy (see 'Termination of the policy' on page 23).

Business future cover option

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

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

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

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

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

Applying for an increase

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

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

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

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

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

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

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

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

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

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

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

Double TPD option

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

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

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

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

Buy back death option

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

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

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

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

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

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

Zurich Superannuation Income Protector

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

Choice of cover

Level of cover	Description
Zurich Superannuation Income Protector Plus	A fully featured level of cover, including: • three tier definition of *totally disabled* (ie. three ways to qualify for a benefit) • no requirement to be *totally disabled* for five consecutive days • full suite of in-built benefits, including Confined to bed benefit • selection of optional benefits to add.
Zurich Superannuation Income Protector	A cost-effective level of cover which provides all the essentials of income protection. The cost of cover is reduced because: • you must be *totally disabled* for at least five consecutive days during the waiting period to qualify for a Total or Partial disability benefit • the definition of totally disabled is 'unable to perform one or more *important income producing duties*' • after the Total disability benefit and/or Partial disability benefit has been paid for a period of 24 months, the ability to work is no longer based on a specific occupation • the Confined to bed benefit does not form part of the policy.

In-built benefits

Benefit name	Description
Total disability benefit	Pays a benefit if you are *totally disabled* after the waiting period.
Partial disability benefit	Pays a proportion of the Total disability benefit if you are *partially disabled* after the waiting period, based on your *pre-disability income* and *post-disability income*.
Funeral benefit	A lump sum of four times the *insured monthly benefit* to help with immediate expenses is payable on death during claim.
Confined to bed benefit (Plus only)	Benefits are payable right away during the waiting period (max 180 days) if you are disabled and confined to bed for more than 2 days and unable to earn any income.

In-built policy provisions

Benefit name	Description
Inflation protection	Cover will increase every year, unless declined by you, without health assessment.
Waiver of premium	Premiums are waived while we are paying a claim.
Recurrent disability	No waiting period applies if disability recurs from a related cause within 12 months (six months for SR occupations).
Concurrent disability	If you have more than one *sickness* or *injury*, the one which pays the most benefit will apply (we won't pay the benefit twice).
Waiting period reduction feature	Allows for a one year or two year waiting period to be reduced to a one year or 90 day waiting period if you leave an employer and your salary continuance cover ends as a result.
Involuntary unemployment*	Premiums are waived for up to three months if you are involuntarily unemployed.
Interim cover	Puts some accident cover in place as soon as cover is applied for, as set out in the Interim cover certificate (located in the Application Form).

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

Optional benefits

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

Option name	Description
Increasing claims option	Benefits can increase annually with CPI while on claim.
Super contributions option*	Cover is available for regular superannuation contributions in addition to the Total or Partial disability benefit, so that superannuation savings can continue during a claim. See page 18 for details of how this benefit works.
Day 4 accident option*	Benefits during the waiting period if you are disabled due to accident. This option is only available with waiting periods of 30 days or less.
Future insurability option*	Allows an increase in cover without underwriting every year subject to conditions set out on page 19.

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

The terms and conditions which apply to Zurich Superannuation Income Protector begin on page 14.

Income protection cover

Income protection cover can be provided by electing to be covered by the Zurich Superannuation Income Protector/Plus policy issued by Zurich to the Trustee, as a ZSP Optional protection benefit.

Zurich Superannuation Income Protector/Plus is a life insurance product which provides a benefit if you are *totally disabled* or *partially disabled* due to *sickness* or *injury*.

If you are accepted for cover you will be insured under the Zurich Superannuation Income Protector/Plus policy.

Premiums for income protection cover are paid by the Trustee from your ZSP account.

Policy owner and life insured

The policy owner will be the Trustee of the Fund, Zurich Australian Superannuation Pty Limited and the life insured will be you, the member applying for cover.

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, A1L, A2, A3, A4, B1, B2, B3 or SR) – your financial adviser will be able to assist in determining the correct rating. Some policy features and optional benefits are restricted to certain occupations.

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

For SR occupations

Zurich Superannuation Income Protector 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.

Indemnity benefit

Indemnity means that the benefits we pay at claim time are based on your income immediately prior to claim. Total disability benefits payable under the policy will be capped at 75% of *claimable income**, which is generally the income you are earning at the time of the claim (the best consecutive 12 months in the previous two years can be used).

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

Superannuation law

Benefits are only payable where you satisfy a condition of release under superannuation law. See ‘Superannuation restrictions and limitations’ on page 17.

Benefit examples

The following examples are provided to show how the monthly Total disability benefit and Partial disability benefit is calculated.

Claimable income is a defined term we use to set the maximum amount of monthly benefit. Refer to the definition of *claimable income* which is set out on page 27.

Assumptions:

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

When the life insured is *totally disabled*	**Regular *income*** (*income* in the 2 years prior to claim is $8,000 per month)	**Fluctuating *income*** (*income* in the 2 years prior to claim is $6,000 per month)
Total disability benefit: the lower of: • the *insured monthly benefit* and • 75% of the *claimable income* less any applicable offsets	*Claimable income* is $8,000 Total disability benefit is the lower of: • $6,000 and • 75% of $8,000 = $6,000	*Claimable income* is $6,000 Total disability benefit is the lower of: • $6,000 and • 75% of $6,000 = $4,500

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

Zurich Superannuation Income Protector terms and conditions

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

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

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

You have the option to make changes to your policy. Optional benefits or increases to the benefit amounts may be applied for after policy commencement, but our acceptance is subject to consideration of the life insured's personal circumstances including health, occupation and pastimes.

The benefits provided by the Zurich Superannuation Income Protector and Zurich Superannuation Income Protector Plus policy are set out below. Optional benefits are described in the Optional benefits section starting on page 18.

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

The waiting period and benefit period

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

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

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

Total disability benefit

Qualifying criteria

- **Zurich Superannuation Income Protector**

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

  – is *totally disabled* or *partially disabled* for the duration of the waiting period

  – is *totally disabled* for at least five consecutive days during the waiting period and

  – remains *totally disabled* after the waiting period ends.

- **Zurich Superannuation Income Protector Plus**

  We will pay the Total disability benefit if the life insured is *totally disabled* or *partially disabled* for the duration of the waiting period and remains *totally disabled* after the waiting period ends.

Benefit payment

The Total disability benefit amount will be the lower of the *insured monthly benefit*, and the monthly equivalent of:

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

less any applicable offsets.

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

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

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

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

Additional conditions

The Total disability benefit is subject to the superannuation restrictions and limitations described on page 17.

Partial disability benefit

Qualifying criteria

- **Zurich Superannuation Income Protector**

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

  – is *totally disabled* or *partially disabled* for the duration of the waiting period

  – is *totally disabled* for at least five consecutive days during waiting period and

  – remains *partially disabled* after the waiting period ends.

- **Zurich Superannuation Income Protector Plus**

  We will pay the Partial disability benefit if the life insured is *totally disabled* or *partially disabled* during the waiting period and remains *partially disabled* after the waiting period ends.

Benefit payment

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

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

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

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

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

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

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

Additional conditions

The Partial disability benefit is subject to the superannuation restrictions and limitations described on page 17.

Offsets

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

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

If the benefit received is:

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

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

For the purposes of these offsets:

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

Funeral benefit

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

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

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

Confined to bed benefit

This benefit only applies to Zurich Superannuation Income Protector Plus

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

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

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

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

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

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

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

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

The Confined to bed benefit will be the amount we would pay under the Total disability benefit.

Other policy features, exclusions and conditions

Inflation protection

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

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

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

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

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

Waiver of premium

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

Recurrent disability

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

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

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

Employment related salary continuance

If the policy is taken out with a two year waiting period, and the life insured is also covered by employment related salary

continuance which has a two year benefit period, we will use the original start date of the claim when we assess the waiting period, excluding any periods where he/she has returned to work under recurrent disability provisions in that policy.

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

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

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

Concurrent disability

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

More than one benefit at a time

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

- the Total disability benefit and the Partial disability benefit
- the Confined to bed benefit and the Day 4 accident benefit.

Waiting period reduction feature

If the life insured has a policy with a waiting period of '1 year' or '2 years' as shown on the policy schedule, the waiting period can be reduced without medical underwriting to '1 year' or '90 days' if the life insured also has salary continuance cover provided through their employer and that cover terminates because they leave their employer.

This is not available if the life insured:

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

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

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

Exclusions

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

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

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

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

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

Superannuation restrictions and limitations

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

Benefits are only payable if the life insured:

- meets the definition of *temporary incapacity* and the amount is capped at the *superannuation payment limit*, or
- meets the definition of *permanent incapacity*.

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

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 policy will terminate upon conversion.

Involuntary unemployment

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.

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

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

Optional benefits

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

Each optional benefit terminates on the first to occur of:

- our receipt of written notification to terminate the benefit
- the optional benefit expiry date
- termination of the policy (see 'Termination of the policy' on page 23).

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.

The benefits payable under these optional benefits are subject to the superannuation restrictions and limitations described on page 17.

Increasing claims option

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

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

Super contributions option

The super contributions monthly benefit (or a proportion thereof) is payable at any time a Total disability benefit, Partial disability benefit, Confined to bed benefit or Day 4 accident benefit is being paid. The superannuation contributions will be made into your ZSP account.

The amount payable will be the super contributions monthly benefit multiplied by the proportion of the *insured monthly benefit* we are paying as a Total disability benefit, Partial disability benefit, 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
The benefit payable under the Super contributions option is subject to:

- the superannuation restrictions and limitations described on page 17, and
- the benefit being preserved until the life insured meets a condition of release as defined under superannuation law, other than *temporary incapacity*.

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

Day 4 accident option

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

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

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% on every policy anniversary after this benefit begins, to reflect an increase in income without reassessment of the life insured's health. We must receive notification in writing within 30 days of the relevant policy anniversary for the increase to apply and evidence of an increase in income may be required, as determined by us.

The increase cannot be made:

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

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

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

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

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

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

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

Applying for cover

Step by step

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

1. Work out what you need

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

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

2. Make sure you understand what is recommended to you

This Booklet contains all the information you need to know about the Optional Protection Benefits – including the policy conditions. Read this Booklet carefully to make sure you understand the policy or policies you plan to apply for.

3. Making an application for cover

Complete Section 5 of the Zurich Superannuation Plan Application Form and our Life Insured's Statement, which asks about health, financial situation, lifestyle and pastimes.

Your financial adviser will help you to complete and submit both parts.

4. Up to 90 days of interim cover

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

Interim cover generally ends when we finish our assessment, ie. we issue a policy or we decline the application.

Interim cover is only temporary and has special terms and conditions set out in the Interim cover certificate, located in the Application Form.

5. Our assessment of your application

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

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

6. Alternate terms may apply

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

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

7. Policy is issued

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

8. Store your documents

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

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

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

9. Keep in touch

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

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

Premium and other costs

Premium means the amount payable for the primary benefit and each optional benefit included in the policy, stamp duty and any other government charges that may be levied from time to time.

Premium payments

Premiums for all ZSP Optional protection benefits will be calculated and deducted on a monthly basis from your ZSP account. You will need to take this into consideration when deciding what level of contribution you will make to your ZSP.

IMPORTANT: If your individual account balance is not sufficient to pay for your premium, your cover will lapse after 30 days and you will not be covered. You may be able to reinstate your cover after it lapses, subject to Zurich's reassessment of your personal circumstances.

Please note the Trustee is not responsible for the payment of premiums or for monitoring your payment of premiums.

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 your age at that time.

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

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

- on Zurich Superannuation Term Life Plus – on the policy anniversary following your 64th birthday
- on Zurich Superannuation Income Protector and Zurich Superannuation Income Protector Plus – on the policy anniversary following your 65th birthday.

Both stepped and level premiums increase:

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

Premium rates are not guaranteed

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

Premium calculation factors

Your premium will depend on:

- the amount of cover you require (the higher the sum insured, the higher the premium)
- any optional benefits you choose (the more optional benefits you select the higher the premium)
- whether you select stepped or level premiums (stepped premiums are generally lower than level premiums at the start of the policy, but stepped premiums generally increase each year as you get older whereas level premiums do not)
- your current age (generally premiums increase with age)
- your gender (for example, Death cover premiums are generally higher for males than for females, while income protection premiums are generally higher for females than for males)
- whether or not you are 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)
- your occupation (generally occupations with hazardous duties or higher occupational risk have higher premiums)
- your health and
- any pastimes you participate in (generally premiums are higher for those who engage in hazardous activities).

Additional factors influence the cost of income policies:

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

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.

Your premium will include any stamp duty charged by the applicable State government, based on where you reside. 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 Booklet.

Your financial adviser will provide you with a premium illustration

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

Additional information

General policy conditions

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

These general policy conditions apply to:

- Zurich Superannuation Term Life Plus
- Zurich Superannuation Income Protector and Zurich Superannuation Income Protector Plus

added to a ZSP and apply in addition to the product specific terms and conditions set out in the previous sections of this booklet.

The policy includes these policy conditions and the latest policy schedule, which we will send to you when the policy is issued or when we issue you an updated policy schedule following a change. The policy schedule shows the type of policy, the life insured, the amounts and types of cover, any optional benefits chosen, any special terms and conditions particular to the policy and the benefit expiry date/s.

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

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

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

This policy only provides the insurance benefits outlined, it does not have a cash value and is referable to our No. 2 Statutory Fund. The contract is between us and the owner of the policy. **There is no contract between a member of the Zurich Master Superannuation Fund (the 'Fund') and Zurich Australia Limited**.

Guarantee to renew

As long as each premium due is paid within the grace period allowed (see 'Unpaid premium' 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.

Guaranteed upgrade of benefits

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

Changes to the policy

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

Worldwide cover

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

Termination of the policy

The policy terminates on the first to occur of:

- the death of the life insured covered under the policy
- the latest benefit expiry date on the policy schedule
- the non-payment of any premium within 30 days of its due date
- our receipt of written notification to terminate this policy.

Some additional terminations apply depending on the cover selected:

Zurich Superannuation Term Life Plus:

- the policy anniversary after the life insured's 99th birthday
- if the policy does not have Death cover, payment of 100% of the TPD benefit
- the payment of 100% of the Death benefit.

Zurich Superannuation Income Protector and Zurich Superannuation Income Protector Plus:

- the *insured monthly benefit* expiry date
- 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.

Premium and reinstatements

Payment of premium

Insurance premiums are paid from the fund account, which is the ZSP account established in the Zurich Master Superannuation Fund by the policy owner for the life insured and to which the policy owner has applied to add the insurance benefits provided by this policy.

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, (for instance, it the fund account balance is not sufficient to pay for the premium), the policy will lapse and no benefits are payable.

Reinstatement

In the first 30 days after the policy terminates because of the fund account not being adequate to satisfy the payment of any monthly premium, we will reinstate the cover immediately if we receive a request and all outstanding premiums are paid. If the policy is reinstated in this period, no benefits will be paid for an event which occurred or was apparent while the policy was lapsed.

After 30 days, the policy can be considered for reinstatement if we receive a signed reinstatement application. We will consider an application for reinstatement within 12 months of the due date of the first unpaid premium but we may decline to reinstate or impose conditions. If the policy is reinstated in this 12 month period, the cover recommences from the date that we accept the application for reinstatement and no cover is provided during the period of lapse. This means that no payments will be made for an insured event which occurred or became apparent while the policy was lapsed.

Amount of premium

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

Stepped premium

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

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

- the gender, age next birthday and smoking status of the life insured
- the waiting period and benefit period (where relevant)
- the life insured's occupation (where relevant)
- the cover selected – standard or Plus (where relevant)
- if applicable, any optional benefits applying
- the amount of cover for each benefit provided
- any extra premium or loading applying.

Level premium

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

The level switch date is:

- the policy anniversary following the life insured's 64th birthday for Zurich Superannuation Term Life Plus and
- the policy anniversary following the life insured's 65th birthday for Zurich Superannuation Income Protector and Zurich Superannuation Income Protector Plus.

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

- the gender, age next birthday and smoking status of the life insured
- the waiting period and benefit period (where relevant)
- the life insured's occupation (where relevant)
- the cover selected – standard or Plus (where relevant)
- if applicable, any optional benefits applying
- the amount of the increase in cover for each benefit provided
- any extra premium or loading applying.

Even when the level premium structure applies, the premium may change if we change the standard premium rates applying to a benefit provided by the policy.

Premium review

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

Management fee

No additional management fee is payable while the insurance cover provided by this policy is added to a ZSP.

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.

Residency and applicable laws

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

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

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

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

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

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

Making a claim

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

How to claim

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

Claim requirements

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

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

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

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

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

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

Where any reference is made to the life insured's 'average monthly *income* in the 12 or 24 months immediately prior to a point in time', it can be measured as the previous financial year/s prior to that time rather than strictly the 12 or 24 months prior, if you have evidence which is aligned to financial years.

In addition to any insurance claim requirements, a superannuation claim form must be completed and returned to the Trustee.

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 Superannuation Term Life Plus, proof of the occurrence of any insured event must be supported by:

- one or more appropriate specialist *medical practitioners* registered in Australia or New Zealand (or in another country approved by us)
- confirmatory investigations including, but not limited to, clinical, radiological, histological and laboratory evidence

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

For Zurich Superannuation Income Protector and Zurich Superannuation Income Protector Plus:

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

We should be notified in writing within 30 days of the *sickness* or *injury*. If we are notified after 30 days, the waiting period will commence from the date that we are notified.

Medical examination

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

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

Payment of benefits

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

All claims are paid in Australian dollars.

Definitions

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.

any occupation means any occupation, business or employment for which the life insured is suited by education, training or experience.

any occupation TPD means the life insured,

(a) has been absent from work for a continuous period of at least three months, or has suffered permanent and irreversible *whole person impairment** of at least 25%, and

(b) is incapacitated to the extent that, in our opinion, is unlikely to ever again be able to engage in *any occupation*.

or

The life insured suffers *functional impairment* of at least four *extended ADL* categories.

or

The life insured has suffered permanent and irreversible *whole person impairment** of at least 60%.

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

carer means the life insured begins to provide unpaid care for the first time and that care:

- is medically necessary due to disability, chronic illness or frail age
- was not previously required
- is likely to be required for a continuous period of at least six months.

The commencement of care for the first time must be evidenced by either a letter from a *medical practitioner* or evidence that the life insured is receiving a Centrelink carer benefit for providing that care.

claimable income means the life insured's highest average monthly *income* over any consecutive 12 months in the 24 month period preceding the waiting period applying to the claim.

Periods of unpaid leave, long service leave, maternity leave, paternity leave or sabbatical leave, up to a maximum of 12 months, will be added to the 24 month period referred to above. For example, if the life insured has been on maternity leave for six months during the 24 month period prior to *sickness* or *injury*, then the 24 month period will become the 30 month period immediately prior to *sickness* or *injury*.

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

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

domestic duty / domestic duties means the tasks performed by a life insured whose sole occupation is to maintain the family home. These tasks include, unassisted by another person, cleaning of the home, cooking of meals for their family, doing the family laundry, shopping for the family's groceries and taking care of dependent children (where applicable).

Domestic duties do not include duties performed outside the life insured's home for remuneration or reward.

domestic duties TPD means the life insured,

(a) has not performed *domestic duties* for a continuous period of at least three months, or has suffered permanent and irreversible *whole person impairment** of at least 25%, and

(b) is incapacitated to the extent that, in our opinion, it is unlikely that he/she will be able to perform *domestic duties* and it is unlikely that he/she will engage in *any occupation* ever again.

or

The life insured suffers *functional impairment* of at least four *extended ADL* categories.

or

The life insured has suffered permanent and irreversible *whole person impairment** of at least 60%.

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

extended activities of daily living/extended ADLs means the six categories of extended ADLs. Each category is made up of a list of specific tasks. If the stated number of the specific tasks within a category cannot be performed, the whole category is scored as an inability to perform that extended ADL category.

The ability to perform the tasks of each extended ADL category must be assessed by a medical specialist appropriate to the medical condition causing the impairment, using the Activities of Daily Living score sheet provided by us.

When a life insured is being measured on their ability to perform any tasks of an extended ADL category:

- all tasks for which an impairment is present must be scored, irrespective of the medical condition(s) causing the impairment, and
- assistive devices must be used, where applicable.

Supporting objective medical evidence or investigations must be provided for each task of an extended ADL category scored.

The extended ADL categories, specific tasks and scoring are detailed in the table below.

ADL category 1: Self-care

Specific tasks:

- bathing
- grooming
- dressing
- eating and feeding
- bowel and bladder function
- mobility

Score required in order to be considered unable to perform this ADL category:

- 'cannot' in at least one specific task, or
- 'with help' in at least two specific tasks.

ADL category 2: Communication

Specific tasks:

- speaking
- reading
- writing
- keyboard use

Score required in order to be considered unable to perform this ADL category:

- 'cannot' in at least one specific task, or
- 'minimal' in at least two specific tasks.

ADL category 3: Physical activity

Specific tasks:

Intrinsic

- standing
- sitting
- reclining
- walking
- stooping
- squatting
- kneeling
- reaching
- bending
- twisting

Functional

- carrying
- lifting
- pushing
- pulling
- climbing
- exercising

Score required in order to be considered unable to perform this ADL category:

- cannot' in at least three specific tasks, or
- 'with help' in at least six specific tasks.

ADL category 4: Sensory function

Specific tasks:

- hearing
- seeing
- tactile sensation
- tasting
- smelling

Score required in order to be considered unable to perform this ADL category:

- 'cannot' in at least one specific task, or
- 'minimal' in at least two specific tasks.

ADL category 5: Hand functions

Specific tasks:

- grasping
- holding
- pinching
- percussive movements
- sensory discrimination

Score required in order to be considered unable to perform this ADL category:

- 'cannot' in at least one specific task, or
- 'minimal' in at least two specific tasks.

ADL category 6: Advanced functions

Specific tasks:

- travel (riding, driving)
- sexual function
- social interaction
- understand concepts
- memory
- problem solving
- stress adaptation
- sleep pattern
- recreational/social activities

Score required in order to be considered unable to perform this ADL category:

- 'cannot' or 'poor' in at least four specific tasks.

ADL scoring

The following scoring method is used to score the ADL Score Sheet:

- If a person is independent in performing that task, they are regarded as able to do that task (can), (normal) or (good)
- If a person makes use of assistive devices, or requires the supervision of another person in performing that task, they are regarded as requiring assistance to do the task (with help), (minimal) or (average). Examples of assistive devices are walking frames, raised toilet seats, shower or bath benches. Please note that glasses and hearing aids are not classified as assistive devices.

If a person is completely dependent on another person(s) to perform a task, they are regarded as unable to do that task (cannot) or (poor). Poor means a rating of poor or below average as measured and evaluated by the relevant and appropriate test(s).

full-time paid employment means being employed or self-employed, working 24 hours or more per week and receiving appropriate remuneration.

functional impairment means the presence of a medically recognised disease or disorder, resulting in an inability to perform a specified number of the *extended activities of daily living* categories, while on optimal therapy if appropriate, assessed in accordance with the specific scoring criteria set out in the definition of *extended ADLs*. The functional impairment must be present for a minimum of six months and be permanent and irreversible.

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

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

important income producing duties means duties which are essential to the life insured's ability to produce his/her *pre-disability income*.

income means income calculated:

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

It is based on total remuneration from personal exertion and includes salary, wages, director's fees, allowances, packaged fringe benefits, regular commissions, regular bonuses, regular overtime payments and pre-tax superannuation contributions.#

If the life insured is a business owner or self-employed, income also includes the life insured's share of net income of the business, based on his/her ownership of and/or role in the business (calculated after the deduction of expenses incurred in producing that income but before the deduction of tax).

Income does not include investment income, such as rental income from third parties and interest.

Please note that the result of this calculation for a business owner is likely to be different to what the life insured received from the business in the form of dividends, distributions and/or drawings.

Income does not include superannuation contributions if the Super contributions option has been selected, except where assessing whether the life insured is *totally disabled* or *partially disabled*.

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

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

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

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

loss of limbs means the total and irreversible loss of the use of two limbs, where 'limb' means whole hand or whole foot.

loss of sight means the irrecoverable loss of sight, with and without the use of an appropriate aid, to the extent that eyesight is reduced in both eyes to 6/60 or less of central visual acuity on the Snellen test chart or the degree of vision is less than or equal to 20 degrees of arc.

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

Medical practitioner does not include:

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

modified TPD means the life insured has suffered:

- *loss of limbs**
- *loss of sight**
- both *partial loss of limbs* and *partial loss of sight**
- *loss of independent existence**, or
- *cognitive loss*.

* Where you are claiming as a result of *loss of limbs*, *loss of sight*, both *partial loss of limbs* and *partial loss of sight* or *loss of independent existence*, the life insured must be living (and not declared brain dead) for 14 days from the date he/she satisfies the definition.

monthly benefit means a periodic benefit payable under the policy conditions, including the Total or Partial disability benefit and any other in-built benefits paid in lieu of the Total or Partial disability benefit, ie. Confined to bed benefit and Day 4 accident option.

partial loss of limbs means the total and irreversible loss of the use of one limb, where 'limb' means whole hand or whole foot.

partial loss of sight means the irrecoverable loss of sight in one eye, with and without the use of an appropriate aid, to the extent that eyesight is reduced in that eye to 6/60 or less of central visual acuity on the Snellen test chart.

partially disabled (for Zurich Superannuation Income Protector) means the life insured is working or is capable of working but solely due to *sickness* or *injury* he/she:

- has a reduction of 20% or more in the ability to perform *important income producing duties* in the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability and
- is under the regular care of, and following the advice of a *medical practitioner*.

After the Total disability benefit and/or Partial disability benefit has been paid for a period of 24 months, the ability to work is no longer based on a specific occupation. The life insured will only be partially disabled if he/she:

- has a reduction of 20% or more in the ability to perform the *important income producing duties* of each occupation to which he/she is reasonably qualified by education, training or experience and
- is under the regular care of, and following the advice of a *medical practitioner*.

If the life insured becomes partially disabled at a time when he/she hasn't been working for more than 12 consecutive months due to:

- unemployment
- long service leave
- maternity or paternity leave

then we will determine eligibility for the Partial disability benefit based on any occupation to which he/she is reasonably qualified by education, training or experience.

partially disabled (for Zurich Superannuation Income Protector Plus) means the life insured is working or is capable of working but solely due to *sickness* or *injury* he/she:

- has a reduction of 20% or more in the ability to:
  - perform *important income producing duties* or
  - generate *income* or
  - maintain the number of hours worked in the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability and
- is under the regular care of, and following the advice of a *medical practitioner*.

If the life insured becomes partially disabled at a time when he/she hasn't been working for more than 12 consecutive months due to:

- unemployment
- long service leave
- maternity or paternity leave

then we will determine eligibility for the Partial disability benefit based on any occupation to which he/she is reasonably qualified by education, training or experience.

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

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

permanent incapacity means permanent incapacity as defined by superannuation law, as amended from time to time and applied as if Zurich was the trustee of the relevant superannuation fund and the life insured was a member of the fund.

'Superannuation law' includes the Superannuation Industry (Supervision) Act 1993 (Cth) and associated regulations.

post-disability income means the life insured's *income* in the months following *sickness* or *injury* while *partially disabled*.

During the first three months that a *monthly benefit* is being paid, the life insured's post-disability income will not be considered post-disability income if it is 10% or less of his/her *pre-disability income*

We will only pay benefits where the loss of income is a result of *sickness* or *injury*. Where *income* has been reduced as a result of causes other than *sickness* or *injury*, we will adjust the life insured's post-disability income so that it only reflects the proportion of the *income* lost as a result of *sickness* or *injury*. In doing so, we will take into account available medical evidence (including the opinion of the life insured's registered doctor) and any other relevant considerations directly related to the life insured's medical condition.

pre-application income means:

- **if the life insured is a business owner or self-employed, and his/her average monthly *income* in the 12 months immediately prior to application is greater than his/her average monthly *income* in the preceding 12 month period by 20% or more:** the average monthly *income* over the 24 months immediately prior to the application for cover or the most recent of any approved increases (other than indexation increases)
- **in all other cases:** the average monthly *income* over the 12 months immediately prior to application for cover or the most recent of any approved increases (other than indexation increases).

Pre-application income is increased by the percentage increase in the *consumer price index* published for the quarter falling immediately prior to the three months before each policy anniversary over that published for the quarter falling immediately prior to 15 months before that policy anniversary, up until the start of the waiting period applying to the claim.

pre-disability income means the life insured's highest average monthly *income* over any consecutive 12 months in the 24 month period preceding the waiting period applying to the claim.

Periods of unpaid leave, long service leave, maternity leave, paternity leave or sabbatical leave, up to a maximum of 12 months, will be added to the 24 month period. For example, if the life insured has been on maternity leave for six months during the 24 month period prior to *sickness* or *injury*, then the 24 month period will become the 30 month period immediately prior to *sickness* or *injury*.

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

primary occupation means any type of business, service, trade or employment which encompasses the duties predominantly carried out by the life insured. It is not specific to any place of employment, particular employer or position.

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.

superannuation payment limit means the amount we determine in our absolute discretion as satisfying the requirements of superannuation law in regard to the permissible insurance benefits payable in respect of a member of a superannuation fund and applied as if Zurich was the trustee of the relevant superannuation fund and the life insured was a member of the fund.

In making the determination, it is recognised that Zurich may interpret superannuation law in a particular manner which may change over time. We will make a determination in accordance with procedures maintained by us.

This limit may mean that the total benefit paid under the policy for any month will be capped so that the life insured is not receiving more in total (including all insurance benefits and income) then he/she was receiving before the *sickness* or *injury*.

'Superannuation law' includes the Superannuation Industry (Supervision) Act 1993 (Cth) and associated regulations.

temporary incapacity means 'temporary incapacity' as defined by superannuation law as amended from time to time and applied as if Zurich was the trustee of the relevant superannuation fund and the life insured was a member of the fund.

For the life insured to meet this definition, this may include the life insured having to cease gainful employment (as defined under superannuation law) solely due to the *sickness* or *injury* for a period of at least one full day during the waiting period.

'Superannuation law' includes the Superannuation Industry (Supervision) Act 1993 (Cth) and associated regulations.

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

terminal illness means any condition caused by *sickness* or *injury*, where despite all reasonable medical treatment, the life insured is expected to live for no more than 24 months as confirmed and certified* by:

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

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

total and permanent disablement (TPD) means:

If the TPD definition on your policy schedule is **any occupation**:

Due to *sickness* or *injury*,

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

The life insured must also meet the definition of *permanent incapacity*.

If the TPD definition on your policy schedule is **domestic duties**:

Due to *sickness* or *injury*,

- before the policy anniversary following the life insured's 65th birthday,
  - the life insured satisfies the *domestic duties TPD* definition, or
  - if the life insured has been in *gainful employment* for at least 16 hours per week continuously during the preceding six months prior to ceasing work, the life insured satisfies the *any occupation TPD* definition, or
  - the life insured satisfies the *modified TPD definition*.
- from the policy anniversary following the life insured's 65th birthday, the life insured satisfies the *modified TPD* definition.

The life insured must also meet the definition of *permanent incapacity*.

If the TPD definition on your policy schedule is **modified TPD**:

Due to *sickness* or *injury*, the life insured satisfies the *modified TPD* definition.

The life insured must also meet the definition of *permanent incapacity*.

totally disabled (for Zurich Superannuation Income Protector) means solely as a result of a *sickness* or *injury*, the life insured:

- is not working in *gainful employment* and
- is unable to perform one or more of the *important income producing duties* of the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability.

The life insured must also be under the regular care of, and following the advice of a *medical practitioner*.

After the Total disability benefit and/or Partial disability benefit has been paid for a period of 24 months, the ability to work is no longer based on a specific occupation. The life insured will only be totally disabled if he/she:

- is not working in *gainful employment* and
- is unable to perform one or more of the *important income producing duties* of each occupation to which he/she is reasonably qualified by education, training or experience.

The life insured must also be under the regular care of, and following the advice of a *medical practitioner*.

If the life insured becomes totally disabled at a time when he/she hasn't been working for more than 12 consecutive months due to:

- unemployment
- long service leave
- maternity or paternity leave

then we will determine eligibility for the Total disability benefit based on any occupation to which he/she is reasonably qualified by education, training or experience.

totally disabled (for Zurich Superannuation Income Protector Plus) means solely as a result of a *sickness* or *injury*, the life insured:

- is not working in *gainful employment* and
- is unable to perform one or more of the *important income producing duties* of the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability

or

- is not working in *gainful employment* and
- has a reduction of 80% or more in the ability to generate *income* in the *primary occupation* he/she performed in the 12 consecutive months immediately before the *sickness* or *injury* causing disability

or

- is not working in *gainful employment* for more than 10 hours per week and
- is unable to perform his/her *important income producing duties* for more than 10 hours per week.

The life insured must also be under the regular care of, and following the advice of a *medical practitioner*.

If the life insured becomes totally disabled at a time when he/she hasn't been working for more than 12 consecutive months due to:

- unemployment
- long service leave
- maternity or paternity leave

we will determine eligibility for the Total disability benefit based on any occupation to which he/she is reasonably qualified by education, training or experience.

If the life insured is working less than 24 hours per week when he/she becomes totally disabled, we will replace '10 hours' with 'five hours' for the purpose of determining eligibility for the Total disability benefit.

uncomplicated pregnancy or childbirth means pregnancy, childbirth or termination which does not result in any serious medical complication. It includes participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarrying or having a termination.

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

How to contact us

Enquiries and policy admin

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

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

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

131 551

client.service@zurich.com.au

Locked Bag 994
North Sydney NSW 2059

www.zurich.com.au

Financial advice

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

Additional support

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

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