

AIA LIVING - PERSONAL OPTIONAL BENEFIT APPENDIX



Mortgage and Income Protection Benefit

This *appendix* only applies if cover under *the schedule* for your policy includes the Mortgage and Income Protection Benefit. This *appendix* forms part of and is incorporated into your **AIA Living** policy, the terms of which apply to this *appendix*.

This is a Mortgage and Income Protection Benefit and the *life/ lives assured* are shown in *the schedule*.

1. When will AIA pay a Total Disability Income Benefit?

AIA will pay a Total Disability Income Benefit if, in AIA's opinion, at any time during the *benefit term*, the *life assured*:

- > has been *totally disabled* or *partially disabled* during the *waiting period*; and
- > is *totally disabled* at the end of the *waiting period*.

We will pay you the monthly benefit less offsets monthly in advance from the end of the *waiting period* until the earliest of:

- > the *life assured* is no longer *totally disabled*, or
- > the *benefit term* ends, or
- > the cover ends.

Any payment for a period of less than one month is calculated on a pro-rata basis.

Where the *life assured* has a *waiting period* of 8 weeks or less, is *totally disabled* due to injury and the nature of the injury is such that the *life assured* is expected to recover within a set period of time, AIA may choose to make a lump sum payment of up to 3 monthly benefit payments (after the *waiting period* and any offsets have been taken into account) and close the claim. This payment may be made during the *waiting period*.

If the *life assured* is still *totally disabled* or *partially disabled* at the end of the expected recovery period corresponding with the lump sum payment, then AIA will reopen the claim and pay either the Total Disability Income Benefit or a Partial Disability Income Benefit in accordance with this *appendix*.

2. What amount will AIA pay for a Total Disability Income Benefit?

The amount that AIA will pay monthly is 1/12th of the benefit amount shown in *the schedule* less offsets shown below.

Offsets:

Any mortgage or income protection benefits that you or your mortgage provider receive or are entitled to receive in relation to the *life assured* and in respect of the same or a related disability. This excludes ACC benefits and Work and Income New Zealand (WINZ) benefits received or entitled to be received. AIA will not seek to apply offsets under this clause in respect of mortgage or income protection benefits

held with other providers which were accurately disclosed in your application, provided that there has been no change in the circumstances for you or the *life assured*.

3. What does *totally disabled* mean?

The definition of *totally disabled* that applies for a *life assured* depends on the *life assured's* occupation class. The occupation class for each *life assured* is shown in *the schedule*. However, if a *life assured* has been on leave without pay for more than 12 months or was *unemployed* for three months or more immediately before becoming *totally disabled*, that *life assured* is automatically classed as occupation class five. For each occupation class, the degree of incapacity which constitutes *total disablement* is as follows:

For occupation classes other than occupation class five:

In AIA's opinion, the *life assured* is *totally disabled*, if as a direct result of sickness or injury, he or she is:

- > under the regular and personal care of a *registered medical practitioner*; and
- > unable to:
 - perform at least one important income producing duty of the role they were involved in immediately before the *disablement date* and is not working in that role; or
 - engage in the occupation they were involved in immediately before the *disablement date* for more than 10 hours per week; and
- > not working or engaged in any other occupation or business.

For occupation class five:

In AIA's opinion, the *life assured* is *totally disabled*, if as a direct result of sickness or injury, he or she is:

- > disabled to such an extent that necessitates confinement to the home under medical supervision or to a recognised medical institution and necessitates receiving regular medical care, or
- > unable to perform at least two of the *Activities of Daily Living* without the assistance of an adult; and
- > not working in any gainful occupation or engaged in voluntary work.

4. When will AIA pay a Partial Disability Income Benefit?

AIA will pay a Partial Disability Income Benefit if, in AIA's opinion, at any time during the *benefit term*, the *life assured*:

- > is in an occupation class other than occupation class five at the time of becoming *totally disabled* or *partially disabled*; and
- > has been *partially disabled* during the *waiting period*, and is *partially disabled* at the end of the *waiting period*; or
- > becomes *partially disabled*, following a period of receiving a Total Disability Income Benefit under this *appendix* and the *life assured* is no longer *totally disabled*, provided:
 - the period in respect of which a Total Disability Income Benefit has been paid in advance has expired; and/or
 - where a lump sum payment has been made in lieu of monthly benefit payments as set out in Section 1, the benefit period to which the lump sum corresponds has expired.

We will pay you the Partial Disability Income Benefit monthly in arrears until, in AIA's opinion, after considering the advice of a *registered medical practitioner* and other relevant information, the disability is no longer preventing the *life assured* from working at least 75% of their *pre-disability working hours*, or until the end of the *benefit payment period*, whichever is the earlier.

A Partial Disability Bridging Benefit (as set out in Section 7) will also be paid if you have been receiving a Total Disability Income Benefit under this *appendix* before you commence receiving a Partial Disability Income Benefit.

5. What does *partially disabled* mean?

In AIA's opinion, the *life assured* is *partially disabled*, if as a direct result of sickness or injury he or she:

- > has a reduction in work capacity resulting from the continuation of the disability; and
- > because of the reduction in work capacity, the *life assured* is working less than 75% of *pre-disability working hours*.

6. What is the amount of the Partial Disability Income Benefit?

The amount that AIA will pay monthly is calculated in the following way:

$1/12^{\text{th}}$ of the benefit amount shown in *the schedule* ×

$$\frac{(\text{pre-disability working hours} - \text{post-disability working hours})}{\text{pre-disability working hours}}$$

less offsets shown below.

If the *life assured* was on parental leave for 12 months or less or on a *work sabbatical* when the *life assured* became *totally disabled*, then *pre-disability working hours* will be based on the working hours immediately before the *life*

assured went on leave, as set out in Section 28 "Key Terms".

Offsets:

Any mortgage or income protection benefits that you or your mortgage provider receive or are entitled to receive in relation to the *life assured* and in relation to the same or a related disability. This excludes ACC benefits and Work and Income New Zealand (WINZ) benefits received or entitled to be received. AIA will not seek to apply offsets under this clause in respect of mortgage or income protection benefits held with other providers which were accurately disclosed in your application, provided that there has been no change in the circumstances for you or the *life assured*.

For example:

pre-disability working hours	37.5 hours
post-disability working hours	15 hours
Benefit amount shown in the schedule	\$72,000 per annum (\$6,000 per month)
Offsets	Nil in this example

Calculation:

$$\begin{aligned} & 1/12^{\text{th}} \times \$72,000 \times \frac{(37.5 - 15)}{37.5} \\ & = \$6,000 \times 0.6 \\ & = \$3,600 \text{ per month } (\$43,200 \text{ per annum}) \end{aligned}$$

7. What is the Partial Disability Bridging Benefit and when will AIA pay it?

AIA will pay you a Partial Disability Bridging Benefit if:

- > you have been receiving a Total Disability Income Benefit under this *appendix*; and
- > the *life assured* is no longer *totally disabled*; and
- > based on the information provided to, and requested by AIA, we reasonably expect that a Partial Disability Income Benefit (as set out in Section 4) will be payable for that *life assured* for the first month after the *life assured* ceased to be *totally disabled*.

The Partial Disability Bridging Benefit is a lump-sum payment equivalent to 1/3rd (33.3%) of the final monthly Total Disability Income Benefit paid before the *life assured* ceased to be *totally disabled*.

The Partial Disability Bridging Benefit is paid at the end of the final month in respect of which a Total Disability Income Benefit was paid for the *life assured*.

Payment of the Partial Disability Bridging Benefit does not affect the amount of the Partial Disability Income Benefit (as set out in Section 6).

The Partial Disability Bridging Benefit is payable once for all claims resulting from the same or a related injury or illness.

The Partial Disability Bridging Benefit is not payable where a lump sum payment has been made in lieu of monthly benefit payments, as set out in Section 1.

8. What is the Recurrent Disablement Benefit?

The *waiting period* will be waived if not later than 12 months after the benefit payments related to the original claim ceased, the *life assured* becomes disabled again and, in *AIA's* opinion, after considering the advice of a *registered medical practitioner* and other relevant information, this is caused by the same or a related illness or injury as the original period of *total or partial disablement*.

The provisions of Sections 1, 2, 3, 4 and 5 of this *appendix* will apply to any benefit claimed.

If the *benefit payment period* is two or five years, all claims resulting from the same or a related illness or injury will be considered to be the same claim in respect of the *benefit payment period*.

9. Rehabilitation and Support

On receiving notification of a new or potential claim, we will appoint the *life assured* a Case Manager, who will work with the *life assured* to understand their personal situation and assist them with the claims process. They will work with the *life assured* to consider what rehabilitation or functional support could assist the *life assured's* return to work or improve their capacity to work, either during or after the *waiting period* as appropriate in the opinion of *AIA*.

Acceptance of any costs associated with the agreed rehabilitation and functional support by *AIA* does not mean that we will accept liability for any other benefit under this *appendix*.

10. What is Vocational Assistance and when will AIA pay it?

AIA may agree to pay for vocational assistance for the *life assured* if, in *AIA's* opinion, the *life assured* is unlikely to return to paid work in their pre-disability occupation without assistance. The Case Manager appointed to the *life assured's* claim will work to understand their personal situation and consider what assistance could aid the *life assured's* return to gainful employment at an earlier date than would otherwise be possible. In all cases:

- > the assistance must be approved in advance by *AIA*, and reviewed regularly; and
- > the *life assured* must actively participate and comply with the assistance as agreed with *AIA*; and
- > the total amount which *AIA* will pay for any vocational assistance is limited to a maximum of 12 times the monthly benefit amount as calculated in Section 2, except if the *benefit payment period* is two or five years, where the total amount is limited to 6 times the monthly benefit amount as calculated in Section 2; and

- > the *life assured* must be receiving a Total Disability Income Benefit or Partial Disability Income Benefit when the assistance begins.

Any benefit which *AIA* may agree to pay is to be reduced by any vocational assistance costs you or the *life assured* recover, or are entitled to recover, from any other source.

11. What is the Home Modification or Equipment Expenses Benefit and when will AIA pay it?

AIA may agree to pay you an additional lump sum payment of up to 12 times the monthly benefit amount calculated in Section 2. This payment is to cover the cost of buying specialised equipment or completing home alterations that, because of the *life assured's total disablement*, have become necessary, in *AIA's* opinion after considering the recommendation of an occupational therapist or an appropriate *specialist* approved by *AIA*. You must apply in writing to *AIA* before incurring these costs. Any benefit that *AIA* may agree to pay for the specialised equipment or home alterations will be reduced by any costs of buying specialised equipment or completing home alterations you or the *life assured* recover, or are entitled to recover from any other source.

12. What is the Property Special Event Facility?

The Mortgage and Income Protection Benefit sum assured for the *life assured* may be increased if one of the following property special events has occurred for the *life assured*:

- > an increase to an existing mortgage;
- > the purchase of a new home;
- > the purchase of a holiday home; or
- > the purchase of a bare block of land zoned as residential.

You do not need to produce any medical evidence regarding the *life assured* when you request this increase, but any property special event increase is subject to the following conditions:

- > You must make the request in writing and provide *AIA* with suitable evidence of the occurrence of the property special event.
- > You must make the request within 6 months of the relevant property special event occurring.
- > The increase to the Mortgage and Income Protection Benefit sum assured for the *life assured* cannot exceed 115% of the increase in the mortgage repayment or \$750 per month, whichever is the lower.
- > The total maximum benefit amount payable for your Mortgage and Income Protection Benefit, including all increases, cannot exceed \$6,000 per month across all *AIA* mortgage protection benefits.
- > *AIA* may not accept an application or pay a claim on the increase under this Property Special Event Facility to

increase cover for a *life assured* if you are entitled to or are receiving payment of a claim for a disability that the *life assured* suffered on or before the date of the application.

- > After a property special events increase has been made, *AIA* will not pay the increased benefit amount if within six months of the increase, the *life assured* is entitled to or receives payment of a claim.
- > A *life assured* over the age of 55 is not eligible for any Property Special Event Facility increases.
- > Only one increase can occur every 3 years.
- > *AIA* will increase the Mortgage and Income Protection Benefit sum assured for a *life assured* from the date we accept your request.
- > Any increase under the Property Special Event Facility will require an increase in *premium*.
- > The *premium* increase will be based on *AIA's* *premium* rates applicable at the time the Property Special Event Facility is exercised.
- > Any loadings, exclusions or special terms on the original sum assured will be applied to the increased amount.

13. What is the Bed Confinement Benefit and when will *AIA* pay it?

If, at any time during the *waiting period*, the *life assured* is confined to bed under *full-time care* for more than three days and is in an occupation class other than five, then *AIA* will pay a Bed Confinement Benefit for each complete 24 hour period after the first 72 hours of bed confinement.

This benefit will be a daily benefit equivalent to 1/365th of the benefit amount shown in *the schedule*, which you would be entitled to if the *life assured* was *totally disabled* and the *waiting period* was over. *AIA* will continue to pay the benefit until the *waiting period* is over, or until the *life assured* is no longer confined to bed under *full-time care*, whichever is the earlier.

14. When can you suspend cover and when will *AIA* reinstate cover?

A *life assured* can suspend their cover under this benefit *appendix* for up to 12 months if they:

- > go on parental leave;
- > go on leave without pay for any reason;
- > become unemployed or redundant;
- > experience at least a 20% reduction in pay (comparing the most recent payslip against a previous payslip from the same year); or
- > if self-employed, experience a 30% reduction in revenue (by comparing one month's revenue against the same month for the previous year),

provided that:

- > you notify *AIA* within three months of one of the above listed suspension events occurring and provide

evidence to *AIA* of the suspension event; and

- > *AIA* acknowledges in writing receipt of that notification.

Cover for the *life assured* will be suspended from the date set out in *AIA's* written acknowledgment.

No *premium* will be payable during the period that the cover is suspended.

No claim under this benefit *appendix* will be payable during, or for any disability that occurs during the period that the cover is suspended.

A claim may only be payable if the *life assured* first meets the criteria for an eligible claim under this policy after their cover is reinstated.

Cover under this benefit *appendix* may be reinstated at the end of the suspension period in accordance with this Section without the need to provide further medical evidence, provided that the benefit has been suspended for no longer than 12 months.

At the end of the suspension period, the benefit will be automatically reinstated for the *life assured*.

Cover for the *life assured* will be reinstated from the date set out in *AIA's* written acknowledgement.

The *premium* payable for the reinstated benefit will be based on *AIA's* *premium* rates at the time of the reinstatement.

If the *life assured* becomes entitled to a Partial Disability Income Benefit within 12 months following the reinstatement of cover under this benefit *appendix*, then the amount of benefit payable will be calculated using Section 6 of this benefit *appendix*, provided that the 12 month period used for calculating the *life assured's* *pre-disability income* will be a combination of:

- > the period from the date of reinstatement to the *date of disablement*; and
- > the period immediately prior to the commencement of the suspension event, that is needed to make up the balance of the 12 month period.

15. What is the Pregnancy Premium Waiver?

AIA will waive the *premium* for this Mortgage and Income Protection Benefit for six consecutive months at any stage between the second trimester and six months after the *life assured's* pregnancy finishes if the *life assured* becomes pregnant while this Mortgage and Income Protection Benefit is in force provided:

- > the *life assured* provides *AIA* with a confirmation of pregnancy from an appropriate *registered medical practitioner*; and
- > the *life assured* did not become pregnant within nine months of:
 - the *risk commencement date*; or
 - the most recent reinstatement of this Mortgage and Income Protection Benefit; and
- > the *life assured* is on maternity leave.

You must notify *AIA* in writing when the *premium* is to be waived.

This Pregnancy Premium Waiver will cease when six consecutive months *premium* have been waived.

16. What is the Return to Home Benefit?

If the *life assured* is outside of New Zealand and suffers, for the first time a total disability, upon acceptance of the claim we will pay the lesser of:

- > three times the monthly benefit specified in *the schedule*; or
- > a single standard economy flight back to New Zealand for the *life assured* and one support person.

In total the maximum *AIA* will pay over the life of the Policy under the Return Home Benefit is \$10,000.

No payment will be made if the *life assured* is covered for the same event with a travel insurance provider.

17. What is the Childcare Support Benefit?

AIA will pay a Childcare Support Benefit in the following circumstances:

- > the *life assured* is *totally disabled* or *partially disabled* and is receiving a monthly benefit; and
- > as a direct result of the *life assured's* disability, additional childcare costs are incurred over and above any childcare arrangements which existed prior to the *life assured* becoming *totally disabled* or *partially disabled*, in respect of any dependent *child* who is under the age of 14 years old; and
- > the additional childcare services are not being provided by you or an immediate family member, in *AIA's* sole opinion.

The amount *AIA* will reimburse under the Childcare Support Benefit is the lesser of:

- > the actual additional childcare costs; or
- > \$800 per month per dependent *child* under the age of 14 years old.

This Childcare Support Benefit is payable until the earlier of:

- > the *life assured* no longer being *totally disabled* or *partially disabled*; or
- > six monthly Childcare Support Benefit payments have been made; or
- > the end of the *benefit payment period* is reached; or
- > the end of the *benefit term* is reached.

You will need to provide evidence satisfactory to *AIA* each month of the additional childcare fees that have been paid before *AIA* will make a payment under the Childcare Support Benefit.

This payment is in addition to the monthly benefit.

18. What is the Waiting Period Reduction Benefit?

If this Mortgage and Income Protection Benefit has a *waiting period* of 26, 52 or 104 weeks the *life assured* can reduce this *waiting period*, without providing any further medical evidence, if the *life assured's* Business Overheads, Business Continuity, Rural Continuity or Locum Cover is cancelled due to:

- > the *life assured* no longer being *actively engaged* in the business;
- > the business being sold; or
- > the business is no longer *actively trading*.

The *waiting period* for this Mortgage and Income Protection Benefit will reduce to align with the *waiting period* on the cancelled Benefit. The reduced *waiting period* on this Mortgage and Income Protection Benefit will apply to the lesser of:

- > the monthly benefit for the Business Overheads, Business Continuity, Rural Continuity or Locum Cover at the time it was cancelled; or
- > the monthly benefit for this Mortgage and Income Protection Benefit.

For example:

A *life assured* has the following:

- > Mortgage and Income Protection with a \$2,500 per month benefit and a 52 week *waiting period*; and
- > Business Continuity with a \$1,000 per month benefit with a 13 week *waiting period*.

When Business Continuity is cancelled the Mortgage and Income Protection Benefit *waiting period* would be reduced to a:

- > 13 week *waiting period* with a \$1,000 per month benefit; and
- > 52 week *waiting period* with a \$1,500 per month benefit.

The following conditions apply:

- > Within 60 days of the cancellation of cover the *life assured* must notify *AIA* in writing with supporting evidence that the *life assured* is no longer *actively engaged* in the business or the business has been sold or the business is no longer *actively trading*;
- > the *life assured* must be no longer *actively engaged* in the business due to reasons other than retirement, redundancy, ill health or incapacity;
- > the *life assured* must be under the age of 60;
- > if the *life assured* has had a claim paid or is entitled to be paid a claim under any policy with us or any other insurance company the request will be referred to an *AIA* underwriter and full underwriting terms and conditions may apply;
- > the payment *premiums* must be up to date and are not being waived for any reason.

If AIA agrees to reduce the *waiting period*, the following applies:

- > *premiums* will increase with any reduction in *waiting period*;
- > only one reduction in *waiting period* under this benefit is allowed without evidence of health;
- > any loadings, exclusions or special terms on the cancelled policy will be applied to the reduced *waiting period* benefit.

19. What is the Concurrent Waiting Period Benefit?

If the *life assured* is disabled and able to receive a Mortgage and Income Protection Benefit under this policy, and they also hold a Business Overheads, Business Continuity, Rural Continuity or Locum Cover policy, then the *waiting periods* applicable to the *life assured* under each policy will be served concurrently from the *disablement date*.

If during the *waiting period* under this policy, the *life assured* is able to claim the Recurrent Disablement Benefit under a Business Overheads, Business Continuity, Rural Continuity or Locum Cover policy, the portion of their *waiting period* for their Mortgage and Income Protection under this policy will be considered to have been continuous and only the remaining period will apply.

20. What is the Back to Work Payment and when will AIA pay it?

AIA will pay you a Back to Work Payment if:

- > a Total or Partial Mortgage and Income Protection Benefit has been paid for a *life assured* for a continuous period of longer than 12 months but less than 24 months; and
- > the *life assured* engages in work or carries on business; and
- > the *life assured* is no longer *totally disabled* or *partially disabled*; and
- > the *life assured* has ceased to be on claim with AIA.

The Back to Work Payment is a lump-sum payment equivalent to 3 times the *life assured's* monthly disability benefit for the last full month immediately before the claim ceased, as calculated in accordance with Section 2 for a total disability, and Section 6 and (if applicable) Section 7 for a partial disability.

AIA will only pay the Back to Work Payment once per claim across all AIA policies, and it will not be paid where the *benefit payment period* is one or two years.

If the *life assured* suffers a recurrence of the same or a related illness or injury within 12 months of a Total or Partial Disability Income Benefit ceasing, then any Back to Work Payment made in respect of that claim will be deducted from the amount of the Total or Partial Mortgage and Income Benefit payable.

21. What is the Optional Claim Indexation Benefit?

The Optional Claim Indexation Benefit applies only if "CPI Linked" is specified in *the schedule*.

Where the Optional Claim Indexation Benefit is selected, the Mortgage and Income Protection Benefit sum assured shown in *the schedule* will increase on each *anniversary date*, by the same percentage as the percentage increase in the *consumer price index* for the preceding year ending 30 September.

If the *consumer price index* falls in any year, the Mortgage and Income Protection Benefit sum assured will not decrease.

Any increase as a result of an increase in the *consumer price index* will be subject to the maximum benefit amounts allowable under this benefit.

22. What is the Optional Mental Health Limitation?

The Optional Mental Health Limitation applies only if it is shown in *the schedule* and if no mental health exclusion applies for this *appendix*.

If the Optional Mental Health Limitation applies, AIA will only pay a claim due to a *mental health disorder* for a maximum of two years throughout the life of this benefit. The Optional Mental Health Limitation payment period will commence if, in AIA's opinion, after considering the advice of a *registered medical practitioner* and other relevant information, the *life assured* is deemed to be *totally disabled* or *partially disabled* as a result of a *mental health disorder*.

23. How to make a claim

To make a claim, the relevant procedures in the section of your AIA Living policy entitled 'How to make a claim' must be followed.

In addition, for a Mortgage and Income Protection Benefit claim, AIA will require:

- > the *life assured* to be examined by a *registered medical practitioner* acceptable to AIA, before accepting liability for a claim; and
- > an AIA claims form completed by the *life assured* and a *registered medical practitioner* (at your expense); and
- > other information which AIA may reasonably request to help assess the claim, which may include evidence of monthly earnings, taxable income, business accounts, ACC details or similar; and
- > the *life assured* to undergo medical and/or surgical treatment (including any operation or vocational, medical and/or social rehabilitation) at your expense which the *life assured's* *registered medical practitioner* or a *registered medical practitioner* approved by AIA considers necessary; and
- > any other information that AIA may deem relevant to the assessment of the claim (this may include evidence of the *life assured's* mortgage amount).

24. Ongoing claims requirements

For ongoing claims AIA will require:

- > Completion of a monthly medical certificate by a *registered medical practitioner* (at your expense) in a form from time to time approved by AIA for the purposes of determining ongoing entitlement to payment of a Mortgage and Income Protection Benefit.
- > Completion of a monthly individual declaration by the *life assured* in a form from time to time approved by AIA, which may include completion of daily activity logs detailing the *life assured's* functional activities for the purposes of determining ongoing entitlement to payment of a Mortgage and Income Protection Benefit.
- > Proof of any remunerated or non-remunerated work completed during the claim period.
- > Any other information that AIA may deem relevant to the ongoing assessment of the claim.

25. When will AIA cease paying a benefit?

AIA will cease paying a benefit if:

- (a) The *life assured* fails to undergo and complete:
 - any surgical operation; and/or
 - any medical rehabilitation; and/or
 - any social rehabilitation; and/or
 - any vocational rehabilitation,which a *registered medical practitioner* approved by AIA considers reasonably necessary.
- (b) The *life assured* fails to undertake any medical examinations that AIA requires the *life assured* to have, at our expense.
- (c) The *life assured* fails to comply with the requirements of Section 24 above.
- (d) AIA determines that the *life assured* is no longer *totally disabled* or *partially disabled*.
- (e) The *benefit payment period* expires in relation to the *life assured*.
- (f) The *life assured* or anyone acting on behalf of the *life assured* makes a false or fraudulent statement in respect of a claim or supports any claim with false evidence.
- (g) The *life assured* is in prison or sentenced to home detention for any reason.
- (h) The *life assured* dies.

If AIA ceases paying a benefit in accordance with paragraphs (a), (b) or (c) and the *life assured* subsequently complies with the relevant requirement(s), then:

- > The date that the *life assured* complied with the relevant requirement(s) will, subject to the provisions of this *appendix*, be treated as the *disablement date* for a new claim.
- > The *waiting period* will be waived for the new claim.

- > If the *benefit payment period* is two or five years, the original claim and the new claim will be considered to be the same claim in respect of the *benefit payment period*.
- > No monthly benefit payments will be payable retrospectively for any period of time before the date that the *life assured* subsequently complies with the relevant requirement(s).

26. When will this *appendix* terminate for a *life assured*?

This *appendix* will terminate and eligibility for the Mortgage and Income Protection Benefit will cease for a *life assured*.

- > At the expiry of the *benefit term* as shown in the *schedule*.
- > When the *life assured* dies.
- > When the benefit is cancelled.

27. Exclusions – when AIA won't pay a benefit

AIA will not pay any of the benefits listed in this *appendix* where any of the following directly or indirectly cause or contribute to the disability:

- > The *life assured* deliberately injures himself or herself or attempts to do so.
- > The *life assured* engages in or is part of any conduct that is criminal.
- > Pregnancy of, or childbirth by, the *life assured*, unless the disability lasts for more than 90 days after the end of pregnancy, in which case the *waiting period* will start from the 91st day.
- > The *life assured* does not comply with the treatment recommended by the attending treatment providers.

If the *life assured* is imprisoned or sentenced to home detention for any reason, no monthly benefit will be payable during the term of imprisonment or home detention.

28. Key terms

actively engaged	Working an average of more than 30 hours per week in the six months prior to cancellation of Business Overheads, Business Continuity, Rural Continuity or Locum Cover.	mental health disorder	A mental health disorder including but not limited to anxiety disorders, chronic fatigue syndrome, depression, stress, fatigue, exhaustion, psychiatric complications of physical disorders, behavioural or any other mental or functional nervous disorder and/or the treatment or complications of that disorder.
actively trading	Undertaking any activity carried on for the production of income from selling goods or performing services.	partially disabled	See Section 5 of this <i>appendix</i> for the meaning of this key term.
Activities of Daily Living	<p>Activities of Daily Living are:</p> <ul style="list-style-type: none"> > Bathing and showering. > Dressing and undressing. > Eating and drinking. > Using a toilet. > Moving from place to place by walking, in a wheelchair or with a walking aid. 	post-disability working hours	The number of hours per week that the <i>life assured</i> is able to work while disabled, as determined by <i>AIA</i> on the basis of medical certification or demonstrated ability.
benefit term	The term for which the <i>life assured</i> is insured for the Mortgage and Income Protection Benefit as stated in <i>the schedule</i> .	pre-disability working hours	The average number of hours per week that the <i>life assured</i> worked in the three months immediately before the <i>disablement date</i> .
benefit payment period	<p>The maximum term for which the Mortgage and Income Protection Benefit is payable as stated in <i>the schedule</i>.</p> <p>For benefit payment periods of two or five years:</p> <ul style="list-style-type: none"> (a) the benefit payment period commences at the end of the <i>waiting period</i> and ceases either two years or five years (whichever is stated in <i>the schedule</i>) later or when the <i>life assured</i> turns age 65, whichever is earlier; and (b) the two year or five year period (whichever is stated in <i>the schedule</i>) is the total period for which benefits will be payable for all claims arising from the same or a related illness or injury. 	totally disabled	<p>However, if the <i>life assured</i> becomes <i>totally disabled</i> or <i>partially disabled</i> when the <i>life assured</i> has been on parental leave for 12 months or less or on a <i>work sabbatical</i>, then the pre-disability working hours is the average number of hours per week that the <i>life assured</i> worked in the three months immediately before the <i>life assured</i> went on leave.</p> <p>See Section 3 of this <i>appendix</i> for the meaning of this key term. <i>Total Disablement</i> has a corresponding meaning</p>
disablement date	The date the <i>life assured</i> became <i>totally disabled</i> or <i>partially disabled</i> .	unemployed	<p>A person who is not engaged in remunerated work or business activities, for 10 hours or more a week.</p> <p>This definition does not include a person on leave without pay, parental, study, long service or sabbatical leave.</p>
full-time care	Care for 16 hours per day or more, provided by a nursing service approved by <i>AIA</i> whose profession it is to provide nursing services or provided by a	waiting period	The period stated as such in <i>the schedule</i> for which no Total Disability Income Benefit or Partial Disability Income Benefit is payable.

work sabbatical

Voluntary leave without pay, approved by the employer, and where the *life assured* has the employer's agreement to return to the same role within 12 months or less.

SAMPLE