

Personal Cover - Loss of Earnings Premier Benefit

SECTION A - DEFINED TERMS

DEFINED TERMS

In this **Policy** certain words have particular meanings. These words are in **Bold** and the meanings set out below.

Interpretation

Throughout this **Policy** 'We', 'Our', 'Us' or 'AIA New Zealand' means AIA International Limited - New Zealand Branch, and/or any related and/or authorised companies and/or agents (including company officers acting in the scope of their authority). 'You' or 'Your' means the **Policy Owner(s)**.

Benefit(s)

Means the **Benefit** specified in the **Policy Schedule** (and subject to the terms and conditions of this **Policy**).

Capable of Earning

Means the **Life Assureds Income**, or the amount of **Income** the **Life Assured** is capable of earning while **Disabled**, as determined by **Us** after an assessment of present and likely capabilities.

Civil Union

Means a **Civil Union** as defined in the Civil Union Act 2004.

Consumer Price Index Increase

Means any increase in the index published by the Statistics Department of New Zealand for "All Groups" as at 30 September each year (or the nearest equivalent index should this index be replaced).

Criminal Act

Means participation in an action that constitutes an offence under the Crimes Act 1961, whether or not a charge has been entered against the **Life Assured** and whether or not a conviction results.

Full-Time Care

Means having primary responsibility and actively undertaking, whether shared or alone, the day-to-day care of persons who cannot safely take care of themselves without supervision.

Income Producing Duties

Means any duties which generate twenty percent (20%) or more of the **Life Assureds Pre-disability Income**.

Life Assured

Means the **Life Assured** or **Lives Assured** listed in **Your Policy Schedule**.

Manifested

Means that symptoms have arisen which cause an ordinarily prudent person to seek diagnosis, care or treatment, or that medical advice or treatment has been recommended by or received from a **Medical Practitioner**.

Marriage

Means a **Marriage** as defined in the Marriage Act 1955.

Medical Practitioner

Means any person approved by **Us** registered with the Medical Council of New Zealand to render medical or surgical services, and who holds an Annual Practising Certificate. For diagnoses made outside New Zealand, this definition covers any appropriately qualified medical professional approved by **Us**. This definition excludes any person who is himself/herself the **Life Assured**, the **Policy Owner**, the spouse, de facto spouse, **Civil Union** partner, lineal relative, or business partner/associate of the **Life Assured** or **Policy Owner**.

Policy

Means this contract of insurance between **You** and **Us**. It includes the following parts:

- **Your** application for insurance; and
- this **Policy** wording; and
- the **Policy Schedule**; and
- any addendum to the **Policy Schedule**; and
- any other written notice that **We** give **You**; and
- any written notice that **You** give **Us**.

Policy Anniversary Date

Means the anniversary of the **Policy Commencement Date**.

Policy Commencement Date

Means the commencement date of the **Policy** as specified in **Your Policy Schedule**.

Policy Owner

Means the **Policy Owner** identified in the most recent **Policy Schedule** issued to **You** by **Us**

Policy Schedule

Means the most recent **Policy Schedule** issued to **You** by **Us**, including any endorsements or special conditions.

Policy Year

Means the twelve (12) month period which starts from the **Policy Commencement Date** and ends on the **First Anniversary Date**. Each subsequent **Policy Year** is from **Policy Anniversary Date** to **Policy Anniversary Date**.

Premium

Means the **Premium** specified in **Your Policy Schedule** or in any subsequent notice issued to **You** by **Us**.

Premium Guarantee Period

Means the period of time specified in **Your Policy Schedule** during which the **Premium Rates** applicable to **Your Policy** are guaranteed not to increase.

Premium Rates

Means the underlying **Premium Rates** **We** use to calculate **Your Premium** based on factors including the age, health, occupation and circumstances of the **Life Assured**.

Sum Assured

Means the **Sum Assured** for the **Benefit(s)** as set out in **Your Policy Schedule**.

Total Premium

Means the sum of the **Premium** and policy fee together with any applicable GST as specified in **Your Policy Schedule**.

Usual Occupation

Means, the occupation predominately performed by the Life Assured in the 12 months prior to the sickness or injury.

If the **Life Assured** has been unemployed or on long service, maternity leave, paternity leave or leave without pay for more than twelve (12) consecutive months immediately prior to the sickness or injury causing **Disability, Usual Occupation** will be deemed to mean any occupation for which the **Life Assured** is reasonably suited by way of education, training or experience.

SAMPLE

SECTION B - INCOME PROTECTION BENEFIT FEATURES

JURISDICTION AND CURRENCY 1 The laws of New Zealand apply to this **Policy**. The New Zealand courts have exclusive jurisdiction. All monetary amounts referred to in this **Policy** are expressed and payable in New Zealand dollars and include GST.

RESPONSIBILITY FOR TRUTHFULNESS 2 A When **You** apply for insurance with **AIA New Zealand** and when **You** make a claim on the **Policy**, **You** have a legal duty of disclosure to **AIA New Zealand**.

The duty of disclosure means that:

1. All the statements that **You** or any **Life Assured** make to **AIA New Zealand** (both written and oral), including the answers in:
 - a. the application;
 - b. any claim made by **You**; and
 - c. any other communication by **You** or any **Life Assured** with **AIA New Zealand**;must be complete, true and correct.
2. **You** and any **Life Assured** must disclose everything that **You** or any **Life Assured** know, or could reasonably be expected to know, that is relevant to **AIA New Zealand's** decision whether:
 - a. to accept **Your** application for insurance, on what terms **AIA New Zealand** will accept it and how much it will cost; or
 - b. to accept **Your** claim on the **Policy**.
3. This duty of disclosure in relation to **Your** application for insurance continues from the time **You** complete the application until either:
 - a. the **Policy Commencement Date** or the date **AIA New Zealand** accepts **Your** application for insurance, whichever is later; or
 - b. **AIA New Zealand** declines **Your** application for insurance.
4. **You** and any **Life Assured** also have the same duty of disclosure to **AIA New Zealand** throughout the term of the **Policy** whenever **You** or any **Life Assured** communicate with **AIA New Zealand** and whenever **You** extend, vary or reinstate **Your** insurance.

IMPORTANT

If **You** or any **Life Assured** do not comply with **Your** duty of disclosure, **AIA New Zealand** may at its discretion do any or all of the following:

1. Decline any claim that **You** make;
2. Alter the terms of any **Benefits** under the **Policy**;
3. Remove any **Benefits** under the **Policy**;
4. Void **Your Policy** from the **Policy Commencement Date**;
5. Retain all **Premiums**, policy fees and recover any **Benefits** paid;
6. Terminate this **Policy**.

If You are not sure whether You are required to disclose a particular fact, please ask AIA New Zealand or Your insurance adviser.

		B	If the age of the Life Assured was misstated in the application, the amount payable under this Policy will be adjusted to the amount that the Premiums would have purchased if the correct age had been disclosed.
PREMIUM RATES	3		No increase in Premium Rates will apply to this Policy as a result of change in the health, occupation or circumstances of the Life Assured . However, We have the right to review at any time and from time to time the Premium Rates and handling fees applicable to all Income Protection policies and to apply the reviewed rates and fees to this Policy at the commencement of the next Premium Guarantee Period .
PREMIUM PAYMENTS	4		With Our agreement the annual Total Premium may be paid by equal fortnightly, monthly, quarterly or half-yearly instalments but with such handling fees as We shall determine from time to time. We may cancel this arrangement at any time in respect of future Total Premiums . The Policy Owner may apply to Us to change the Premium or Benefits attributable to this Policy . Subsequent to this, We may change the Premium and/or alter any Benefits under this Policy in accordance with this instruction.
POLICY FEE	5		We will charge You a policy fee, which forms part of Your Total Premium . The policy fee is used to pay the ongoing administration costs of this Policy . The policy fee is specified in Your Policy Schedule . We may change this policy fee from time to time. If this occurs any such change will be notified to You in writing.
PERIOD OF ASSURANCE	6		The term of this Policy and the period of assurance covered by each annual Total Premium , or instalment of annual Total Premium , terminate on the due date of the next annual Total Premium or instalment. A thirty (30) day grace period is allowed after the due date for payment of each Total Premium . This Policy will automatically terminate if the Total Premium is not paid before the expiration of the grace period. In such an instance this Policy can be reinstated subject to: <ul style="list-style-type: none"> • Our consent; and • such evidence of continued good health of the Life Assured as We may require; and • The payment of all Total Premiums in arrears together with such interest thereon as We may decide. <p>We may vary your Benefits, charge additional Premiums or not allow You to reinstate the Policy if the health, occupation, financial position or pastimes of the Life Assured have changed.</p>
CLAIM PROCEDURE	7	A	Written proof of Disability (as defined in Clause One (1) "Disability" under Section D below) acceptable to Us must be given to Us within thirty (30) days after the Life Assured becomes Disabled .
		B	If the Life Assured does not provide written proof satisfactory to Us within that time, the Waiting Period may be deemed by Us to have commenced no earlier than thirty (30) days before we received written proof.
		C	Any expense incurred in providing due proof of the existence of a claim or of Income shall be borne by the Life Assured .

- D** We shall have the right and opportunity to call for an examination of the **Life Assured** by any **Medical Practitioner** or appropriately qualified health professional of **Our** choice at **Our** expense as often as **We** may reasonably require both during the initial assessment of a claim and during any ongoing claim.
- E** If the **Life Assured** suffers personal injury or sickness for which there is or may be cover under the Injury Prevention, Rehabilitation and Compensation Act 2001 (known as ACC) and any statutory re-enactment or modification thereof, the **Life Assured** must have taken all reasonable steps to pursue a claim to the Accident Rehabilitation and Compensation Insurance Corporation for compensation before any claim under this **Policy** will be considered by **Us**.
- F** If the **Life Assured** suffers personal injury or sickness which is as a result of or in any way caused by any other person or party, then **We** shall be entitled at **Our** expense and in the name of the **Life Assured** to take any proceedings necessary to obtain recovery from any other party. The **Life Assured** must provide all reasonable assistance and co-operation in the prosecution of the claim.
- G** Responsibilities during claims assessment and while in receipt of Income Protection **Benefits**:
1. Undergo assessment of present and likely capabilities for the purposes of rehabilitation, at the expense of **AIA New Zealand**.
 2. Follow the advice of the **Medical Practitioner**, including recommended courses of treatment and rehabilitation.
 3. Co-operate with **AIA New Zealand** in the development and implementation of a rehabilitation plan in order to endeavour to terminate or reduce the extent of any disability, impairment or incapacity.
 4. The **Life Assured** must notify **AIA New Zealand** before he or she returns to any work, paid or unpaid, in any capacity.
 5. The **Life Assured** must advise **AIA New Zealand** immediately if they increase work hours or receive an increase in pay or receive any other **Income**, including sick pay that may affect the **Benefit** amount.
 6. If any of these responsibilities are not met when reasonably required by **AIA New Zealand**, **We** have the right to either suspend claim payments or decline **Your** claim.
 - a. **AIA New Zealand** must give the **Life Assured** written notice of any proposed suspension not less than thirty (30) days before the proposed suspension date.
 - b. **AIA New Zealand** may decline to provide any **Benefit** for as long as the **Life Assured** unreasonably fails to comply with any requirement of the terms and conditions relating to the **Life Assured's** claim or fails to meet their responsibilities outlined above.

We also have the right to recover overpayments from **You**, if these responsibilities are not met.

FORFEITURE OF PREMIUMS	8	If this Policy is avoided or is terminated under any of the terms and conditions of this Policy , all Total Premiums paid shall be absolutely forfeited to Us .
TERMINATION	9	Unless previously terminated, this Policy shall terminate on the earliest of: <p>A The anniversary of the Policy Commencement Date following the Life Assured attaining the age of sixty-five (65) or the age of</p>

			<p>seventy (70) depending on the age specified in the Policy Schedule regardless of whether a claim is being paid; or</p> <p>B Written notification of cancellation from You to Us at any time, or</p> <p>C The Death of the Life Assured; or</p> <p>D Non-payment of Total Premium as set out in Clause 6 "Period of Assurance" above.</p>
WORLDWIDE COVER	10		<p>Cover under this Policy applies twenty-four (24) hours a day, anywhere in the world. If You are overseas during the period of a claim, Benefits will be paid in New Zealand currency.</p>
ENTIRE CONTRACT	11		<p>This Policy is the entire contract of insurance between You and AIA New Zealand. It comprises the following parts:</p> <ul style="list-style-type: none"> • Your application for insurance; and • this Policy wording; and • the Policy Schedule; and • any other written notice that AIA New Zealand gives You; and • any written notice that You give Us.
TAX CHANGES	12		<p>In the event of any changes in taxation after the Policy Commencement Date which affects the Benefits or Our liability, We may make such amendments or modifications to the Premium and Benefits and this Policy as We consider appropriate.</p>
DISABILITY BENEFITS WHERE MORE THAN ONE (1) LIFE ASSURED	13		<p>If there is more than one (1) Life Assured shown in the Policy Schedule, We will pay the Income Protection Benefits for each Life Assured. The amount of the Benefit payable for Disability will be the Benefit payable for that person under this Policy.</p>
GENERAL	14	A	<p>This Policy does not participate in bonus distributions or acquire a cash surrender, loan or maturity value.</p>
		B	<p>Where this Policy refers to an Act of Parliament, this includes any Regulations made under it. It also includes any Act or Regulations enacted in substitution.</p>
		C	<p>Your life insurance Policy is part of the AIA New Zealand Statutory Fund, effective 1st September 2013. This is a requirement under the Insurance (Prudential Supervision) Act 2010, for policyholder protection.</p>
FREE LOOK PERIOD	15		<p>To enable You to consider the Policy in detail You will have a free look period of fourteen (14) days after You receive Your Policy document. During this period, if You decide that the Policy does not suit Your needs then You may return it to Us and receive a full refund of all Total Premiums paid and the Policy will be cancelled.</p>
NOTICES	16		<p>Should You write to Us about this Policy, You must send the letter to Our head office in New Zealand as notified by Us to You from time to time.</p> <p>The postal address of AIA New Zealand head office is: AIA New Zealand Private Bag 300981 Albany AUCKLAND CITY 0752</p>

The street address of **AIA** New Zealand head office is:
AIA New Zealand
Level 15
5-7 Byron Avenue
Takapuna
AUCKLAND CITY 0740

SAMPLE

SECTION C - INCOME PROTECTION BENEFITS

DISABILITY BENEFIT	1	<p>If the Life Assured is Disabled, We will pay, following the Waiting Period, the monthly Benefit for such period as the Life Assured remains Disabled up to the Benefit Period or until the Life Assured is no longer Disabled, whichever is the sooner. This is a monthly Benefit payable in advance subject to receipt of a progress report completed by the Life Assured and a Medical Practitioner.</p> <p>If the Life Assured is Disabled for part of the month, We will pay You 1/30th of the monthly Benefit for each day the Life Assured is Disabled.</p>
HOW MUCH WILL WE PAY	2	<p>If the Life Assured meets the Disability criteria then after the expiry of the Waiting Period, We will pay a monthly Benefit in advance calculated as the greater of (i) or (ii) below up to the maximum of the monthly Benefit as specified in the Policy Schedule:</p> <p>(i) (Monthly Benefit - B); or (ii) $(A - B) \times 75\%$</p> <p>where A = Pre-Disability Income; and B = Post Disability Income</p>
HOW LONG WILL THE INCOME BENEFIT BE PAID	3	<p>We will continue to pay You the Income benefit until any one of the following events occurs:</p> <ul style="list-style-type: none">• the injury or sickness giving rise to the claim does not prevent the Life Assured from earning their Pre-Disability Income from personal exertion; or• the Benefit Period ends; or• the Termination of the Policy; or• the Life Assured is no longer under the regular care of a Medical Practitioner for treatment of the injury or sickness; or• the Life Assured is not following the treatment recommended by a Medical Practitioner; or• death of the Life Assured
RECURRENT DISABILITY BENEFIT	4	<p>Successive periods of Disability resulting from the same or related cause within twelve (12) months of ceasing to be Disabled shall be considered a continuation of the same Disability and no Waiting Period shall apply. Such periods of recurrent Disability shall be added to the original Disability period for the purposes of applying the Benefit Period.</p>
WAIVER OF PREMIUM	5	<p>During a period of Disability, or Recurrent Disability for which a monthly Benefit is being paid, all Total Premiums due will be waived by Us.</p>
INFLATION ADJUSTABLE OPTION	6	<p>If the Policy Schedule shows You have selected this option, the Income Protection Benefit will increase on each anniversary of the Policy Commencement Date by an amount equal to the Consumer Price Index Increase for the year ended 30 September for which figures are available at the date the monthly Benefit is to be increased. You may decline any Consumer Price Index</p>

Increase.

This option expires upon termination of the **Policy** in accordance with Clause 9 "Termination" under Section B above. This option will cease once the maximum total annual **Sum Assured** of \$360,000 has been reached.

LEVEL BENEFIT OPTION	7	If the Policy Schedule shows that You have selected this option, the Income Protection Benefit will remain at the amount specified in the Policy Schedule .
BOOSTER BENEFIT OPTION	8	If Your Policy Schedule shows You have selected this option, and we are paying You a monthly Benefit We will pay You an extra Benefit for up to three (3) months following the cessation of the selected Waiting Period . This Benefit is calculated as one-third of the monthly Benefit payable.
SEVERE DISABILITY BENEFIT	9	<p>We will pay You an extra Benefit of one third of the Benefit payable until expiry of the Benefit Period, if the Life Assured has been absent from any employment as a result of injury or sickness for six (6) consecutive months, and is totally and irreversibly unable to perform at least two (2) of the five (5) Activities of Daily Living without the standby assistance of another person.</p> <p style="text-align: center;">Activities Of Daily Living</p> <p>i) BATHING -The inability to wash oneself either in the bath or shower or by a sponge bath. The Life Assured will be considered to be able to bathe even if the above tasks can only be performed by using equipment or adaptive devices.</p> <p>ii) DRESSING - The inability to put on and take off all garments and medically necessary braces or artificial limbs usually worn, and to fasten and unfasten them. The Life Assured will be considered able to dress even if the above tasks can only be performed by using modified clothing or adaptive devices such as tape fasteners or zipper pulls.</p> <p>iii) TOILETING -The inability to get to and from and on and off the toilet, to maintain a reasonable level of personal hygiene, and to care for clothing. The Life Assured will be considered able to toilet even if it involves the use and ability to empty a colostomy bag, and/or catheter, or an alternative means of bowel or urine elimination device, or use a commode, bedpan or urinal, and able to empty and clean it without the standby assistance of another person.</p> <p>iv) MOBILITY - The inability to move from place to place. The Life Assured will be considered able to move even if it requires the use of equipment including but not limited to canes, quad canes, walkers, crutches, wheelchairs, including mechanical or motorised devices.</p> <p>v) EATING - The inability to get nourishment into the body by any means once it has been prepared and made available.</p>
INFLATION ADJUSTABLE CLAIM BENEFIT	10	If You are receiving a Benefit under this Policy , at the anniversary and each subsequent anniversary of the Policy Commencement Date , We will increase the monthly Benefit payable by the most recent Consumer Price Index Increase .

When **You** are no longer **disabled** **You** can choose to keep the higher levels of **Benefit**. The **Premium** will increase accordingly.

This **Benefit** does not apply if you have selected the Level Benefit Option as per Clause 7 “Level Benefit Option” above.

This **Benefit** expires upon termination of the **Policy** in accordance with Clause 9 “Termination” under Section B above.

MENTAL HEALTH DISORDER LIMITATION OPTION	11	If the Policy Schedule shows that You have selected this option, and the Life Assured is as a direct or indirect result of a Mental Health Disorder as defined under Clause 7 “Mental Health Disorder” under Section D below, the total Benefit Period for all claims arising out of this disability will be twelve (12) months from the end of the Waiting Period irrespective of the Benefit Period shown in the Policy Schedule .
OCCUPATIONAL RETRAINING	12	If the Life Assured is Disabled and undertakes a programme of occupational retraining while receiving an Income Protection Benefit then, subject to written approval from Us , an additional lump-sum payment by way of reimbursement will be made for the cost of this training up to a maximum of twelve (12) times the monthly Benefit . This Occupational Retraining Benefit will be reduced by any costs recovered from any other source.
DEATH BENEFIT	13	If the Life Assured dies during the term of this Benefit , We will pay You , three (3) times the monthly Benefit specified in the Policy Schedule up to a maximum of \$30,000.
RETURN TO HOME BENEFIT	14	<p>If the Life Assured is outside of New Zealand and suffers, for the first time, a Disability and We have accepted the claim, We will pay the lesser of:</p> <p>A Three (3) times the monthly Benefit specified in the Policy Schedule; or</p> <p>B A single standard economy air fare to New Zealand by the most direct route available plus any transport costs to an AIA New Zealand approved medical facility in New Zealand where necessary.</p> <p>A Return to Home Benefit can only be paid once in any 12 month period.</p> <p>In total the maximum We will pay over the life of the Policy under the Return Home Benefit is \$10,000.</p> <p>No payment will be made if the Life Assured is covered for the same event with a travel insurance provider.</p>
NO CLAIM BENEFIT	15	<p>If this Income Protection Benefit has been continuously in force for three (3) years and no claim has been made or is eligible to be made, We will:</p> <p>A Double the Death Benefit payable; and</p> <p>B Double the maximum amount payable under the Occupational Retraining Benefit and Rehabilitation Benefit</p>
INCREASING INCOME BENEFIT	16	<p>You can apply to increase the Income Protection Benefit at any time while Your Policy remains in force without needing to provide further medical evidence if:</p> <ul style="list-style-type: none">• the Life Assured is under age 55 at the time of the option to increase; and• no Benefit is being received or payable under this Income Protection Benefit and premiums are not being waived; and• the Income Protection Benefit is less than \$12,000 per month.

The maximum increase is 10% per year of the Income Protection **Benefit** in addition to any **Consumer Price Index Increase**.

The total of all increases in the Income Protection **Benefit** cannot exceed the original Income Protection **Benefit** at the **Policy Commencement Date**.

You must apply in writing to **Us** and provide evidence satisfactory to **Us** of the **Life Assured's** increased income within sixty (60) days of the increase in income. This is likely to be confirmation of the increase in salary from the **Life Assured's** employer or confirmation in writing by the **Life Assured's** accountant that there has been an increase in income.

**HOME CARE
BENEFIT**

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We will pay a Home Care **Benefit** in addition to the Income Protection **Benefit**, if the **Life Assured** is **Disabled** and an appropriate registered **Medical Practitioner** certifies that the **Life Assured** requires **Full-Time Care** at home because of the **Life Assured's** disability.

The **Full-Time Care** must be provided by either a person whose profession it is to provide nursing or similar services or a direct family member who is in paid work for at least 28 hours per week immediately before the **Life Assured** became **Disabled** and who has given up that work to care for the **Life Assured**.

The amount of the **Home Care Benefit** each month will be the lesser of:

- the monthly **Benefit** specified in the **Policy Schedule**; or
- \$2,500 per month; or
- the cost of the care, if it is provided by a person whose profession it is to provide nursing or similar services.

Where the **Home Care Benefit** is paid for an incomplete month, payment will be at the rate of 1/30th (one-thirtieth) of the monthly **Benefit** per day. This **Benefit** starts from the expiry of the first three successive nights of the **Life Assured** receiving **Full-Time Care** at home until the earlier of:

- an appropriate registered **Medical Practitioner** certifying that **Full-time Care** is no longer required; or
- **we** have paid this **Benefit** for six consecutive months.

**BED
CONFINEMENT
BENEFIT**

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If the **Life Assured** is **Disabled** and confined to bed on direction of a **Medical Practitioner** and under the full-time care of a Registered Nurse (holding an Annual Practising Certificate issued by the Nursing Council of New Zealand) before the **Waiting Period** has elapsed and has been so for more than three (3) days, the **Benefit** payable after the third day will be a daily **Benefit** equivalent to 1/30 of the monthly **Disability Benefit** which will commence and will continue until the **Life Assured** leaves bed or until the **Waiting Period** has elapsed, whichever is sooner. The normal conditions apply after the **Waiting Period** has elapsed.

**LEAVE WITHOUT
PAY**

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A

If the **Life Assured** takes a period of **Leave Without Pay** from all regularly remunerated occupations **You** may elect to:
Suspend cover and the payment of **Total Premiums** for a maximum of twelve (12) months provided **You** have given **Us** prior notice and obtained **Our** approval. **We** will resume cover without

requiring evidence of health for any insured person when the requested suspension period expires. Once cover is reinstated, **Total Premiums** must recommence.

- B** **We** will not pay any **Benefits** under this **Policy** following reinstatement of cover, in respect of any symptoms, injury, disease or disorder or conditions that you become aware of while cover is suspended regardless of whether medical treatment or advice was sought or whether a diagnosis was made or confirmed.

**REHABILITATION
EQUIPMENT
EXPENSE BENEFIT** **20**

A **Benefit** is payable of six (6) times the monthly **Benefit** to cover costs of purchasing specialist equipment or completing home alterations which are necessary as a result of **Disability**. This **Benefit** is payable at **Our** sole discretion where it is deemed the **Benefit** will assist the **Life Assured** with a return to independence and the workforce. **We** shall be entitled to arrange for an appropriately qualified health professional to assess any recommendation for specialist equipment or home alterations. This **Benefit** will be reduced by any costs recovered from other sources such as other insurers or the ACC.

**PREGNANCY
PREMIUM WAIVER** **21**

We will waive the **Total Premium** under this **Policy** for up to six (6) months at any stage between the second trimester and six (6) months after the **Life Assureds** pregnancy finishes if the **Life Assured** becomes pregnant while this **Policy** is in force provided:

- the **Life Assured** provides **Us** with confirmation of pregnancy from an appropriate **Medical Practitioner**; and
- the **Life Assured** did not become pregnant within nine (9) months of:
 - the **Policy Commencement Date**; or
 - the most recent reinstatement of this **Policy**; and
- The **Life Assured** is on maternity leave from their **Usual Occupation**.

You must notify **Us** in writing when the **Total Premium** is to be waived.

This waiver will cease when a total of six (6) months **Total Premiums**, including any **Total Premiums** waived during an earlier pregnancy have been waived.

**OPTIONAL
INVOLUNTARY
REDUNDANCY
BENEFIT** **22**

If the **Policy Schedule** shows that **You** have selected the Involuntary Redundancy **Benefit** option, during the term of this **Benefit We** will pay a **Benefit** for each full month following the Involuntary Redundancy (as defined in Clause 10 “**Optional Involuntary Redundancy Benefit**” under Section D below) of the **Life Assured** up to a maximum period of six (6) months, or until the **Life Assured** has commenced alternative employment whichever is the earlier. This **Benefit** is a monthly **Benefit** paid in arrears and will commence after the first thirty (30) days of any period of total unemployment. **Benefit** payments will be made upon receipt of proof acceptable to **Us** that the **Life Assured** remains unemployed and is registered with Work and Income New Zealand, or any subsequent Government Employment Agency and is actively seeking employment.

The maximum monthly payment is the monthly **Benefit** specified in the **Policy Schedule** or \$2,500 whichever is the lesser (Per **Life Assured**). If **You** have more than one (1) **Optional Involuntary Redundancy Benefit** this will be subject to a maximum monthly payment of the monthly **Benefit** specified in the **Policy Schedule** or \$2,500(Per **Life Assured**) whichever is the lesser.

The **Life Assured** must return to work for a period of at least twelve (12) consecutive months prior to making another claim on the **Optional Involuntary Redundancy Benefit**. The **Optional Involuntary Redundancy Benefit** is payable for a total maximum of twelve (12) months per **Policy**.

PREMIUM

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The annual **Total Premium** or instalment of the **Total Premium** is payable for the entire duration of the **Benefit** together with any increases in premium applicable for the **Inflation Adjustable Benefit**.

If the **Policy Schedule** shows that **You** have selected a Level Premium, **We** will not do any age recalculation during the duration of the **Policy**. In all other cases, **Your Income Protection Benefit**

Premium specified in the **Policy Schedule** will be recalculated every year in accordance with the **Premium Step** specified in the **Policy Schedule**, based on the age of the **Life Assured** at that time.

Please note that the underlying Premium Rates are not guaranteed and are subject to review with effect from the next Period of Assurance, regardless of whether an age recalculation takes place at that point or not.

RENEWAL

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The Income Protection **Benefit** may be renewed up to the anniversary of the **Policy Commencement Date** following the **Life Assured** attaining the age of sixty-five (65) or seventy (70) as per the **Policy Schedule**, regardless of changes in the health or occupation of the **Life Assured**.

EXCLUSIONS

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No **Benefits** shall be paid under this **Policy** if the injury or sickness resulting in **Disability** directly or indirectly was caused by or resulted from:

- A** Intentionally self-inflicted injury whether the **Life Assured** is sane or insane.
- B** Participation in any **Criminal Act**.
- C** Pregnancy, childbirth, abortion or miscarriage unless the **Disability** lasts for more than ninety (90) days after the end of pregnancy, at which time the **Waiting Period** will commence.
- D** In the case of a **Policy** with a **Benefit Period** of two (2) years, any injury, sickness, or related condition in respect of which twenty-four (24) months of Income Protection **Benefits** have already been paid.
- E** In the case of a **Policy** with a **Benefit Period** of five (5) years, any injury, sickness, or related condition in respect of which sixty (60) months Income Protection **Benefits** have already been paid.
- F** In the case of a **Policy** where the **Mental Health Disorder Limitation** option has been selected, any **Mental Health Disorder** or related **Mental Health Disorders** in respect of which twelve (12) months Income Protection **Benefits** have already been paid in total.
- G** In the case of a **Policy** where the **Optional Involuntary Redundancy Benefit** has been selected, no **Involuntary Redundancy Benefit** will be paid where;
 - 1. The **Life Assured** is made redundant within six (6) months following the **Policy Commencement Date**; or
 - 2. The redundancy or possible redundancy was known to the **Life Assured** prior to the **Policy Commencement Date**; or
 - 3. The **Life Assured** was on a fixed term contract of

- employment or an interim contract; or
- 4. The **Life Assured** is made redundant as a direct or indirect result of a strike or labour dispute; or
- 5. The **Life Assured** was self-employed, in part-time, seasonal or casual employment; or
- 6. The **Life Assured** is employed by and made involuntarily redundant by a close or lineal relation.

**CHILD CARE
SUPPORT BENEFIT**

26

We will pay a Childcare Support **Benefit** in the following circumstances:

- The **Life Assured** is **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 **Disabled**, in respect of any dependent child who is under the age of fourteen (14); and
- These additional childcare services are not being provided by **You** or an immediate family member.

The amount **We** 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 fourteen (14).

This Childcare Support **Benefit** is payable until the earlier of:

- The **Life Assured** no longer being **Disabled**; or
- Six (6) monthly Childcare Assistance Benefit payments have been made; or
- The **Benefit Period** ends.

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

This payment is additional to the monthly **Benefit**.

**WAITING PERIOD
REDUCTION**

27

If this Loss of Earnings Premier **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 Continuation Cover, Farmers Revenue Protection Cover or New to Business Cover is cancelled due to the **Life Assured** no longer being **Actively Involved** in the business or the business is sold or the business is no longer **Actively Trading**. The **Waiting Period** for this Loss of Earnings Premier **Benefit** will reduce to align with the **Waiting Period** on the cancelled cover.

The reduced **Waiting Period** on this Loss of Earnings Premier **Benefit** will apply to the lesser of:

- the monthly benefit for the Business Continuation Cover, Farmers Revenue Protection Cover or New to Business Cover at the time it was cancelled; or
- the monthly **Benefit** for this Loss of Earnings Premier **Benefit**.

For example:

A **Life Assured** has the following:

- Loss of Earnings Premier **Benefit** with a \$2,500 per month **Benefit** and a 52 week **Waiting Period**; and
- New to Business Cover with a \$1,000 per month **Benefit** with a 13 week **Waiting Period**.

When New to Business Cover is cancelled the Loss of Earnings Premier **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 sixty (60) days of the cancellation of cover the **Life Assured** must notify **Us** in writing, with supporting evidence that they are no longer **Actively Involved** in the business or the business has been sold or is no longer **Actively Trading**;
- the **Life Assured** must be no longer **Actively Involved** in the business due to reasons other than retirement, redundancy, ill health or incapacity;
- the **Life Assured** must be under the age of sixty (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 New Zealand** underwriter and full underwriting terms and conditions may apply;
- the payment of premiums must be up to date and are not being waived for any reason.

If **We** agree 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**.

CONCURRENT WAITING PERIOD

28

If the **Life Assured** is **Disabled** and able to receive a Loss of Earnings Premier **Benefit** under this policy, and they also hold a Business Continuation Cover, Farmers Revenue Protection Cover or New to Business Cover, 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** should suffer a recurring disability under their Business Continuation Cover, Farmers Revenue Protection Cover or New to Business Cover policy, after returning to full-time work, the portion of their **Waiting Period** for their Loss of Earnings Premier **Benefit** under this policy will be considered to have been continuous and only the remaining period will apply.

SECTION D - INCOME PROTECTION BENEFIT DEFINITIONS

- DISABLED** 1 Means a period of injury or sickness commencing when the **Life Assured** first received advice from a **Medical Practitioner** for that injury or sickness provided that:
- A** The **Life Assured** is under the regular and personal care of a **Medical Practitioner**; and
 - B** The **Life Assured's** injury or sickness is supported by clinical evidence and approved by **Us**; and
 - C** The **Life Assured** is unable to fully perform the **Life Assured's Usual Occupation** as the result of that injury or sickness; and
 - The **Life Assured's Pre-Disability Income** from their **Usual Occupation** has reduced by twenty percent (20%) or more; or
 - The **Life Assured** is unable to perform at least one important **Income Producing Duty** of their **Usual Occupation** and is not working in their **Usual Occupation**; or
 - The **Life Assured** is unable to perform the **Income Producing Duties** of their **Usual Occupation** for more than ten (10) hours per week
- Disability** has a corresponding meaning when referred to in this document.
- MEDICAL PRACTITIONER** 2 Means any person approved by **Us** registered with the Medical Council of New Zealand to render medical or surgical services, and who holds an Annual Practising Certificate. For diagnoses made outside New Zealand, this definition covers any appropriately qualified medical professional approved by **Us**. This definition excludes any person who is himself/herself the **Life Assured**, the spouse, de facto spouse, **Civil Union** partner, lineal relative, or business partner/associate of the **Life Assured**.
- BENEFIT** 3 Means the annual **Benefit**, paid monthly, specified in the **Policy Schedule**.
- INCOME** 4 **A** Where the **Life Assured** does not directly or indirectly own the business or professional practice from which they earn their regular income, income is defined as the total monthly value of the **Life Assured's** remuneration in respect of the performance of the **Life Assured's** regular occupation. Income includes:
- salary
 - fees
 - commission
 - bonuses
 - and fringe benefits
- Income is determined by calculating the amount the **Life Assured** could be expected to receive if the **Life Assured's** total remuneration was received as a salary or wage (before income tax is deducted).
- B** Where the **Life Assured** directly or indirectly owns all or part of the business or professional practice from which they earn their regular income, income is defined as that earned by the business directly due to the **Life Assured's** personal exertion or activities less the **Life Assured's** share of the necessarily incurred business expenses and costs for that business or professional practice, calculated on a monthly basis.

			<p>C Does not include unearned Income or Income derived from past or previous services from employment of the Life Assured. Including but not limited to interest earnings, rental income, royalties, or renewal commissions.</p>
PRE-DISABILITY INCOME	5	A	<p>Where the Life Assured does not directly or indirectly own the business or professional practice from which they earn their regular income, Pre-Disability Income means the greater of:</p> <ul style="list-style-type: none"> • The Life Assured's average monthly Income during any one (1) continuous twelve (12) month period elected by You during the three (3) years immediately prior to the Disability; or • The monthly Income earned by the Life Assured immediately prior to the date of becoming Disabled where an increase in your Sum Assured occurred in the twelve (12) months prior to the start of Your Waiting Period.
		B	<p>Where the Life Assured does directly or indirectly own the business or professional practice from which they earn their regular Income, Pre-Disability Income means:</p> <ul style="list-style-type: none"> • The Life Assured's average monthly Income during any one (1) continuous twelve (12) month period elected by You during the three (3) years immediately prior to the Disability.
POST-DISABILITY INCOME	6		<p>Means the Life Assured's monthly Income, or the amount of Income the Life Assured is Capable of Earning per month while Disabled, as determined by Us after an assessment of present and likely capabilities based on:</p> <ul style="list-style-type: none"> • the total of any other income replacement policy; and • employer remuneration, excluding any sick leave entitlements; and • any other sources in relation to the same disability.
MENTAL HEALTH DISORDER	7		<p>Is as defined by Us as a past or present history of symptoms suggestive of, and/or diagnosis or treatment of, the following non-limiting list of mental health related problems:</p> <ul style="list-style-type: none"> • Anxiety, depression, behavioural disorder, psychoneurosis, psychosis, or somatoform disorders; • Stress, fatigue, exhaustion, chronic fatigue syndrome; • Any psychiatric complication of physical disorders; • Post Traumatic Stress Disorder, drug or alcohol abuse; • Any other physical disorder related or attributable to stress or any other mental or nervous disorder.
OPTIONAL INVOLUNTARY REDUNDANCY BENEFIT	8		<p>Involuntary Redundancy is defined as: Termination of the Life Assured's permanent contract of employment by the Life Assured's employer due to the fact that:</p> <ul style="list-style-type: none"> • The Life Assured's employer has ceased or intends to cease to carry on the business for the purpose of which the Life Assured was employed or has ceased or intends to cease to carry on that business in the place where the Life Assured was so employed; or • the requirements of that business for the Life Assured to carry out work of a particular kind in the place the Life Assured was so employed have ceased or diminished or are expected to cease or diminish.

BENEFIT PERIOD	9	Means the Benefit Period specified in the Policy Schedule .
WAITING PERIOD	10	Means the Waiting Period specified in the Policy Schedule of continuous Disability which must elapse before the monthly Benefit becomes payable. The Waiting Period can be interrupted by up to five (5) days if the Waiting Period is either four (4) or eight (8) weeks or up to seven (7) days if the Waiting Period is thirteen (13) weeks or longer, when the Life Assured returns to work. When the Waiting Period is interrupted by a return to work the Waiting Period will not stop and will be extended by one (1) day for each day the Life Assured returns to work up to the maximums detailed in the preceding sentence.
ACTIVELY INVOLVED	11	Means working an average of more than 30 hours per week in the six (6) months prior to cancellation of Farmers Revenue Protection Cover or New to Business Cover.
ACTIVELY TRADING	12	Means undertaking any activity carried on for the production of income from selling goods or performing services.

(INSIGHT 35.0.0) – May 2019