

Personal Cover - Vital Income Protection

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)**.

Accelerated Benefit

Means the Trauma Cover or Total Permanent Disability Cover taken out on an accelerated basis with Life Cover as set out in **Your Policy Schedule**. Payment of this **Benefit** will lead to a proportional reduction in the amount of the Life Cover as appropriate.

Activities of Daily Living are:

Type of activity	Description
1. Washing	the ability to wash in the bath or shower (including getting into or out of the bath or shower) or wash satisfactorily by other means.
2. Dressing	the ability to put on, take off, secure and unfasten all garments and, as appropriate, any braces, artificial limbs or other surgical appliances.
3. Feeding	the ability to feed oneself once food has been prepared and made available.
4. Toileting	the ability to use the lavatory or otherwise manage bowel and bladder function so as to maintain a satisfactory level of personal hygiene.
5. Mobility	the ability to move from place to place by walking, wheelchair or with assistance of a walking aid.

Adoption

Means **Adoption** as defined in the Adoption Act 1955.

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 Assured's Income**, or the amount of **Income** the **Life Assured** is capable of earning while **Partially 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 that action results in a conviction on indictment or on summary conviction.

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.

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

Shall mean 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**.

Partial Disability

Means a disability resulting from a serious injury or sickness which results in the **Life Assured** having returned to work in a reduced capacity

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**

SECTION B - VITAL 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	<p>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.</p> <p>The duty of disclosure means that:</p> <ol style="list-style-type: none">1. All the statements that You or any Life Assured make to AIA New Zealand (both written and oral), including the answers in:<ol style="list-style-type: none">a. the application;b. any claim made by You; andc. 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:<ol style="list-style-type: none">a. to accept Your application for insurance, on what terms AIA New Zealand will accept it and how much it will cost; orb. 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:<ol style="list-style-type: none">a. the Policy Commencement Date or the date AIA New Zealand accepts Your application for insurance, whichever is later; orb. 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. <p>IMPORTANT</p> <p>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:</p> <ol style="list-style-type: none">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. <p>If You are not sure whether You are required to disclose a particular fact, please ask AIA New Zealand or Your insurance adviser.</p>
		B	If the age of the Life Assured was misstated in the application, the amount payable under this Policy will be such as the Premiums would have purchased on the basis of the correct age.

PREMIUM RATES	3	<p>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 Vital Income Protection policies and to apply the reviewed rates and fees to this Policy at the commencement of the next Premium Guarantee Period.</p>
PREMIUM PAYMENTS	4	<p>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.</p> <p>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.</p>
POLICY FEE	5	<p>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.</p>
PERIOD OF ASSURANCE	6	<p>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.</p> <p>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:</p> <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 notice of a claim must be given to **Us** within ninety (90) days after discovery of any **Critical Illness**. Notice can be given by **You** or on **Your** behalf.
 - B If **You** do 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 **You**.
 - 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 **You** shall provide to **Us** full details of the **Life Assured's Pre-Disability Income** prior to and at the time of a claim and of the **Life Assured's Income** as reasonably required by **Us** throughout the period when a **Partial Disability Benefit** is being paid. Such proofs shall be in a form acceptable to **Us** and may include statements from an employer, bank statements, income tax returns and accounts reports.
 - F 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**.
 - G Responsibilities during claims assessment and while in receipt of Vital 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 treating **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 becomes void or is terminated under any of these conditions all Total Premiums paid shall be absolutely forfeited to Us .
TERMINATION	9	<p>Unless previously terminated, this Policy and any ongoing claims shall terminate on the earliest of:</p> <p>A The anniversary of the Policy Commencement Date following the Life Assured attaining the age of sixty-five (65) regardless of whether a claim is being paid.</p> <p>B Written notification of cancellation from You to Us at any time.</p> <p>C The death of the Life Assured.</p> <p>D Non-payment of Total Premium as set out in Clause 6 "Period of Assurance" above.</p>
WORLDWIDE COVER	10	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.
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	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.
VITAL INCOME PROTECTION BENEFIT WHERE MORE THAN ONE (1) LIFE ASSURED	13	If there is more than one (1) Life Assured shown in the Policy Schedule , We will pay the Vital Income Protection Benefits for each Life Assured . The amount of the Benefit payable for a Total Disability due to Critical Illness will be the Benefit payable for that person under this Policy . This Policy will end when all Assured Lives have suffered a Total Disability due to Critical Illness and to the extent a Vital Income Protection Benefit is payable in respect to each of them, that Benefit has been paid.

GENERAL	14	<p>A This Policy does not participate in bonus distributions or acquire a cash surrender, loan or maturity value.</p> <p>B 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> <p>C 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's head office is: AIA New Zealand Private Bag 300981 Albany AUCKLAND CITY 0752</p> <p>The street address of AIA New Zealand's head office is: AIA New Zealand Level 15 5-7 Byron Avenue Takapuna AUCKLAND CITY 0740</p>

SECTION C - VITAL INCOME PROTECTION BENEFITS

TOTAL DISABILITY BENEFIT 1

If the **Life Assured** is **Totally Disabled** as a result of the occurrence of a **Critical Illness** as defined below, **We** will pay, following the **Waiting Period**, the monthly **Benefit** for such period as the **Life Assured** remains **Totally Disabled** up to the **Benefit Period** or until the **Life Assured** is no longer **Totally Disabled**, whichever is the sooner. This is a monthly **Benefit** payable in arrears subject to receipt of a progress report completed by the **Life Assured** and a **Medical Practitioner**. Payment of the **Total Disability Benefit** is always subject to Clause 5 "Offsets" under Section D of this **Policy**. Subject to the following conditions:

- A The **Critical Illness** commenced before the **Life Assured** reached age sixty-five (65).
- B The Vital Income Protection **Benefit Total Premium** has been paid.
- C For those conditions underlined in Section E below, **We** will pay the **Benefit** provided the **Life Assured** first suffers that condition at any time after ninety (90) days from the **Policy Commencement Date** shown in the **Policy Schedule**, or the date of any reinstatement or increase (other than **Consumer Price Index Increases**) of cover. To be covered, the **Critical Illness** condition must have first **Manifested** itself at least ninety (90) days after the **Policy Commencement Date** shown in the **Policy Schedule**, or the date of any reinstatement, commencement of a benefit, or increase (other than **Consumer Price Index Increases**) of the **Policy**.

This provision is always subject to Clause 2 "Survival For At Least Fourteen (14) Days" below.

- D For those conditions not underlined in Section E below, **We** will pay the **Benefit** provided the **Life Assured** is still alive fourteen (14) days after the event causing the claim subject to the terms under Clause 2 "Survival For At Least Fourteen (14) Days" below. To be covered, the **Critical Illness** condition must have first **Manifested** itself after the **Policy Commencement Date** shown in the **Policy Schedule**, or the date of any reinstatement, commencement of a benefit, or increase (other than **Consumer Price Index Increases**) of the **Policy**.
- E The **Critical Illness** is one of the following illnesses included within the definition of **Critical Illness** in Clause 12 "Critical Illness" under Section D below:

- Heart Attack
- Stroke
- Coronary Artery Bypass Surgery
- Heart Valve Surgery
- Surgery to Aorta
- Pulmonary Arterial Hypertension (Primary)
- Major Organ Transplant
- Kidney Failure
- Critical Cancer
- Multiple Sclerosis
- Parkinson's Disease
- Alzheimer's Disease
- Dementia

- Muscular Dystrophy
- Paralysis (Quadriplegia, Paraplegia, Diplegia, Hemiplegia)
- Blindness
- Major Burns
- Loss of use of Limbs and Sight of one eye
- Accidentally Acquired HIV
- Major Head Trauma
- Coma
- Chronic Liver Failure
- Chronic Lung Disease
- Loss of Independence
- Cognitive Impairment
- Permanent Loss of Hearing
- Permanent Loss of Speech
- Aplastic Anaemia
- Benign Brain Tumour

SURVIVAL FOR AT LEAST FOURTEEN (14) DAYS

2

A
B

A Vital Income Protection **Benefit** will not be paid as a result of a **Critical Illness** event which within fourteen (14) days of sustaining that **Critical Illness** event either:
 results in death of the **Life Assured**; or
 but for the use of artificial life support would in **Our** opinion have resulted directly or indirectly in the death of the **Life Assured**, unless the **Life Assured** is still living after fourteen (14) days following removal of the life support system.

RECURRENT DISABILITY BENEFIT

3

Successive periods of **Total Disability** resulting from the same or related cause within twelve (12) months of resuming work shall be considered a continuation of the same **Total Disability** and no **Waiting Period** shall apply. Such periods of recurrent **Total Disability** shall be added to the original **Total Disability** period for the purposes of applying the **Benefit Period**.

PARTIAL DISABILITY BENEFIT

4

We will pay a **Partial Disability Benefit** if the **Life Assured** is **Partially Disabled** (as defined in Clause 2 "Partial Disability" under Section D below) and the **Waiting Period** has elapsed. To allow **Us** to accurately assess the ongoing validity of a partial disability claim, the **Partial Disability Benefit** will be paid monthly in arrears from the end of the **Waiting Period** until the **Life Assured** is no longer **Partially Disabled**.

This **Partial Disability Benefit** equals:

$$((A - B) / A) * C \text{ where}$$

- A** = Average monthly **Pre-disability Income**
- B** = Average monthly **Post-disability Income**
- C** = The monthly **Benefit** amount

We will then subtract the total of any other income replacement or any other form of employer remuneration or sick leave entitlements being received for the **Life Assured** from any other sources in relation to the same disability. Payment of the **Partial Disability Benefit** is always subject to Clause 5 "Offsets" under Section D of this **Policy**.

WAIVER OF PREMIUM

5

During a period of **Total, Recurrent Disability** or **Partial Disability** for which **We** have accepted a claim, all **Total Premiums** due will be waived by **Us**.

**INFLATION
ADJUSTED
BENEFIT OPTION**

6

If the **Policy Schedule** shows **You** have selected the Inflation Adjusted Benefit option the Vital 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 Increase**.

This option expires upon termination of the **Policy** in accordance with Clause 8 "Termination" under Section B above. This option will cease once the total maximum annual **Sum Assured** of \$300,000 has been reached.

**LEVEL BENEFIT
OPTION**

7

If the **Policy Schedule** shows that **You** have selected the Level Benefit option the Vital Income Protection **Benefit** will remain at the amount specified in the **Policy Schedule**.

**TOTAL AND
PERMANENT
DISABILITY
BENEFIT**

8

We will pay **You** an extra **Benefit** of up to one-third of the **Total Disability Benefit** until expiry of the **Benefit Period**, if the **Life Assured** had been absent from any employment as a result of injury or illness 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 listed below without the standby assistance of another person.

Activities Of Daily Living

1. **BATHING** -The ability 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.
2. **DRESSING** - The ability 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.
3. **TOILETING** -The ability 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.
4. **MOBILITY** - The ability 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.
5. **EATING** - The ability to get nourishment into the body by any means once it has been prepared and made available.

INFLATION ADJUSTABLE CLAIM BENEFIT	9	<p>At the end of each period of twelve (12) months during the time You receive a Benefit under this Policy, We will increase the monthly Benefit payable by the most recent Consumer Price Index Increase.</p> <p>When You are no longer disabled You can choose to keep the higher levels of insured Income. The Premium will increase accordingly.</p> <p>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 8 “Termination” under Section B above.</p>
OCCUPATIONAL RETRAINING BENEFIT	10	<p>If the Life Assured is Totally Disabled and undertakes a programme of occupational retraining while receiving a Vital 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 Benefit will be reduced by any costs recovered from any other source.</p>
BED CONFINEMENT BENEFIT	11	<p>If the Life Assured is Totally 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 Total 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.</p>
IF UNEMPLOYED	12	<p>If the Life Assured becomes Totally Disabled while being unemployed for more than twelve (12) months, the monthly Benefit will be limited to a maximum of \$1,500 per month.</p> <p>If the Life Assured becomes Totally Disabled within twelve (12) months of becoming unemployed then the Benefit payable will be assessed as normal without the restrictions.</p>
LEAVE WITHOUT PAY	13	<p>If the Life Assured takes a period of Leave Without Pay from all regularly remunerated occupations You may elect to:</p> <p>A 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.</p> <p>B We will not pay any Benefits under this Policy in respect of any event that occurs while cover is suspended.</p>

REHABILITATION EQUIPMENT EXPENSE BENEFIT	14	<p>A Rehabilitation Expense 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.</p>
PREMIUM	15	<p>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.</p> <p>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 Vital Income Protection Benefit Premium specified in the Policy Schedule will be recalculated every year based on the age of the Life Assured at that time.</p> <p>Please note that the Premium Rates are not guaranteed and are subject to review from time to time. The Premium will be determined by the Premium Rates in effect at that time.</p>
RENEWAL	16	<p>The Vital 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) as per the Policy Schedule, regardless of changes in the health or occupation of the Life Assured.</p>
EXCLUSIONS	17	<p>No Benefits shall be paid under this Policy if the injury or sickness resulting in Total Disability directly or indirectly was caused by or resulted from:</p> <ul style="list-style-type: none"> 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 Total 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 Please refer to Clause 12 "Critical Illness" under Section D for any further specific exclusions.

**PARTIAL
DISABILITY
BRIDGING BENEFIT**

18

We will pay You a Partial Disability Bridging Benefit if:

- **You** have been receiving a **Total Disability Benefit** under this **Policy**; and
- the **Life Assured** is no longer **Totally Disabled**; and
- based on the information provided to, and requested by **Us, We** reasonably expect that a Partial Disability **Benefit** (as set out in Section C) 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 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 Benefit** was claimed for by the **Life Assured**.

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

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 C.

SECTION D - VITAL INCOME PROTECTION BENEFIT DEFINITIONS

- TOTAL DISABILITY** 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** is not engaged in any occupation from which the **Life Assured** derives **Income**; and
 - C** The **Life Assured** is unable to:
 - perform at least one (1) important income producing duty of their own occupation as a result of a **Critical Illness** and is not working in their own occupation; or
 - follow their own occupation as a result of a **Critical Illness** event for more than ten (10) hours per week.
- Totally Disabled** has a corresponding meaning.
- D** The **Life Assured's** injury or sickness is supported by clinical evidence and approved by our **Us**.
 - E** The injury or sickness is as a result of one of the **Critical Illnesses** listed below. No **Benefit** will be payable where the ongoing cause of disablement ceases to be the **Critical Illness** that gave rise to that claim, that is, where the ongoing cause of the disablement becomes a secondary illness not included in our **Critical Illness** definitions (defined in Clause 12 "Critical Illness" below). Secondary illnesses may include, but are not limited to, the following: mental illness, depression, fatigue, cognitive impairment etc.
- PARTIAL DISABILITY** 2 Means a disability resulting from a serious injury or sickness which results in the **Life Assured** having returned to work in a reduced capacity. The reduction in work capacity must be as a result of the continuation of the disability. The **Partial Disability** must be supported by an appropriate **Diagnosis** from a **Medical Practitioner** and evidence acceptable to **Us** and is subject to the following conditions:
- A** The **Life Assured's** Monthly **Income** is less than 75% of their **Pre-Disability Income**; and
 - B** The **Life Assured** is under the regular and personal care of a **Medical Practitioner**, and.
 - C** The **Life Assured** is not **Totally Disabled**, and
 - D** The injury or sickness is as a result of one of the **Critical Illnesses** listed in Clause 12 "Critical Illness" below. This **Benefit** is only payable on the first **Diagnosis** of a **Critical Illness**. Subsequent **Critical Illnesses** do not generate an additional **Benefit**.
 - E** The **Life Assured** is actively working in a reduced capacity.
- MEDICAL PRACTITIONER** 3 Shall mean 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** or **Policy Owner**, the spouse, de facto spouse, **Civil Union** partner, lineal relative, or business partner/associate of the **Life Assured** or **Policy Owner**.
- BENEFIT** 4 The **Benefit** specified in the **Policy Schedule** or 75% of the average annual **Pre-Disability Income** of the **Life Assured**, whichever is the lesser.

OFFSETS	5	<p>1 The Benefit will be reduced by an amount equal to the total of any other income replacement or any other form of employer remuneration, sick leave entitlements, disability compensation or other entitlement received from ACC, excluding welfare payments being received by the Life Assured from any other sources in relation to the same disability.</p> <p>2 The Benefit will be reduced by any income you receive or are entitled to receive subsequent to the disablement date other than unearned income such as investment income or rental income.</p>
INCOME	6	<p>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:</p> <ul style="list-style-type: none"> • salary • fees • commission • bonuses • and fringe benefits <p>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);</p> <p>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> <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	7	Means the Life Assured's Income during any one (1) continuous twelve (12) month period elected by You during the three (3) year immediately prior to the Total Disability .
POST-DISABILITY INCOME	8	Means the Life Assured's Income , or the amount of Income the Life Assured is Capable of Earning while Partially Disabled , as determined by Us after an assessment of present and likely capabilities.
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 Total Disability which must elapse from the date upon which the Life Assured first received medical advice from a Medical Practitioner in respect of that disability before the monthly Benefit becomes payable.

**DIAGNOSIS &
DIAGNOSED**

11

Shall mean the first definitive **Diagnosis** made in writing by a **Medical Practitioner**, as defined below, based upon such specific evidence, as referred to below in the definition of the relevant **Critical Illness** or, in the absence of such specific evidence, based upon radiological, clinical, histological or laboratory evidence acceptable to **Us**.

Where specified in the definition of a **Critical Illness**, specialist **Diagnosis** must be obtained.

In the event of any doubt regarding the appropriateness or correctness of the **Diagnosis**, **We** shall have the right to call for an examination at **Our** expense, of either the **Life Assured** or the evidence used in arriving at such **Diagnosis**, by an independent acknowledged expert in the field of medicine concerned selected by **Us** and the opinion of such expert as to such **Diagnosis** shall be binding on **You**, the **Life Assured** and **Us**.

CRITICAL ILLNESS 12

Shall mean any illnesses, as defined below:

HEART ATTACK

Heart Attack (myocardial infarction) means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The **Diagnosis** must be confirmed by a cardiologist and evidenced by typical rise and/or fall of cardiac biomarker blood test (Troponin T, Troponin I or CK-MB) with at least one level above the 99th percentile of the upper reference limit PLUS:

- a. Acute cardiac symptoms and signs consistent with myocardial infarction; or
- b. New serial ECG changes with the development of any of the following: ST elevation or depression, T wave inversion, pathological Q waves or left bundle branch block (LBBB); or
- c. Imaging evidence of new loss of viable myocardium or new regional wall motion abnormality.

If the above tests are inconclusive we will consider other appropriate and medically recognised tests.

The following are excluded:

- Other acute coronary syndromes including but not limited to angina pectoris; or
- A rise in biological markers as a result of an elective percutaneous procedure for coronary artery disease

STROKE

Stroke (resulting in functional loss) means any cerebrovascular accident or incident producing permanent neurological deficit causing either:

- **Life Assured** to suffer at least 25% permanent impairment of *whole person function*[^]; or
- **Life Assured** to be constantly and permanently unable to perform at least two (2) of the numbered **Activities of Daily Living** without the physical assistance of someone else (if the **Life Assured** can perform the activity on their own by using special equipment, **We** will treat the **Life Assured** as able to perform that activity).

This requires clear evidence on a CT, MRI or similar scan that a stroke has occurred and evidence of:

- infarction of brain tissue; and
- intracranial or subarachnoid haemorrhage ; or embolisation.

Cerebral symptoms due to transient ischaemic attacks, cerebral injury resulting from trauma or hypoxia, and vascular disease affecting the eye or optic nerve or vestibular functions are excluded.

[^]as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment' 6th Edition.

CORONARY ARTERY BYPASS SURGERY

Coronary Artery Bypass Surgery means the actual undergoing of surgery to correct the narrowing or blockage of one (1) or more coronary arteries with bypass grafts for the first time, due to disease of those arteries. The operation must be considered necessary by a Specialist Cardiologist. Non-surgical techniques such as angioplasty, catheter based techniques, laser or other intra-arterial procedures are excluded.

HEART VALVE SURGERY

Heart Valve Surgery means the undergoing of surgery to replace or repair a cardiac valve or valves as a consequence of heart valve defects or abnormalities but does not include angioplasty, intra-arterial procedures or other non-surgical techniques.

SURGERY TO AORTA

Surgery to Aorta means surgical repair to the aorta to correct any narrowing, dissection or aneurysm of the thoracic or abdominal aorta but does not include angioplasty, intra-arterial procedures or other non-surgical techniques. Traumatic injury of the aorta is excluded.

PULMONARY ARTERIAL HYPERTENSION (PRIMARY)

Pulmonary Arterial Hypertension (Primary) means primary idiopathic pulmonary hypertension associated with right ventricular enlargement established by cardiac catheterisation.

MAJOR ORGAN TRANSPLANT

Major Organ Transplant means having received, from a human donor, a medically necessary transplant involving one (1) or more of the following organs: kidney, heart, liver, lung, bone marrow and pancreas. The transplantation of all other

organs or parts of any organ or of any other tissue is excluded.

KIDNEY FAILURE

Kidney Failure means end stage renal failure, which presents as chronic irreversible failure of both kidneys to function, as a result of which regular renal dialysis is initiated or renal transplantation carried out.

CRITICAL CANCER

Critical Cancer means the presence of one (1) or more malignant tumours, characterised by the uncontrolled growth and spread of malignant cells and the invasion of tissue, provided the **Diagnosis** is unequivocal as confirmed by histopathology.

This includes leukaemia, lymphomas, Hodgkin's disease, malignant bone marrow disorders but excludes the following tumours:

- Malignant Melanoma which are less than 1.5 mm maximum thickness as determined by histological examination based on Breslow thickness unless the melanoma is graded higher than Clark Level 2 depth of invasion or has evidence of ulceration as determined by histological examination; or
- All other types of skin cancers unless there is evidence of metastases; or
- A growth histologically described as Carcinoma-in-Situ (including cervical dysplasia CIN-1, CIN-2 and CIN-3) or which are histologically described as pre-malignant or non-invasive unless they result in **Radical Surgery**. We will allow cover for carcinoma-in-situ of the breast where it results in the entire removal of the breast, or the **Life Assured** has other surgery and adjuvant therapy (such as radiotherapy and/or chemotherapy). This procedure must be the appropriate and necessary treatment as recommended by an appropriate **Medical Practitioner** and undertaken specifically to arrest the spread of malignancy. Chemotherapy means the use of drugs specifically designed to kill or destroy cancer cells. Adjuvant endocrine manipulation therapy, hormonal manipulation therapy and non-endocrine adjuvant therapy are excluded; or
- All tumours of the prostate histologically classified as having a Gleason score less than 6 or less than TMN classification T2. **We** will allow cover for Prostate tumour classified as TNM classification T1 (all categories) or of an equivalent classification if the tumour is confirmed by histological examination and requires the **Life Assured** to undertake major interventionist therapy including radiotherapy, brachytherapy, chemotherapy, biological response modifiers or any other major treatment, or if the tumour is completely untreatable.

MULTIPLE SCLEROSIS

Multiple Sclerosis means a disease characterised by demyelination in the brain and spinal cord. Multiple Sclerosis must be unequivocally **Diagnosed** by a Consultant Neurologist. There must be more than one (1) episode of well defined neurological deficit with persisting neurological abnormalities causing:

- At least 25% permanent whole person impairment as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 6th

- edition, or an equivalent guide to impairment approved by Us; or
- A total and irreversible inability to perform at least one (1) **Activity of Daily Living** without the assistance of another adult person; or
 - Being assigned a 7.5 or higher score on the Expanded Disability Status Scale (EDSS) by a Consultant Neurologist

Neurological investigations such as lumbar puncture, MRI (Magnetic Resonance Imaging) evidence of lesions in the central nervous system, evoked visual responses, or evoked auditory responses which are required to confirm the **Diagnosis**.

PARKINSON'S DISEASE

Parkinson's Disease means unequivocal **Diagnosis**, confirmed by Consultant Neurologist, of idiopathic Parkinson's disease as characterised by the clinical manifestation of one or more of the following:

- Rigidity; or
- Tremors; or
- Akinesia; or

resulting in the degeneration of the nigrostriatal system causing either:

- At least 25% permanent whole person impairment as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 6th edition or an equivalent guide to impairment approved by Us; or
- A total and irreversible inability to perform at least one (1) **Activity of Daily Living** without the assistance of another adult person.

ALZHEIMER'S DISEASE

Alzheimer's Disease means the unequivocal **Diagnosis** of Alzheimer's disease due to failure of the brain function with significant cognitive impairment for which no other recognisable cause has been identified as confirmed by a Consultant Neurologist and resulting in the continual supervision of the **Life Assured** or the **Life Assured** is unable to perform one (1) or more **Activity of Daily Living**. Significant cognitive impairment means deterioration or loss of intellectual capacity as measured by clinical evidence and standardised testing.

DEMENTIA

Dementia means the unequivocal **Diagnosis** of Dementia due to failure of the brain function with significant cognitive impairment for which no other recognisable cause has been identified as confirmed by a Consultant Neurologist and resulting in the continual supervision of the **Life Assured** or the **Life Assured** is unable to perform one (1) or more **Activities of Daily Living**. Significant cognitive impairment means deterioration or loss of intellectual capacity as measured by clinical evidence and standardised testing.

MUSCULAR DYSTROPHY

Muscular Dystrophy means the unequivocal **Diagnosis** by a Consultant Neurologist of muscular dystrophy causing:

- At least 25% permanent whole person impairment as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 6th edition, or an equivalent guide to impairment approved by **Us**; or
- A total and irreversible inability to perform at least one (1) **Activity of Daily Living** without the assistance of another adult person.

PARALYSIS

Paralysis means the Permanent and Total Loss of function as a result of injury to or disease of the spinal cord or brain as defined below:

- Quadriplegia - loss of function of both arms and legs
 - Paraplegia - loss of function of both legs
 - Diplegia - loss of function of both sides of the body
 - Hemiplegia - loss of function of one side of the body
- Paralysis as a result of alcohol, drug or substance abuse is excluded.

BLINDNESS

Blindness means that as a result of disease or accident and certified by an ophthalmologist, the:

- a. visual acuity on the Snellen Scale after correction by suitable lenses is less than 6/60 in both eyes; or the
- b. field of vision is constricted to 20 degrees or less of arc around central fixation in the better eye irrespective of corrected visual activity (equivalent to 1/100 white test object); or the
- c. combination of visual defects results in the same degree of vision impairment as that occurring in (a) or (b) above.

MAJOR BURNS

Major Burns means full thickness burns to at least:

- Twenty percent (20%) of the body surface as measured by The Rule of nine (9) of the Lund and Browder Surface Chart; or
- Twenty five percent (25%) of the face requiring surgical debridement and/or grafting; or
- Fifty percent (50%) of the total combined area of both hands requiring surgical debridement and/or grafting.

LOSS OF USE OF LIMBS AND SIGHT OF ONE EYE

The total and irrecoverable loss by disease or trauma of any of:

- the use of both hands; or
- the use of both feet; or
- the use of one hand and one foot; or
- the use of one hand and the sight of one eye (to the extent of 6/60 or less)

ACCIDENTALLY ACQUIRED HIV

Accidental HIV Infection means infection with the human immunodeficiency virus (HIV) acquired by accident or violence during the course of the **Life Assured's** normal occupation or through the medium of a blood transfusion, transfusion of blood products, organ transplant, assisted reproduction technique or other medical procedure or operation performed by a doctor or at a recognised medical facility. Sero-conversion evidence of the HIV infection must occur within six (6) months of the accident. HIV infection transmitted by any other means, including but not limited to sexual activity or non-medical intravenous drug use, is not Accidental HIV Infection under the **Policy**.

Any accident giving rise to a potential claim must be reported to **Us** within thirty (30) days and be supported by a negative HIV antibody test taken within seven days after the accident. **We** must be given access to test independently all blood samples used, if **We** require. **We** retain the right to take further independent blood tests or other medically accepted HIV tests.

MAJOR HEAD TRAUMA

Major Head Trauma means an injury to the head causing either:

- **Life Assured** to suffer at least 25% impairment of whole person function[^] *that is permanent*, or
- **Life Assured** to be constantly and permanently unable to perform at least two (2) of the numbered activities of daily living without the physical assistance of someone else (if **the Life Assured** can perform the activity on their own by using special equipment, **We** will not treat the **Life Assured** as unable to perform that activity).

Major head trauma as a result of alcohol, drug or substance abuse is excluded.

[^]*as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment' 6th Edition.*

COMA

Coma means a state of unconsciousness with no reaction to external stimuli or internal needs, persisting continuously with the use of life support systems for a continuous period of at least seventy-two (72) hours.

Coma as a result of alcohol, drug or substance abuse is excluded.

CHRONIC LIVER FAILURE

Chronic Liver Failure means end stage liver failure, together with two (2) of the following conditions:

- permanent jaundice; or
- ascites; or
- hepatic encephalopathy.

Chronic Liver Failure directly related to alcohol or drug abuse is excluded.

CHRONIC LUNG DISEASE

Chronic Lung Disease means end stage respiratory failure requiring permanent oxygen therapy with

- FEV 1 test results consistently showing less than one (1) litre; or
- continuous oxygen therapy with PaO₂<55mmHg; or

- As a result of **Chronic Lung Disease** the total and irreversible inability of the **Life Assured** to perform at least one (1) of the **Activities of Daily Living** without the assistance of another adult person as certified by an appropriate **Medical Practitioner**.

LOSS OF INDEPENDENCE

Loss of Independence means the **Life Assured** is constantly and permanently unable to perform at least two (2) of the **Activities of Daily Living** without the physical assistance of someone else (if the **Life Assured** can perform the activity on **their** own by using special equipment, **We** will not treat the **Life Assured** as unable to perform that activity).

COGNITIVE IMPAIRMENT

Cognitive Impairment, means a deterioration or loss in the **Life Assured's** intellectual capacity which requires another person's assistance or verbal cueing to protect himself or herself as measured by clinical evidence and standardised tests which reliably measure the impairment in the following areas:

- short or long-term memory
- orientation as to person (such as personal identity), place (such as location), and time (such as day, date and year)
- deductive or abstract reasoning.

The **Life Assured** would be required to be under continuous care and supervision by another adult person for at least six (6) consecutive months. At the end of that six-month period, the **Life Assured** must, in **Our** opinion on the basis of medical evidence, require ongoing continuous care and supervision by another adult person and suffer at least 25% impairment of whole person [^] *that is permanent*.

^as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment' 6th Edition.

PERMANENT LOSS OF HEARING

Loss of Hearing means complete and irrecoverable loss of hearing, both natural and assisted, from both ears as a result of Injury or Sickness, as certified by an appropriate medical specialist.

PERMANENT LOSS OF SPEECH

Loss of Speech means the complete and irrecoverable loss of the ability to speak as a result of Injury or Sickness which must be established and the **Diagnosis** reaffirmed after a continuous period of three (3) months of such loss by an appropriate medical specialist.

APLASTIC ANAEMIA

Aplastic Anaemia means permanent bone marrow failure that results in anaemia, neutropenia and thrombocytopenia requiring treatment by at least one (1) of the following:

- blood product transfusions; or
- marrow stimulating agents; or
- immunosuppressive agents; or
- bone marrow transplantation.

BENIGN BRAIN TUMOUR

Means a non-cancerous tumour in the brain, directly resulting in at least 25% impairment of whole person function *that is permanent*. The presence of the underlying tumour must be confirmed by CT Scan, MRI or other imaging studies.

Excluded are cysts, granulomas, cholesteatomas, malformations in or of the arteries or veins of the brain, haematomas and tumours in the cranial nerves, meninges, pituitary gland or spine.

as defined in the American Medical Association publication 'Guides to Evaluation of Permanent Impairment' 6th Edition.

(INSIGHT 35.0.0 May 2019)