

OPTIONAL BENEFIT APPENDIX

Waiver of Premium Benefit

This *appendix* only applies if cover under the policy *schedule* includes the Waiver of Premium Benefit. This *appendix* forms part of and is incorporated into the TotalCareMax policy, the terms of which apply to this *appendix*.

This is a Waiver of Premium Benefit. Details of the benefit and the names of the people insured for the benefit (called the life or lives assured) are shown in *the schedule*.

1. When will Sovereign waive the regular premiums payable under this TotalCareMax policy?

Sovereign will waive the regular *premiums* payable under this TotalCareMax policy if, in Sovereign's opinion, at any time during the *waiver of premium term* the life assured becomes *totally disabled* and remains so for a continuous period greater than the *waiting period*.

If cover for a life assured under another *appendix* of this TotalCareMax policy includes a partial disability benefit, then Sovereign will waive the regular *premiums* payable under this TotalCareMax policy after the end of the *waiting period* where the partial disability benefit criteria are met for the life assured under that other *appendix*.

While Sovereign is waiving the regular *premiums* payable under this TotalCareMax policy, you may not change the benefits of the policy.

The waiver relates to *premiums* payable under this TotalCareMax policy which fall due for payment after the end of the *waiting period*.

Sovereign will waive the regular *premiums* payable under this TotalCareMax policy until the occurrence of any one or more of the events set out in Section 5.

2. What does *totally disabled* mean?

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

For Occupation classes other than Occupation Class five:

In Sovereign's opinion, after considering the advice of a *Registered Medical Practitioner* and other relevant information, the life assured for the benefit is so seriously incapacitated by illness or injury that they are:

- > unable to follow the occupation or carry on the business

they were involved in immediately before the *disablement date* for more than ten hours per week; or

- > unable to perform the key income producing duties of the role they were involved in immediately before the *disablement date* for more than ten hours per week; and
- > in each case, not in fact working, or engaged in any other business.

If a life assured has been on leave without pay for 12 months or less, or was *unemployed* for less than three months immediately before becoming *totally disabled*, the references in the above to "immediately before the *disablement date*" are replaced by references to "immediately before going on leave or becoming *unemployed*".

For Occupation class five:

In Sovereign's opinion, after considering the advice of a *Registered Medical Practitioner* and other relevant information, the life assured for the benefit is so seriously incapacitated by illness or injury that they are continuously confined under *full-time care* to the life assured's home or a medical institution.

3. How to make a claim for the Waiver of Premium Benefit

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

In addition, for a Waiver of Premium Benefit claim, Sovereign will require:

- > the life assured to be examined by a *Registered Medical Practitioner* acceptable to Sovereign, before accepting liability for a claim; and
- > a Sovereign claims form completed by the life assured and a *Registered Medical Practitioner* (at *your* expense); and
- > other information which Sovereign may reasonably request to help assess the claim; and
- > the life assured to undergo medical and/or surgical treatment (including any operation or vocational, medical and/or social rehabilitation programme) at *your* expense which the life assured's *Registered Medical Practitioner* or a *Registered Medical Practitioner*

approved by Sovereign considers necessary; and

- > any other information that Sovereign may deem relevant to the assessment of the claim.

4. Ongoing Claim Requirements

For ongoing claims Sovereign will require:

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

5. When will Sovereign cease waiving the regular premiums payable under this TotalCareMax policy?

Sovereign will cease waiving the regular *premiums* payable under this policy if:

- (a) The life assured fails to undergo and complete:
 - > any surgical operation; and/or
 - > any medical rehabilitation programme; and/or
 - > any social rehabilitation programme; and/or
 - > any vocational rehabilitation programme,which a *Registered Medical Practitioner* approved by Sovereign considers reasonably necessary.
- (b) The life assured fails to undertake any medical examinations that Sovereign requires the life assured to have, at our expense.
- (c) The life assured fails to comply with the requirements of Section 4 above.
- (d) Sovereign determines that the life assured is no longer *totally disabled* or a partial disability benefit is no longer payable in respect of the life assured under this TotalCareMax policy.
- (e) The *waiver of premium term* expires in relation to the life assured.
- (f) The life assured or anyone acting on behalf of the life assured makes a false or fraudulent statement in respect of a claim or supports any claim with false evidence.
- (g) The life assured is in prison for any reason.
- (h) The life assured dies.

If Sovereign ceases waiving the regular *premiums* payable under this policy in accordance with paragraphs (a), (b) or (c) and the life assured subsequently complies with the relevant requirement(s), then:

- > The date that the life assured complied with the relevant requirement(s) will, subject to the provisions of this *appendix*, be treated as the *disablement date* for a new claim.
- > The *waiting period* will be waived for the new claim.
- > Sovereign will not waive the regular *premiums* payable under this TotalCareMax policy retrospectively for any period of time before the date that the life assured complies with the relevant requirement(s).

6. Exclusions – when Sovereign won't waive the regular premiums

Sovereign will not waive the regular *premiums* payable under this TotalCareMax policy where any of the following directly or indirectly cause or contribute to the disability:

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

If the life assured is imprisoned for any reason, regular *premiums* will not be waived during the term of imprisonment.

7. Key terms

disablement date	The date the life assured became <i>totally disabled</i> .
full-time care	Care for 16 hours per day or more, provided by a nursing service approved by Sovereign whose profession it is to provide nursing services or provided by a <i>Registered Medical Practitioner</i> .
totally disabled/ total disablement	See Section 2 of this <i>appendix</i> for the meanings of these key terms.
unemployed	A person who is not engaged in remunerated work or business activities for 10 hours or more a week. This definition does not include a person on leave without pay.

waiting period The period stated in *the schedule* for this Waiver of Premium Benefit during which Sovereign will not waive the regular *premiums* payable under this TotalCare**Max** policy.

waiver of premium term The term the life assured is covered for the Waiver of Premium Benefit as stated in *the schedule*.

you/your The 'Policy Owner' named in *the schedule*.

SAMPLE