

## 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 91<sup>st</sup> 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

<b>disablement date</b>	The date the life assured became <i>totally disabled</i> .
<b>full-time care</b>	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> .
<b>totally disabled/ total disablement</b>	See Section 2 of this <i>appendix</i> for the meanings of these key terms.
<b>unemployed</b>	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*.

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