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# CORPORATE COVER

## Group Life Combined Product Disclosure Statement and Policy Document (PDS)

Issue Date: 1 March 2022



# Important Information

## About this PDS

This Group Life Combined Product Disclosure Statement and Policy Document (PDS) describes the main features and terms of AIA Australia's Group Life Insurance product, which is issued by AIA Australia Limited ABN 79 004 837 861, AFSL 230043, (AIA Australia).

The product described in this PDS is only available to persons applying in Australia. Applications from outside Australia will not be accepted.

The PDS has been prepared with the intention of providing you with important information about AIA Australia's Group Life Insurance product. Any information contained in this PDS is of a general nature only and has been prepared without taking into account your objectives, financial situation or needs. Therefore, before making any decision, you should consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If you are deciding whether to acquire this product, you should read this PDS before making your decision. Anyone making this PDS available to another person must provide them with the entire electronic file or printout. We will also provide a paper copy of the PDS on request without charge.

The information in this PDS is current as at the issue date of the PDS and may change from time to time. Where changes are made to the PDS (including changes that are materially adverse, or otherwise required by law) we will replace this PDS or issue a Supplementary PDS, and give you notice as required or permitted by law.

Taxation considerations are general and based on present taxation laws and may be subject to change. You should seek independent, professional tax advice before making any decision based on this information.

## Defined terms

Certain terms in this PDS have been capitalised and bolded. Unless the context requires otherwise, these terms are defined in Section 12 of the PDS.

Throughout this PDS, any reference to:

- **'AIA Australia', 'we' 'us', and 'our'** means AIA Australia Limited (ABN 79 004 837 861, AFSL 230043).
- **'you' or 'your'** means the **Policy Owner**.
- **'your Policy', 'a Policy', 'the Policy'** means the documents that make up your policy issued by us to you
- **'PDS'** means this document which comprises the Group Life Combined Product Disclosure Statement and Policy Document

## Understanding this document

In this PDS:

- headings are used as a guide only,
- singular and plural nouns may be used interchangeably depending on the context, and
- reference to monetary amounts are in Australian dollars.

## Contacting us

If you need to contact us you can do so at:

*Level 6, 509 St Kilda Road*

*Melbourne VIC 3004*

*Phone: 1800 333 613 between 8 am and 6 pm  
(AEST/AEDT), Monday to Friday.*

# About AIA Australia

## The best in life

AIA Australia is a leading life insurance specialist with 50 years' experience. We offer a range of products and services that protect and enhance the lives of more than 3.8 million Australians. We have a dream to champion Australia to be the healthiest and best protected nation in the world. We do that with AIA Vitality – the world's leading science-based health and wellbeing program, AIA health – A new kind of health insurance, and our Wellbeing Ecosystem we help our customers to live healthier, longer, better lives.

AIA Australia has been recognised with multiple awards, including Super Review Awards - Best Insurer of the Year (2018, 2019), FSC Life Insurance Awards - Innovation in Group Life Insurance (2021), iSelect Partner Awards - Insurer of the Year (2019), Insurance Asia International Life Insurer of the Year (Australia, 2020), Shared Value Awards Project of the year - Mental health support during COVID (2021), Shared Value Awards - Corporate Organisation Leading Through Shared Value (2019), Shared Value Awards - Organisation of the Year (2020) and the Women in Finance Employer of the Year Award (2018, 2019).

AIA Australia is wholly owned by the AIA Group, the largest independent publicly listed pan-Asian life insurance group with a presence in 18 markets across the Asia-Pacific region.

Further information can be found at [aia.com.au](http://aia.com.au)

## About AIA

AIA Group Limited and its subsidiaries (collectively "AIA" or the "Group") comprise the largest independent publicly listed pan-Asian life insurance group. It has a presence in 18 markets across the Asia-Pacific region - wholly-owned branches and subsidiaries in Hong Kong SAR, Thailand, Singapore, Malaysia, Mainland China, South Korea, the Philippines, Australia, Indonesia, Taiwan (China), Vietnam, New Zealand, Macau SAR, Brunei, Cambodia, Myanmar, and a 49 per cent joint venture in India.

The business that is now AIA was first established in Shanghai a century ago in 1919. It is a market leader in the Asia-Pacific region (ex-Japan) based on life insurance premiums and holds leading positions across the majority of its markets. It had total assets of US\$326 billion as of 31 December 2020.

AIA meets the long-term savings and protection needs of individuals by offering a range of products and services including life insurance, accident and health insurance and savings plans. The Group also provides employee benefits, credit life and pension services to corporate clients. Through

an extensive network of agents, partners and employees across Asia-Pacific, AIA serves the holders of more than 38 million individual policies and over 16 million participating members of group insurance schemes.

AIA Group Limited is listed on the Main Board of The Stock Exchange of Hong Kong Limited under the stock code "1299" with American Depositary Receipts (Level 1) traded on the over-the-counter market (ticker symbol: "AAGIY").

## Partnering specialists

AIA Australia understands that the need of every client is different. That's why AIA Australia offers a flexible approach to life insurance. We can combine different types of cover within a single policy, tailoring specific solutions to deliver the most effective level of protection for our clients' needs. Our fresh and intelligent approach can add value, efficiency and a competitive advantage to our clients' business.

- We are one of Australia's largest group life insurers.
- We provide solutions to some of Australia's major financial institutions and corporate partners.
- We also offer retail insurance products through financial advisers and a valued network of affinity partners.
- We care for the health, insurance and rehabilitation needs of more than 3.8 million Australians.
- AIA Australia employs almost 2,325 staff across Australia.

## Committed to the community

The AIA Australia philosophy is simple – helping people when they need it most. We want people to have adequate life insurance. We pay the claims that should be paid. We have the knowledge and experience to engage in controlled risk taking rather than risk avoidance. We are constantly reviewing our underwriting tools, such as non-medical limits, to minimise inconvenience to our clients and ultimately the lives insured.

We adopt a professional and positive approach to claims assessment to ensure claims are paid promptly.

## Entrepreneurial culture

Our aim is to set industry standards in both product and service through our experienced and approachable team and by providing comprehensive, flexible group insurance solutions.

AIA Australia's employees work as a team to deliver some of the industry's most innovative life insurance solutions, with the aim of providing a worry free future to our customers.

We are passionately committed to providing an efficient and sensitive claims service that will help our customers when they need it most.

## Experienced and proactive team

Our Business Development Team brings with them years of experience and insight in group insurance. We understand the specific needs of Australian group insurance clients and have superannuation fund and employer owned policy group insurance experience. The Business Development Team is supported by some of the industry's best group claims, actuarial, underwriting, administration and account management personnel from a myriad of backgrounds including superannuation, financial planning, consulting and administration to name a few. We also provide all the technical and communication support required by our clients.

Our commitment to you is a long term one. We build open and rewarding relationships through which we can continuously improve our product offering, as well as the way we work together, to create as much value as possible for you and your clients.

## AIA Australia supports the FSC Life Insurance Code of Practice (Code)

The Code sets out the life insurance industry's key commitments and obligations to customers on standards of practice, disclosure and principles of conduct for their life insurance services, such as being open, fair and honest. It also sets out timeframes for insurers to respond to claims, complaints and requests for information from customers.

The Code covers many aspects of a customer's relationship with their insurer, from buying insurance to making a claim, to providing options for those experiencing financial hardship or requiring additional support.

If you believe we have not acted within the spirit of the Code or are unhappy with your experience with us, you can access our complaints process by contacting us. You can find more information on the Code at [fsc.org.au](https://www.fsc.org.au).

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# 1. Policy Overview

## 1.1 About this Document

This is a Combined Product Disclosure Statement and Policy Document (PDS) issued by AIA Australia Limited (ABN 79 004 837 861, AFSL 230043) (“AIA Australia”), which describes the main features and benefits of AIA Australia’s Group Life product.

This PDS is designed to help you understand AIA Australia’s Corporate Cover product, which can be held inside superannuation, or as part of an employee benefit plan, outside of superannuation.

It provides important information about the features, benefits, costs and risks associated with the Corporate Cover product.

## 1.2 Implementing a Policy

AIA Australia provides group insurance to organisations such as employers or superannuation funds, where those organisations have 200 or more lives to be insured on a consistent basis.

In some cases, AIA Australia will provide **Cover** to Australian organisations with less than 200 lives where those organisations, usually employers, operate and have offices in multiple countries.

After consultation with you, AIA Australia will provide a quotation summary which should be considered in conjunction with this PDS.

In order to implement an AIA Australia group insurance Policy, we require the following:

- acceptance by email from you of our terms and the time and date you would like us to assume risk from (we will then confirm we are on risk by return email, issue an invoice and a partially completed group insurance Proposal Form),
- a fully completed group insurance Proposal Form, and
- payment of the required Deposit Premium.

Once all documentation is received, we will assist you in completely installing the group insurance Policy and underwriting **Eligible Persons** where necessary.

**Cover** for **Eligible Persons** does not commence until either AIA Australia notifies you in writing that the risk has been accepted or by the issuance of a Policy.

## 1.3 What documents make up your Policy?

Your Policy is a contract of insurance between AIA Australia (us) and you (the **Policy Owner**). It’s made up of the following:

- sections 2 through to 12 of this PDS,
- the **Policy Schedule** issued to you and signed by us, and
- any riders or endorsements issued to you and signed by us.

## 1.4 About the Policy

This Policy:

- will be written in the AIA Australia Statutory Fund No 1,
- doesn’t participate in our profits,
- doesn’t acquire a surrender value,
- is subject to, and governed by, the laws of the Commonwealth of Australia, and
- is only available to **Policy Owners** in Australia.

This Policy can be assigned in accordance with the *Life Insurance Act 1995* (Cth) with our prior written consent. If we allow the assignment, the assignee will be recorded as the new **Policy Owner** with all the rights, powers, duties, obligations and privileges of the original **Policy Owner**.

All payments made in connection with this Policy, whether to us or by us, must be made in Australia and in Australian dollars.

## 1.5 Policy Owner

All benefits payable under the Policy are paid to the **Policy Owner** unless otherwise instructed by the **Policy Owner**.

The Policy can be issued as an ordinary Policy to an **Employer** as an **Employee** benefit, or it can be issued as a superannuation Policy to the trustee of a superannuation fund. This will be set out under the **Policy Type** in the **Policy Schedule** issued by us.

## 1.6 Inside Superannuation

Some of the terms and conditions of the benefits differ where the **Policy Owner** is a superannuation fund. The terms and conditions of all benefits are set out in this PDS and the **Policy Schedule**.

Where a trustee of a superannuation fund is the **Policy Owner**, all benefit payments due under the Policy will be made to or as directed by the **Policy Owner** and their release

will be subject to restrictions under the relevant fund's trust deed and superannuation law.

## 1.7 Duty of Disclosure for Policy Owners

If you are the **Policy Owner**, you have a duty to tell us anything that you know, or could reasonably be expected to know, which may affect our decision to insure you and any other **Insured Person** and on what terms.

You have this duty until we agree to insure you, and also before you extend, vary or reinstate the Policy.

You do not need to tell us anything that:

- reduces our risk,
- is common knowledge,
- we know or should know as an insurer, or
- we waive your duty to tell us about.

### If you do not tell us something

We may apply the following rights separately to each type of cover that we consider could form a separate Policy.

If you do not tell us something that you know, or could reasonably be expected to know, may affect our decision to provide the insurance and on what terms, this may be treated as a failure by the person entering into the contract to tell us something that they must tell us.

If you are the **Policy Owner**, and you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the contract within three years of entering into it.

If we choose not to avoid the contract, we may, at any time, reduce the amount you or the **Insured Person** have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. However, for Death **Cover**, we may only exercise this right within 3 years of entering into the contract.

If we choose not to avoid the contract or reduce the amount you or the **Insured Person** have been insured for, we may, at any time vary the contract in a way that places us in the same position we would have been in if you had told us everything you should have. However, this right does not apply to Death **Cover**.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed. We may apply these rights separately to each type of cover that we consider could form a separate Policy.

## 1.8 Duty to Take Reasonable Care for Insured Persons

Before an **Insured Person** enters into a life insurance contract, they have a legal duty to take reasonable care not to make a misrepresentation to the insurer before the contract of insurance is entered into.

A misrepresentation is a false answer, an answer that is only partially true, or an answer which does not fairly reflect the truth.

This duty applies to a new contract of insurance and also applies when extending or making changes to existing insurance, and reinstating insurance.

When an **Insured Person** applies for life insurance, we conduct a process called underwriting. It's how we decide whether we can cover an **Insured Person**, and if so, on what terms and at what cost.

We will ask questions we need to know the answers to. These will be about the **Insured Person's** personal circumstances, such as health and medical history, occupation, income, lifestyle, pastimes, and current and past insurance. The information the **Insured Person** gives us in response to our questions is vital to our decision.

### If the Insured Person does not meet the duty

If the **Insured Person** does not meet their legal duty, this can have serious impacts on their insurance. There are different remedies that may be available to us. These are set out in the *Insurance Contracts Act 1984* (Cth) and are intended to put us in the position we would have been in if the duty had been met.

The **Insured Person's Cover** could be avoided (treated as if it never existed), or its terms may be varied. This may also result in a claim being declined or a benefit being reduced.

Please note there may be circumstances where we later investigate whether the information given to us was true. For example, we may do this when a claim is made.

Before we exercise any of these remedies, we will explain our reasons and what the **Insured Person** can do if they disagree.

We may apply these remedies separately to each type of cover that we consider could form a separate Policy.

### Guidance for answering our questions

The **Insured Person** is responsible for the information provided to us. When answering our questions, the **Insured Person** is required to:

- Think carefully about each question before they answer. If they are unsure of the meaning of any question, they should ask us before responding.

- Answer every question.
- Answer truthfully, accurately and completely. If they are unsure about whether they should include information, they should include it.
- Review their application carefully before it is submitted. If someone else helped prepare their application (for example, an adviser), they should check every answer (and if necessary, make any corrections) before the application is submitted.

### Changes before Cover starts

Before the **Insured Person's Cover** starts, we may ask about any changes that mean they would now answer our questions differently. As any changes might require further assessment or investigation, it could save time if they let us know about any changes when they happen.

### If the Insured Person needs help

It's important that the **Insured Person** understands this information and the questions we ask. They should ask us or a person they trust, such as their adviser for help if they are having difficulty understanding the process of buying insurance or answering our questions.

If they're having difficulty due to a disability, understanding English or for any other reason, we're here to help. If required, the **Insured Person** can have a support person they trust with them.

### Notifying the insurer

If, after the **Cover** starts, and the **Insured Person** thinks they may not have met their duty, please contact us immediately and we'll let them know whether it has any impact on the **Cover**.

## 1.9 Prohibition of certain transactions

Despite anything to the contrary, there is no **Cover** under this Policy and AIA Australia is not obliged to make any payments or to provide any services or benefits in relation to this Policy if:

- such **Cover**, payments, services or benefits, or
- **Cover**, payments, services or benefits provided by a third party in relation to, or arising from the Policy (including by a reinsurer of AIA Australia to AIA Australia),

would contravene any:

- United Nations resolutions,
- prohibitions or restrictions on trade or economic sanctions, or
- laws, government policy, regulatory guidance or regulator requests (including in relation to trade or economic sanctions) in Australia, the European Union or in any other jurisdiction,

applicable to the **Cover**, payments, services or benefits by AIA Australia or the third party.

## 2. Product features at a glance

The information in this section is a summary only and should be read in conjunction with the information provided in the Policy.

### 2.1 What options are available?

AIA Australia's Corporate Cover product has been designed to offer employers and superannuation funds the flexibility to tailor **Cover** to meet the needs of their employees and members. The following table outlines the different product options available.

Product feature	Options available
Terminal Illness Certification Period	12 months or 24 months
Any Occupation TPD	'Unlikely' or 'Unable' definition

### 2.2 What product features are available?

The following table outlines the standard Built-in and Optional features of the Corporate Cover product. If any Optional features are available, they will be stated in the **Policy Schedule**. The brief descriptions given in the table are a summary only, please refer to the relevant page shown in the table for more detail.

Feature	Available in Superannuation?	Refer to page
<b>Any Occupation TPD</b>		
Available to all <b>Insured Persons</b> who were <b>Employed</b> in the 16 months immediately prior to the <b>Date of Disablement</b> .	✓	31
<b>TPD Medical Condition</b>		
Waives the three consecutive month qualifying period for benefit payment where one of the listed <b>TPD Medical Conditions</b> is satisfied.	✓	33
<b>Maximum Benefit</b>		
Unlimited Death <b>Cover</b> (including <b>Terminal Illness</b> ) and up to \$5,000,000 of <b>TPD Cover</b> (reducing to \$3,000,000 after age 65) is available to all eligible <b>Insured Persons</b> .	✓	29

Feature	Available in Superannuation?	Refer to page
<b>Automatic Uplift to new AAL</b>		
We may apply an increased <b>AAL</b> to some <b>Insured Persons</b> including those who have previously been restricted due to non-receipt of underwriting, had an exclusion or a loading applied when taking over an existing group insurance policy.	✓	13
<b>Waiver of Underwriting Loadings</b>		
Where a Policy has more than 100 <b>Insured Persons</b> , we will waive underwriting loadings for any formula driven, non-voluntary underwritten <b>Cover</b> .	✓	14
<b>Interim Accident Cover</b>		
We may pay up to \$2,000,000 for Death <b>Cover</b> and \$1,500,000 for <b>TPD Cover</b> whilst an <b>Insured Person</b> is being underwritten.	✓	14
<b>Life Stages Cover</b>		
An <b>Insured Person</b> may apply to increase <b>Cover</b> without the usual requirement of underwriting when a specific Life Event occurs (e.g. marriage, birth or adoption of child).	✓	14
<b>Cover while on leave without pay</b>		
<b>Cover</b> will continue for a maximum period of up to 24 consecutive months while on approved leave.	✓	15
<b>Cover while overseas</b>		
<b>Cover</b> is provided 24 hours a day, all year round while the <b>Insured Person</b> is working or travelling overseas.	✓	15

Feature	Available in Superannuation?	Refer to page
<b>Extended Cover</b>		17
<p><b>Cover</b> will continue for a maximum period of 60 consecutive days after the <b>Insured Person</b> ceases to be an <b>Employee</b> of the <b>Employer</b>.</p>	✓	
<b>Own Occupation TPD (optional)</b>		31
<p>Available to <b>Insured Persons</b> who meet the definition of professional or senior management.</p>	✗	
<b>Continuation Option (optional)</b>		18
<p>An <b>Insured Person</b> may be able to continue their <b>Cover</b> once their employment ceases with their <b>Employer</b>.</p>	✓	

## 3. Eligibility and Cover

### 3.1 Who's eligible for Cover?

An **Eligible Person** under this Policy is a person who:

- is an **Employee** of the **Employer**,
- is at least 15 years old,
- is younger than the **Maximum Entry Age**,
- is an **Australian Resident** or holder of a **Visa**, and
- meets any other additional eligibility criteria as set out in the **Policy Schedule**.

#### Inside Superannuation

In addition to the above:

- is a member of a complying superannuation fund, and
- meets the **PMIF Requirements** or is a **PMIF Exempt Member**.

### 3.2 When does Cover start?

**Cover** will commence for an **Eligible Person** in one of the following ways:

- by Automatic Acceptance, where **Cover** is granted automatically up to the **Automatic Acceptance Limit (AAL)**,
- after underwriting or through **Voluntary Cover**, the date we advise you in writing the **Insured Person's Cover** has been accepted, or
- through Takeover Terms, the date the Policy commences with AIA Australia.

Automatic Acceptance **Cover** for an **Eligible Person** will start on the latest of:

- the **Policy Commencement Date**, or
- the date the person first meets the eligibility criteria.

Where the **Policy Owner** is a superannuation fund, **Cover** will commence as follows.

<b>If:</b>		<b>Then:</b>
The person submits a <b>PMIF Election</b> <sup>^</sup> within 120 days of the <b>Welcome Letter</b>	<b>Yes</b>	The date the <b>Policy Owner</b> receives a <b>PMIF Election</b>
	<b>No</b>	<ul style="list-style-type: none"> <li>• the date the person meets the <b>PMIF Requirements</b> provided an SG contribution is received in the previous 120 day period, or</li> <li>• the date the <b>Policy Owner</b> receives an SG contribution after the person first meets the <b>PMIF Requirements</b></li> </ul>
The person is a <b>PMIF Exempt Member</b>		The date the person first meets the eligibility criteria

<sup>^</sup> Where a **PMIF Election** is received more than 120 days after the **Welcome Letter**, **Cover** may only be provided through the underwriting process.

### 3.3 When will New Events Cover apply?

When **New Events Cover** applies, we will only pay a benefit if an injury or sickness first becomes apparent or first occurs on or after the date **Cover** commences for an **Insured Person**, or from the date **Cover** was reinstated or increased.

The following tables show how **New Events Cover** will apply in different circumstances. **New Events Cover** does not apply to underwritten cover.

#### Ordinary Non-Superannuation

<b>If:</b>	<b>Then:</b>
The <b>Insured Person</b> isn't <b>At Work</b> on the date <b>Cover</b> commences	We will only provide <b>New Events Cover</b> until they are <b>At Work</b> for 30 consecutive days

#### Inside Superannuation

<b>If:</b>	<b>Then:</b>
The <b>Insured Person</b> submits a <b>PMIF Election</b> within 120 days of their <b>Welcome Letter</b> or meets the <b>PMIF Requirements</b>	We will only provide <b>New Events Cover</b> from the date <b>Cover</b> commences until they are <b>At Work</b> for 30 consecutive days
The <b>Insured Person</b> is a <b>PMIF Exempt Member</b> (other than where a <b>PMIF Election</b> is made) and isn't <b>At Work</b> on the date <b>Cover</b> commences	We will only provide <b>New Events Cover</b> from the date <b>Cover</b> commences until they are <b>At Work</b> for 30 consecutive days

### 3.4 Automatic Acceptance

Automatic Acceptance means we'll automatically provide **Cover** to an **Eligible Person** in accordance with the benefit design as set out in the **Policy Schedule** up to the **AAL** without the need for underwriting subject to the following conditions:

- the **AAL** shown in the **Policy Schedule** is for an amount other than nil,
- the eligibility criteria in the **Policy Schedule** must clearly define who can obtain **Cover** under the Policy,
- the **Sum Insured** for each **Eligible Person** is provided in accordance with the benefit design as set out in the **Policy Schedule**, and
- any other terms that we specify in writing must be met.

#### Inside Superannuation

The Policy is the default superannuation fund of the **Employer**.

The applicable **AAL** will be set out in the **Policy Schedule**.

We reserve the right to change the conditions for Automatic Acceptance and/or the **AAL** under the Policy at the end of the **Rate Guarantee Period** if the above requirements aren't met.

### 3.5 Automatic variation of Cover

The **Sum Insured** will automatically increase or decrease in line with the benefit design as set out in the **Policy Schedule**. Any automatic increase in the **Sum Insured** will occur up to the higher of the **AAL** (if any) and the **Forward Underwriting Limit (FUL)**.

For Policies with less than 50 lives, any automatic increases will be limited to a maximum increase of 30% in total within a given 12 month period.

The premium will be adjusted to take into account the variation in the **Sum Insured** in respect of an **Insured Person**.

### 3.6 Changes to the AAL

The **AAL** will apply for the duration of the **Rate Guarantee Period**, however, if the number of **Insured Persons** changes by more than 25% (compared with the number of **Insured Persons** at the start of the latest **Rate Guarantee Period**), we reserve the right to vary the **AAL** by providing at least two months' prior written notice.

When an **AAL** decreases, the lower **AAL** will apply to all **Insured Persons** after that date with the exception of existing **Insured Persons** whose **Sum Insured** is higher than the lower

**AAL**, in which case they will maintain their existing **Sum Insured**.

When an **AAL** increases, the higher **AAL** may apply to some existing **Insured Persons** above the previous lower **AAL**. This includes members who have previously been restricted due to non-receipt of underwriting, had an exclusion or a loading applied. Any loading, limitation or exclusion that previously applied to **Cover** above the lower **AAL** will also apply to **Cover** above the new higher **AAL**. The higher **AAL** does not apply to any **Insured Person** who has previously been declined.

### 3.7 Automatic uplift to the new AAL

If stated in the **Policy Schedule** when taking over an existing group insurance policy, if we have offered an **AAL** which is more competitive than the level under the previous policy, we may apply the new **AAL** to some members. This includes members who have been previously restricted due to non-receipt of underwriting or had an exclusion or a loading applied. Members declined for underwritten cover under the previous policy will be restricted to the lower **AAL** or **FUL** (as applicable).

Any loading, limitation or exclusion that previously applied to **Cover** above the lower **AAL** will also apply to **Cover** above the new higher **AAL**. We will advise you in writing if we agree to do this. Any **Insured Person** who has been previously underwritten above our **AAL**, will continue to be covered up to the level provided under the previous policy.

### 3.8 Underwriting

#### 3.8.1 When is Underwriting required?

An **Eligible Person** who:

- doesn't meet the conditions of Automatic Acceptance,
- seeks **Cover** above the **AAL** or **FUL** (as applicable),
- seeks **Voluntary Cover**,
- has **Cover** with an annual increase above 30% (for Policies with less than 50 lives),
- has a **PMIF Election** which is received more than 120 days after receiving their **Welcome Letter**, or
- for any other reason outlined within the Policy,

may be provided **Cover** through the underwriting process.

If underwriting is required, they'll need to complete and send us AIA Australia's personal health statement in addition to any medical or other information we require.

We will consider the underwriting application and decide whether to:

- accept the **Cover** for the person under this Policy,

- offer **Cover** to the person under this Policy but with specific terms, conditions, exclusions, restrictions, or premium loadings, or
- refuse to **Cover** the person under this Policy for anymore **Cover** than they had before applying.

Where a Policy has more than 100 lives, we will waive underwriting loadings for any formula driven, underwritten **Cover**. Loadings may be applied for any element of **Voluntary Cover** depending on the circumstances.

As a result of the underwriting process, we will still record and advise of underwriting loadings for two reasons:

- if at some point in the future the Policy is terminated with AIA Australia and transferred to another insurer that does apply loadings, these loadings can be applied, or
- should a member exercise a Continuation Option, the correct retail premium can be charged.

### 3.8.2 Underwriting information access

AIA Australia practices open communication with our intermediary clients and **Insured Persons**. Any party related to the Policy is welcome to contact AIA Australia's underwriting staff for explanations on non-standard decisions, opinions and assistance with their life insurance application.

### 3.8.3 Costs of underwriting

We will pay all reasonable costs for providing the information we require for underwriting of an **Eligible Person**. Any costs incurred outside Australia in connection with the underwriting of an **Eligible Person** must be paid by the **Eligible Person**. We may reimburse these costs at our discretion.

### 3.8.4 Interim Accident Cover

If an **Eligible Person** submits an application for underwritten cover, we'll provide Interim Accident Cover during the underwriting process from the date we receive the application for an **Eligible Person**. It ends on the earliest of:

- the date we either accept or reject the application in writing,
- the date the **Eligible Person** cancels or withdraws the application in writing,
- 90 days elapsing from the date we received the application, and
- the date **Cover** would have otherwise ceased under the Policy.

A benefit will only be paid in the event of **Accidental Injury** resulting in Death and/or **TPD**.

The maximum benefit we will pay is the lesser of the amount of cover applied for and \$2,000,000 for Death **Cover** and \$1,500,000 for **TPD Cover**. Where an **AAL** or **FUL** applies, the amount applied for is the amount of **Cover** above the relevant **AAL** or **FUL**.

No benefit for Interim Accident Cover is payable if:

- bodily injury to the person is caused by engaging in any sport or pastime that would not normally be covered under our occupation and pastime guidelines, or
- the person lodges a claim for an excluded event under our Policy (as described under Section 6).

### 3.8.5 Voluntary Cover

**Voluntary Cover** is available if stated in the **Policy Schedule**.

A member can apply for **Voluntary Cover**, which will be subject to our acceptance following underwriting. We reserve the right to offer modified acceptance terms or decline applications for such voluntary increases in **Cover**. The total of the **TPD Sum Insured** amount held by the **Insured Person** cannot exceed the Death **Sum Insured** amount

## 3.9 Life Stages Cover

Life Stages cover applies if **Voluntary Cover** is stated in the **Policy Schedule**.

An **Insured Person** can apply to increase their Death and **TPD Sum Insured** without underwriting if one of the following Life Events have occurred:

Type of Event	Sum Insured Increase
Marriage	The lesser of:
Birth or adoption of a child	<ul style="list-style-type: none"> <li>• 25% of the <b>Sum Insured</b>,</li> <li>• \$200,000, and</li> <li>• the <b>Maximum Benefit</b></li> </ul>
Permanent separation	
Have a child commencing their first day at primary or secondary school	
Effecting a first mortgage on the purchase of a home or increasing an existing first mortgage for the purpose of building or renovation works on the home. The mortgage must be for the <b>Insured Person's</b> principal place of residence.	The lesser of: <ul style="list-style-type: none"> <li>• 25% of the <b>Sum Insured</b>,</li> <li>• \$200,000,</li> <li>• the amount of the mortgage, and</li> <li>• the <b>Maximum Benefit</b></li> </ul>

An **Insured Person** must be under age 60 at the time of the Life Event and only if:

- the Life Event occurs whilst the person is an **Insured Person** and in relation to the **Insured Person**,
- their existing **Cover** was accepted without any policy exclusions, premium loadings, or other restrictions,

- they have not made a claim or intend to make a claim on any life insurance policy, and
- they have not been declined for life insurance cover with AIA Australia or any other life insurance company.

There is a maximum of one increase in any 12 month period, and a maximum of three increases for the life of the Policy.

The application for an increase must occur within 60 days after the occurrence of the Life Event and relevant documentary proof of the Life Event must be provided (e.g. Marriage Certificate, Birth/Adoption Certificate, Mortgage Documentation).

A suicide and self-inflicted injury exclusions will apply to the **Sum Insured** increase for the first 13 months following the increase.

In addition to the above, **New Events Cover** restrictions will apply to the increase in **Cover** in line with the following:

<b>If:</b>	<b>Then:</b>
The <b>Insured Person</b> isn't <b>At Work</b> when the application for Life Stages Cover is accepted	We will only provide <b>New Events Cover</b> to the increased portion of <b>Cover</b> for 12 months. At the end of the 12 month period, the <b>New Events Cover</b> restriction will be removed once the <b>Insured Person</b> is <b>At Work</b> for 30 consecutive days

### 3.10 Takeover Terms (if applicable)

In some cases, we may take over a group insurance policy from another insurer. If this happens, the proposed **Cover** must be comparable with the existing cover, and the existing cover must cease for every person.

The question of whether AIA Australia or the previous insurer under the previous policy carries the risk of an **Insured Person's** claim will be determined in accordance with **FSC Guidance Note 11**. If applicable, this will be stated in the **Policy Schedule**.

**Insured Persons** will be covered for benefits on underwriting terms no less favourable than those provided by the previous insurer, including forward underwriting limits, premium loadings, restrictions, exclusions and any limitations imposed on an **Insured Person** by the previous insurer.

We require details of previous acceptance terms for **Insured Persons** who have underwritten cover, **Voluntary Cover** and/or cover in excess of the previous insurer's automatic acceptance limit within 90 days of the takeover date, unless otherwise agreed in writing.

We reserve the right to request proof that a person under a previous group insurance policy has been satisfactorily underwritten for takeover of **Cover** to apply.

If underwriting exclusions or loadings do apply, these will be carried forward and applied above our **AAL** or the previous insurer's automatic acceptance limit (as applicable) to form part of the Takeover Terms.

If alternative Takeover Terms are agreed to by us, these will be stated in the **Policy Schedule**.

In the event the Policy is terminated and transferred to another Australian life insurer, we will comply with **FSC Guidance Note 11**.

### 3.11 Overseas Cover

If an **Insured Person** travels overseas on a temporary basis (including whilst travelling or holidaying), **Cover** will apply 24 hours a day seven days a week.

An **Insured Person's Cover** will continue if they are required to live outside Australia for employment with their **Employer**. The details regarding the whereabouts of **Insured Persons** overseas must be provided to us when requested and when providing us with membership data.

If a claim is made, the **Insured Person** may be required to return to Australia (at their own expense) for further assessment.

### 3.12 Cover while on Leave Without Pay

If an **Insured Person** is on Leave Without Pay and there is a documented 'return to work' date, their **Cover** will continue for a maximum period of up to 24 consecutive months after the commencement of leave, provided premiums continue to be paid.

An **Insured Person** may apply to extend **Cover** beyond the 24 month period by applying to us in writing before the 24 month period ends. Any extension will be at our discretion.

If an **Insured Person** dies or suffers a disability during a period of Leave Without Pay, the **Sum Insured** will be based on the **Sum Insured** at the date immediately prior to the commencement of the Leave Without Pay.

If the **Insured Person** takes a period of paid leave at a reduced income prior to commencing Leave Without Pay, in the event of a claim the **Sum Insured** and income will be calculated based upon their income immediately prior to the reduction.

The **TPD** definition used to assess the **Insured Person** will be that which would have applied to the **Insured Person** immediately prior to the commencement of the period Leave Without Pay.

**Cover** for an **Insured Person** who is on Leave Without Pay will cease at the earliest of:

- 30 days after an **Insured Person** does not return on the documented 'return to work' date,
- Leave Without Pay exceeding 24 months, or any extended period we have agreed in writing, or
- **Cover** otherwise ending under this Policy (as described in Section 4.1)

Any requests for reinstatement of **Cover** will require underwriting.

### 3.13 Cover while on paid leave

Provided premiums continue to be paid, **Cover** will continue for an **Insured Person** while on paid leave approved by their **Employer**.

## 4. When Cover ends

### 4.1 When does Cover end

An **Insured Person's Cover** ends when the first of the following events occur:

- the date an **Insured Person** reaches the **Cover Expiry Age**,
- the date a Death, **Terminal Illness** or **Total and Permanent Disablement** benefit is paid under the Policy in respect of the **Insured Person** (except where an **Insured Person's** Death or **Terminal Illness Cover** is higher than their **TPD Cover**, in which case the balance of Death **Cover** will be fixed and continue until the earlier of any other end of cover condition in this clause),
- the date the Policy is terminated,
- the date the **Insured Person** ceases to be an **Employee** of the **Employer**,
- the date the **Insured Person** ceases to be an **Eligible Person**,
- 60 days after premium payments cease in respect of the **Insured Person**,
- the date the **Insured Person** no longer meets the conditions for continuation of **Cover** during Leave Without Pay,
- the date AIA Australia accepts or declines the **Insured Person's** Continuation Option application (where applicable), and
- the date the **Insured Person** who is not an **Australian Resident**:
  - is no longer permanently in Australia, or
  - not eligible to work in Australia.

#### Inside Superannuation

In addition to the above:

- the end of the period for which premiums have been paid after an **Insured Person's** account becomes **Inactive**, and
- the date the **Insured Person** is no longer a **PMIF Exempt Member** and does not meet the **PMIF Requirements**.

### 4.2 Extended Cover

If **Cover** ends for an **Insured Person** because they cease to be an **Employee** of the **Employer**, we will continue **Cover** under the Policy for a maximum period of 60 consecutive days after they cease to be an **Eligible Person**.

Extended Cover will end for an **Insured Person** on the earliest of:

- the date the **Insured Person** reaches the **Cover Expiry Age**,
- 60 days after the date the **Insured Person** ceases to be an **Employee** of the **Employer**,
- the date we accept or decline an **Insured Person's** Continuation Option (if applicable), and
- the date **Cover** would otherwise have ended under the Policy in accordance with Section 4.1.

**Cover** will continue at the same **Sum Insured** and subject to the same premium loadings and exclusions that applied to the **Insured Person** immediately prior to their **Cover** ceasing.

We will pay a benefit if:

- they die within the Extended Cover period, or
- they become **TPD** within the Extended Cover period, and
- the benefit would have been payable if their **Cover** hadn't ended.

### 4.3 Reinstatement of Cover (inside superannuation only)

If an **Insured Person's Cover** ended under the Policy because their account is **Inactive**, their **Cover** will be reinstated if within 60 days of **Cover** ending, they have notified you of their request to reinstate their **Cover** despite their account being **Inactive**.

**Cover** will automatically be reinstated from the date **Cover** ended, provided backdated premiums are received by you. For the avoidance of doubt, any premium loadings, exclusions, special conditions or restrictions (including if their **Cover** was **New Events Cover**) which applied prior to their **Cover** ending, will continue to apply to their reinstated cover.

We will continue to provide **Cover** during the 60 day reinstatement period provided **Cover** would not have otherwise ended under the Policy in accordance with Section 4.1.

In all other cases, **Cover** that has ceased can only be reinstated subject to underwriting and our agreement in writing.

## 4.4 Continuation Option – optional

Where the **Policy Schedule** states that a Continuation Option is available, if an **Insured Person's Cover** has ended under your Policy, they can ask us to provide cover under a new individual policy as long as:

- their **Cover** has ended under the Policy as a result of ceasing to be eligible for **Cover**, for reasons other than injury or sickness,
- their **Cover** has not ended because the Policy is terminated,
- they were under the age of 65 when their Death **Cover** ended or under the age of 60 when their Death and **TPD Cover** ended,
- the application for a Continuation Option is received within 60 days of ceasing employment, with no individual consideration made for applications made after this date,
- in the case of **TPD**, they are commencing new employment on a permanent basis for at least 15 hours per week in an occupation acceptable under our individual policy within 90 days of ceasing employment,
- the person is not eligible to receive, or must have not previously been paid a benefit payment(s) under the Policy, or any other benefits have or are being paid under any life insurance policy (including TPD or terminal illness benefits),
- our minimum policy issue requirements for the individual policy are met,
- we receive a satisfactory Australian citizen or Permanent Residency and Smoker declaration, and
- the person is **At Work** performing their full and normal duties on the date immediately prior to ceasing to be eligible under your Policy.

Where the above conditions have been met, we'll issue an individual policy to the person.

The individual policy is subject to the following conditions:

- we will offer benefits that are no greater than those provided to the person under your Policy,
- the amount of cover available and provided under the individual policy is no more than the **Sum Insured** that applied when their **Cover** ended under your Policy,
- it will reflect the terms, conditions and premium rates available under our individual policy at the time the individual policy is issued to the person,
- the person is not entitled to select any optional policy features, unless we agree otherwise, and
- it will carry the same exclusions and/or loadings that applied to the person's cover under your Policy when their **Cover** ended.

If an **Insured Person's Cover** has ended because the Policy is terminated by the **Employer**, by AIA Australia or in circumstances where an **Insured Person** is no longer eligible to hold **Cover** under the Policy as a result of business activities (such as acquisition, takeover, merger activity, restructure, divestment) and the **Insured Person** continues to be employed, they will not be eligible for a Continuation Option.

For more information on AIA Australia's individual Life and Total and Permanent Disablement policy, please refer to the Priority Protection Product Disclosure Statement and Policy Document available at [aia.com.au](http://aia.com.au).

A person applying for a Continuation Option must complete a group insurance Continuation Application form (available upon request from the AIA Group Administration team at [AUGroupInsurance@aia.com](mailto:AUGroupInsurance@aia.com)).

# 5. Benefits

## 5.1 Death benefit

If an **Insured Person** dies while **Cover** is in force under the Policy, we will pay the **Sum Insured** applicable to the **Insured Person** at the date of death. Once a Death benefit is paid, all Death **Cover** for the **Insured Person** will cease.

## 5.2 Terminal Illness benefit

If an **Insured Person** suffers a **Terminal Illness** while **Cover** is in force under the Policy, we will pay a **Terminal Illness** benefit equal to the Death **Cover Sum Insured** applicable at the date the **Insured Person** is last certified by a **Medical Practitioner** as suffering from a **Terminal Illness**. Once a **Terminal Illness** benefit is paid, all Death **Cover** for the **Insured Person** will cease.

## 5.3 Total and Permanent Disablement (TPD) benefit

### 5.3.1 TPD Definitions

The **TPD** definitions available will depend on:

- the work status of the **Insured Person** at the **Date of Disablement**, and
- the definition option(s) you choose when tailoring **Cover** for your employees or members.

There are four **TPD** definitions available under the Policy:

- Definition 1 – Any Occupation
- Definition 2 – Own Occupation
- Definition 3 – Activities of Daily Work or Mental Illness
- Definition 4 – Loss of Limbs and/or Sight

Definition 2 is only available to non-superannuation policies where it is optional. **Eligible Persons** must be a **Permanent Employee** and meet the definition of either professional or senior management at the time of claim. If Definition 2 applies it will be stated in the **Policy Schedule**.

### 5.3.2 Which definition applies?

Employment Status	TPD Definition
Where the <b>Insured Person</b> is <b>Employed</b> in the previous 16 months immediately prior to the <b>Date of Disablement</b>	Definition 1, 2 <sup>^</sup> or 4 (as applicable)

Employment Status	TPD Definition
Where the <b>Insured Person</b> is not <b>Employed</b> in the 16 months immediately prior to the <b>Date of Disablement</b>	Definition 3 or 4
Where the <b>Insured Person</b> is on Leave Without Pay for a period greater than 24 consecutive months immediately prior to the <b>Date of Disablement</b>	Definition 3 or 4

<sup>^</sup> To qualify for Definition 2, the **Insured Person** must meet the definition of professional or senior management at the **Date of Disablement**, otherwise Definition 1 applies..

### 5.3.3 What we will pay

If an **Insured Person** becomes **TPD** while **Cover** is in force under this Policy, we will pay a benefit equal to the **Sum Insured** at the **Date of Disablement**.

### 5.3.4 TPD Tapering

Unless otherwise stated in the **Policy Schedule**, the level of an **Insured Person's TPD Cover** (including any **Voluntary Cover**) will systematically reduce from their 61st birthday in line with the following table.

Age of Insured Person	Proportion of the Insured Person's TPD Cover	
	Where the Cover Expiry Age is 65	Where the Cover Expiry Age is 70
60	100%	100%
61	80%	90%
62	60%	80%
63	40%	70%
64	20%	60%
65	0%	50%
66	0%	40%
67	0%	30%
68	0%	20%
69	0%	10%
70	0%	0%

## 6. When won't we pay?

Type of exclusion	We won't pay a benefit if
<b>War</b>	<p>The condition for which the <b>Insured Person</b> is claiming is caused by:</p> <ul style="list-style-type: none"> <li>• an act or activity of <b>War</b> which occurs after their <b>Cover</b> started, increased or was reinstated,</li> <li>• their participation in an act or activity of <b>War</b> which occurs after their <b>Cover</b> started or was increased or reinstated, or</li> <li>• engagement in (including planning or preparing for) any hostile activity or conflict in Australia or any foreign country.</li> </ul> <p>The exclusion in the first two bullet points</p> <ul style="list-style-type: none"> <li>• apply whether the <b>War</b>, or act of <b>War</b>, is declared or not</li> <li>• does not apply to Death <b>Cover</b> while on war service for Australia</li> </ul> <p>where 'war service' has the same meaning or expression under the <i>Life Insurance Act 1995</i> (Cth)</p>
<b>Self-inflicted acts or suicide</b>	<p>Within 13 months of the <b>Insured Person</b> being accepted for or increasing <b>Voluntary Cover</b>, or reinstating <b>Cover</b>:</p> <ul style="list-style-type: none"> <li>• the <b>Insured Person's</b> death was caused by suicide, or</li> <li>• the <b>Insured Person's Terminal Illness</b> or <b>TPD</b> was caused due to a self-inflicted injury or attempted suicide.</li> </ul> <p>For avoidance of doubt, this exclusion does not apply where <b>Cover</b> is reinstated pursuant to Section 4.3.</p>
<b>Other</b>	Any other exclusions imposed by AIA Australia on an <b>Insured Person</b> .

## 7. Making a Claim

AIA Australia is passionately committed to providing an efficient and sensitive claims service that will help our customers when they need it most.

### 7.1 Notifying us of a claim

AIA Australia should be notified of an **Insured Person's** death or disability which gives rise to a claim, within a reasonable period of time of such occurrence. Once AIA Australia has been notified of a claim, we will provide the necessary claim forms as soon as is reasonably possible.

If a claim arises during a period where no premiums have been received by AIA Australia but is nevertheless within the **Grace Period**, no benefit in respect of such claim will be admitted until all premiums owing are paid.

### 7.2 What we'll need to assess a claim

Different types of claims require different claims assessment processes. AIA Australia may ask for the **Insured Person** to undergo further medical or other examinations or ask for additional information to support their claim.

Aside from any medical examinations or other assessments or enquiries that AIA Australia arranges, the **Insured Person** needs to provide, at no expense to us, any evidence that we reasonably consider necessary to satisfy us of our liability to pay a claim including any reports from **Medical Practitioners** who have treated the **Insured Person**.

### 7.3 Overseas claims

AIA Australia will, wherever possible, use our network of overseas life insurance companies to gather the information necessary to assess claims overseas, however, AIA Australia reserves the right to require that an **Insured Person** returns to Australia (at the **Insured Person's** expense) for claims assessment and medical examination prior to the payment of a **Total and Permanent Disablement** benefit. AIA Australia may not pay a **Total and Permanent Disablement** benefit where an **Insured Person** does not return to Australia.

## 8. Profit Share and Multinational Pooling

AIA Australia can generally offer participation in a number of different Profit Sharing arrangements.

If Profit Share or Multinational Pooling applies, it will be stated in the **Policy Schedule**.

### 8.1 Self-Experience

For larger policies with at least 1,000 insured lives, we may offer a Self-Experience Profit Sharing formula.

Consideration of a rebate will be based upon the experience of a client's individual group insurance arrangements.

A premium loading may apply for participation in this arrangement.

### 8.2 Multinational Pooling

For Corporate Multinational clients, AIA Australia offers access to the following pooling solutions, allowing AIA to further enhance its services to multinational companies:

- AIA Pool offered by AIA Asia Benefits Network (AABN), a regional solution specifically designed for clients with Asia Pacific presence or with a mandate to manage employee benefit programs within the region.
- ZGEBS Pool offered by Zurich Group Employee Benefit Solutions (ZGEBS), a global solution for clients with international needs.
- AGB Pool offered by Alliance Global Benefits (AGB), a global solution to clients with international needs.

Operating in 16 countries and with our partnership with the above named pooling partners, AIA will develop group insurance solutions for multinational companies through the creation, marketing and successful delivery of employee benefit programs.

AIA will pool the experience of multiple group insurance policies (or other eligible policies such as Corporate Medical) where the common link is the parent company and, depending on the needs and suitability based on the current situation of multinational companies, either a regional solution by AABN or a global solution offered in conjunction with ZGEBS or AGB will be recommended.

Generally, better benefits are obtainable under Multinational Pooling arrangements when compared to locally managed policies, due to economies of regional or global scale.

AIA Australia would be pleased to work with you in terms of facilitating the design, installation and operation of a Multinational Pooling plan and has the local and regional expertise internally to ensure this is promptly achieved.

# 9. How premiums work

## 9.1 Calculation of premiums

The cost of your premium is the total cost of cover for all **Insured Persons** during the relevant period. The premium amount also includes any government levies, taxes or charges not included in the **Premium Rates**. Premiums are calculated by applying the relevant **Premium Rate** as set out in the **Policy Schedule** to the amount of cover held by the **Insured Person** and will include any loadings for premiums paid more frequently than yearly.

The cost of your **Premium Rates** will be set out in the **Policy Schedule**.

## 9.2 Frequency of premiums

Premiums can be paid either:

- monthly in advance or in arrears,
- quarterly in advance, or
- annually in advance.

### 9.2.1 Quotation Premium

When pricing a group insurance Policy, we will provide you with a quotation based on our best interpretation of the information provided by you. The quotation should be considered in conjunction with all terms and conditions contained in this PDS.

The rating factors considered when setting the **Premium Rates** include important factors like the occupations and profiles of the people to be insured. Some of the factors that may cause your **Premium Rates** to go up or down include:

Rating Factors	How it may affect the cost of your cover
<b>Age</b>	Premiums generally increase as the average age of the insured group increases.
<b>Gender</b>	Premiums vary depending on the percentage of females and males in the insured group.
<b>Occupation</b>	Premiums are generally higher if the insured group's occupation is more dangerous
<b>Benefit Design</b>	The type and amount of cover affect the premium.
<b>Optional benefits</b>	Optional benefits provide additional cover or features for the insured group at an extra cost.
<b>Claims Experience</b>	Premiums are generally higher if more claims have been made by the insured group.

The quotation will be based on the assumption that the specifications, data and advice provided to AIA Australia are accurate and complete. If found this is not the case, we reserve the right to alter the quoted **Premium Rates** or withdraw the quotation.

We reserve the right to adjust the quoted **Premium Rates** at the **Policy Commencement Date** where the details at the **Policy Commencement Date** differ from the details upon which the quotation was based.

### 9.2.2 Deposit Premium

The Deposit Premium is one of the requirements needed to implement an AIA Australia group insurance Policy and is payable prior to the **Policy Commencement Date** and will initially be calculated at the quotation stage. Upon commencement of the Policy, an adjusted premium will be calculated and be reduced by the Deposit Premium received.

### 9.2.3 Annual Review Premium

At the Policy **Renewal Date**, the premiums will be re-calculated and an **Adjustment Premium** calculated to reflect changes in the Policy membership including variations to the **Insured Person's Sum Insured** or **Insured Persons** joining or exiting the Policy since the last **Renewal Date**. Prior to the annual **Renewal Date**, a Deposit Premium will be requested by us. Upon receipt of updated membership data as at the annual **Renewal Date**, the annual review premium will be calculated and reduced by the Deposit Premium received. Any **Adjustment Premium** must be remitted to us within 30 days of the calculation.

## 9.3 Minimum annual premium

The **Minimum Annual Premium** payable for the Policy is set out in the **Policy Schedule**. This excludes any external brokerage or administration fees, Goods and Services Tax (GST) or Stamp Duty.

## 9.4 Tax on premiums

Where we become liable for any tax or other imposts levied by any Commonwealth or State government, authority or body in connection with the Policy, we may reduce, vary or otherwise adjust any amounts (including but not limited to **Premium Rates**, charges and benefits) under the Policy in the manner and to the extent we determine to be appropriate, to take account of the tax or impost.

## 9.5 If you don't pay premiums

In the event that premiums are not paid within the **Grace Period**, we will give you written notice of our intention to terminate the Policy. If the overdue premiums have not been paid within a further 30 days of that written notice, the Policy will terminate and all **Cover** will cease. If the event giving rise to a claim occurs within any period for which no premiums have been remitted to AIA Australia, no benefit in respect of such claim will be paid until all premiums due for that Policy have been remitted to AIA Australia.

## 9.6 When we will refund premiums (inside superannuation only)

### 9.6.1 Ineligible Cover

Where we identify the **Insured Person** would not be eligible to claim on the Automatic Acceptance **Cover** provided, premiums will be refunded for the period the **Insured Person** was ineligible. Refunds will not be provided if the **Insured Person** has an injury or sickness that means they are not covered due to **New Events Cover** or an exclusion or limitation, because they may still be eligible for cover for any new or other injuries or sicknesses.

# 10. Changes to your Policy

## 10.1 When can we change the Policy?

This Policy may be changed by written agreement between you and us.

## 10.2 Guarantee of Premium

We will guarantee the quoted **Premium Rates** for a period as set out in the **Policy Schedule** for **Cover** provided:

- the number of **Insured Persons** does not fluctuate by more than 30% in any 12 month period,
- no more than 10% of the **Insured Persons** are outside of Australia, and
- the benefit design as set out in the **Policy Schedule** does not change.

## 10.3 Variation of Policy

During the **Rate Guarantee Period**, we will not vary any of the terms and conditions of the Policy, including without limitation the **Premium Rates** and/or **AAL**<sup>^</sup> in the **Policy Schedule**, unless:

- there is an actual or anticipated change to the insurance arrangements (including without limitation changes to benefit design and/or eligibility for Automatic Cover) and as a result there is or could be expected to be a material impact on the Policy, as determined by us acting reasonably, including without limitation where the **Premium Rates** no longer accurately reflect the risk under the Policy,
- any business activities (such as acquisition, takeover, merger activity, restructure, divestment) results in unusual changes to the membership of the **Employer** which requires a restructure of the current **Employer** arrangements and there is or could be a material impact to the insurance arrangements,
- in the event of **War** on Australia's shores or any act of invasion on Australian shores,
- there is an actual or anticipated change to the law or relevant industry codes and as a result:
  - there is or could be a material impact on the Policy, as determined by us acting reasonably, including without limitation where the **Premium Rates** no longer accurately reflect the risk under the Policy,
  - it is or could become impossible or impractical for us to carry out our obligations under the Policy,
  - government taxes or levies are or could be imposed or changed, or

- the provisions of the Policy would otherwise become inconsistent with the law or relevant industry codes to the extent of such inconsistency.
- our right to vary the terms and conditions of the Policy does not apply to the extent that it would prevent the Policy from being treated as a life insurance business under the *Life Insurance Act 1995* (Cth) (or any legislation that replaces it).

If we change the Policy for one of these reasons outlined above, we'll give you 90 days' written notice.

<sup>^</sup> Changes to the **AAL** are also subject to Section 3.6.

## 10.4 Termination of Policy

The **Policy Owner** may terminate the Policy at any time by giving prior written notice. We will refund any premium for any period of unexpired risk and where applicable the **Policy Owner** must pay all outstanding premiums up to the date the Policy is terminated.

If the number of **Insured Persons** fall below the **Minimum Insured Lives** as set out in the **Policy Schedule** or the annual premium falls below the **Minimum Annual Premium** as set out in the **Policy Schedule**, we may issue a written notice to terminate the Policy.

We will give the **Policy Owner** 30 day's written notice of our intention to terminate the Policy.

# 11. AIA Australia Privacy Policy Summary

## 11.1 Privacy

This section summarises key information about how the AIA Australia Group handles personal information including sensitive information. More information can be found in the full version of the AIA Australia Group Privacy Policy at [aia.com.au/privacy](http://aia.com.au/privacy).

Your privacy is important to us and AIA Australia is bound by the Privacy Act, and other laws which protect your privacy. The AIA Australia Group consists of AIA Australia Limited, AIA Financial Services Pty Limited, CMLA Services Pty Ltd, Jacques Martin Pty Ltd, Jacques Martin Administration and Consulting Pty Ltd (together referred to as “**AIA Australia Group**”, “**we**”, “**us**” and “**our**”). Together, we provide you the following notification and information about our Privacy Policy and your rights.

### 11.1.1 Why we collect your personal information

We collect, use and disclose personal and sensitive information (“**Personal Information**”) for multiple purposes including:

- to process applications for our products and services (including products we distribute),
- to assist with enquiries and requests in relation to our products and services (including products we distribute),
- for underwriting and reinsurance purposes,
- to administer, assess and manage your products and services, including claims,
- to understand your needs, interests and behaviour and to personalise dealings with you,
- to provide, manage and improve our products and services,
- to provide you with financial advice,
- to maintain and update our records,
- to verify your identity and/or authority to act on behalf of a customer,
- to detect, manage and deal with improper conduct and commercial risks,
- for research, reporting and marketing purposes,
- to comply with applicable laws and regulatory obligations, and
- for any other purposes as outlined in the Privacy Policy.

The reasons why we collect, use and disclose Personal Information may vary depending on the product, service, or other circumstances in which you have engaged with AIA Australia Group.

Full details of the purposes for our collection of Personal Information are set out in our full Privacy Policy.

### 11.1.2 How we collect, use and disclose your personal information

Personal Information may be collected from various sources, including:

- forms you submit,
- our records about your use of our products and services,
- our records from your dealings with us, including telephone, email or online interactions (including webchat), and
- public sources, social media, and third parties described in our Privacy Policy.

Further, we will collect and use Personal Information as and when it is required or authorised by law. These obligations are detailed further in our Privacy Policy.

Where you provide us with Personal Information about someone else you must have their consent to provide their Personal Information to us in the manner described in our Privacy Policy.

We may provide, collect and exchange your Personal Information with third parties, including:

- members of the AIA Group,
- the **Insured Person, Policy Owner**, or beneficiaries of an insurance policy,
- service providers and contractors,
- your intermediaries, including your financial adviser, the distributor of your insurance policy and the trustee or administrator of your superannuation fund, your employer, your treating doctor or your legal representatives, or anyone acting on your behalf (together, your “**Representatives**”),
- your employer, bank, medical professionals or health providers,
- partners used in our activities or business initiatives (including, if relevant to your policy, the Commonwealth Bank of Australia),
- our distributors, clients, and reinsurers,
- other financial services organisations involved in providing, managing or administering products or services recommended as part of any financial advice we provide to you,
- AIA Health Insurance Pty Ltd,

- other insurers (including worker's compensation insurers, authorities, other private health insurers) and their contractors and agents,
- other super funds, trustees of those super funds and their agents,
- regulatory and law enforcement agencies,
- other bodies that administer applicable industry codes, and
- other parties described in our Privacy Policy.

Where we provide your Personal Information to a third party, the third party may collect, use and disclose your Personal Information in accordance with their own privacy policy and procedures. These may be different to those of the AIA Australia Group.

Parties to whom we disclose Personal Information to may be located in Australia, South Africa, the United States, the United Kingdom, Europe, Asia and other countries including those set out in our Privacy Policy. If the Financial Services Council Life Code of Practice ("**Code**") applies to the insurance cover we provide you, we will comply with the Code when we collect, use and disclose your Personal Information.

### 11.1.3 Other important information

By providing information to us or your Representatives, the trustee or administrator of a superannuation fund, submitting or continuing with a form or claim, or otherwise interacting or continuing your relationship with us, you confirm that you agree and consent to the collection, use (including holding and storage), disclosure and handling of Personal Information as described in the Privacy Policy on our website and that you have been notified of the matters set out in this summary and the AIA Australia Group Privacy Policy. You agree that we may not issue a separate notice each time Personal Information is collected.

You must obtain and read the most up to date version of the AIA Australia Group Privacy Policy via [aia.com.au/privacy](http://aia.com.au/privacy), or by contacting us on 1800 333 613 for AIA or AIA Financial Wellbeing on 1800 434 044 to obtain a copy.

You have the right to access the Personal Information we hold about you, and can request the correction of your Personal Information if it is inaccurate, incomplete or out of date. Requests for access or correction can be directed to us using the details in the 'Contact us' section below.

Our full Privacy Policy provides more detail about our collection, use (including handling and storage), disclosure of Personal Information and how you can access and correct your Personal Information, make a privacy related complaint and how we will deal with that complaint, and your opt-out rights. Always ensure you are reviewing the most up-to-date version of the Privacy Policy as published at [aia.com.au/privacy](http://aia.com.au/privacy).

For avoidance of doubt, the Privacy Policy applicable to the management and handling of Personal Information will be the most current version published at [aia.com.au/privacy](http://aia.com.au/privacy), which shall supersede and replace all previous Privacy Policies and/or Privacy Statements and privacy summaries that you may receive or access, including but not limited to those contained in or referred to in any telephone recordings and calls, websites and applications, underwriting and claim forms, Product Disclosure Statements and other insurance and disclosure statements and documentation.

### 11.1.4 Contact us

If you have any questions or concerns about your Personal Information, please contact us as set out below:

**AIA Australia Limited**  
 PO Box 6111  
 Melbourne, VIC 3004  
 Phone: 1800 333 613

**AIA Financial Services Pty Limited, trading as  
 AIA Financial Wellbeing**  
 PO Box 6051  
 Melbourne, VIC 3004  
 Phone: 1800 434 044

## 11.2 If there's a problem

If you have any questions or concerns about your Policy, please contact us directly on 1800 333 613 and we will promptly investigate your enquiry, referring it if necessary, to our Internal Disputes Resolution Committee (IDRC).

Internal complaints are normally resolved within 30 days, or 45 days for Policies inside superannuation. In special circumstances, we may take longer. If this is the case, we will advise you.

If you are not satisfied with the response provided, you may complain to the independent Australian Financial Complaints Authority (AFCA).

Details are as follows:

**Australian Financial Complaints Authority (AFCA)**  
 GPO Box 3  
 MELBOURNE VIC 3001  
 Telephone: 1800 931 678  
 Email: [info@afca.org.au](mailto:info@afca.org.au)  
 Online: [www.afca.org.au](http://www.afca.org.au)

# 12. Meanings of words in this PDS

## 12.1 General Definitions

Definition	Meaning
<b>Accident or Accidental Injury</b>	Means a physical injury which occurs while the Policy is in force that is caused solely and directly by violent, visible, external and unexpected means that would have occurred in the absence of any mental or physical health condition which the <b>Insured Person</b> was subject to, at or prior to the relevant accident event.
<b>Adjustment Premium</b>	As set out in the <b>Policy Schedule</b> .
<b>At Work</b>	<p>Means the person is:</p> <ul style="list-style-type: none"> <li>engaged in their normal duties, without limitation or restriction due to injury or sickness, and working their usual hours on the applicable date,</li> <li>not restricted by injury or sickness from being capable of performing their full and normal duties on a full time basis (for at least 30 hours per week) even though their actual employment can be on a full-time, part-time, contract or casual basis, and</li> <li>not in receipt of and/or entitled to claim any income support benefits from any source including workers' compensation benefits, statutory transport accident benefits and disability income benefits.</li> </ul> <p>The person will be considered <b>At Work</b> if on the applicable date, as the context requires, the person is on <b>Employer</b> approved leave for reasons other than injury or sickness, and not taking into account the leave, is able to meet the <b>At Work</b> definition.</p> <p>A person who does not meet these requirements is considered not <b>At Work</b>.</p>
<b>Australian Resident</b>	<p>Means:</p> <ul style="list-style-type: none"> <li>a person who resides in Australia and is either an Australian citizen or a holder of an Australian Permanent Resident visa, or</li> <li>a person who is a New Zealand citizen and is the holder of a <b>Special Category visa</b> while residing in Australia indefinitely.</li> </ul>
<b>Automatic Acceptance Limit (AAL)</b>	Means the amount of cover that applies to an <b>Insured Person</b> without underwriting. The <b>AAL</b> is as set out in the <b>Policy Schedule</b> .
<b>Casual(s)</b>	Means a person who is not a <b>Permanent Employee</b> and is employed with an <b>Employer</b> on a casual basis and whose <b>Employer</b> is making superannuation guarantee contributions in respect of the <b>Casual Employee</b> .
<b>Certification Period</b>	The period stated in the <b>Policy Schedule</b> which starts on the date an <b>Insured Person</b> is certified in writing as <b>Terminally Ill</b> .
<b>Cover</b>	Means Death only or Death and <b>TPD</b> cover provided to an <b>Insured Person</b> pursuant to Section 3.2.
<b>Cover Expiry Age</b>	Means the age at which <b>Cover</b> ceases as set out in the <b>Policy Schedule</b> .
<b>Date of Disablement</b>	<p>Means:</p> <ul style="list-style-type: none"> <li>if Definition 1 or 2 applies, the first day of the three consecutive month period as described in the definition,</li> <li>if Definition 3 applies: <ul style="list-style-type: none"> <li>the first day of the three consecutive month period the <b>Insured Person</b> is unable to perform at least 2 of the listed 'activities' referred to in the definition without assistance from another adult (with aids or adaptations), or</li> <li>the date the <b>Insured Person</b> is unable to work as a result of having a <b>Mental Illness</b>,</li> </ul> </li> <li>if Definition 4 applies, the date the <b>Insured Person</b> first suffers one of the losses as described in the definition.</li> </ul>
<b>Eligible Person</b>	Means a person who meets the eligibility criteria as described under Section 3.1.

<b>Employed</b>	<p>Means (other than a person on leave without pay), the <b>Insured Person</b>:</p> <ul style="list-style-type: none"> <li>• is employed under a written contract with their <b>Employer</b> to undertake identifiable duties, and</li> <li>• has worked and is expected to receive an income or received income from paid work.</li> </ul> <p>A person is not considered to be Employed if they are available to work or look for work and have not worked.</p>
<b>Employee(s)</b>	Means a person engaged by the <b>Employer</b> under a contract of employment to undertake identifiable duties.
<b>Employer(s)</b>	Means the <b>Employer</b> as set out in the <b>Policy Schedule</b> .
<b>Fixed Term Employee(s)</b>	<p>Means a person who is employed under a written contract with an <b>Employer</b> for a fixed term of at least six months and whose <b>Employer</b>:</p> <ul style="list-style-type: none"> <li>• requires the person to perform identifiable duties for a regular number of hours each week,</li> <li>• provides the person with annual leave and sick leave entitlements, and</li> <li>• is making superannuation guarantee contributions in respect of the person.</li> </ul>
<b>Forward Underwriting Limit (FUL)</b>	Means the amount, determined by us, which an <b>Insured Person's Cover</b> may increase to in line with the benefit design without the need for further underwriting.
<b>FSC Guidance Note 11</b>	Means FSC Guidance Note No. 11 Group Insurance Takeover Terms as amended from time to time (the current version of which is dated 9 May 2013).
<b>Grace Period</b>	Means 30 days of grace shall be allowed for the payment of each premium. If a claim arises within that period, no benefit amount will become payable under the Policy in respect of such claim until the outstanding premium amount is paid to us in full.
<b>Inactive</b>	<p>Means the <b>Policy Owner</b> has not received a contribution or rollover in respect of the <b>Insured Person</b> for a continuous period of 16 months. An account will not be considered <b>Inactive</b> for an <b>Insured Person</b>:</p> <ul style="list-style-type: none"> <li>• who is a defined benefit member,</li> <li>• who is an ADF Super member (within the meaning of the <i>Australian Defence Force Superannuation Act 2015</i> (Cth)) or would have been an ADF Super member if they did not choose their own superannuation fund,</li> <li>• whose <b>Employer</b> pays the full cost of the <b>Insured Person's</b> premiums to the <b>Policy Owner</b> each quarter. Quarter means a period of 3 months beginning on 1 January, 1 April, 1 July or 1 October, or</li> <li>• who has provided a written election to the <b>Policy Owner</b> to maintain their <b>Cover</b>.</li> </ul>
<b>Insured Person</b>	Means an <b>Eligible Person</b> who has <b>Cover</b> in force under the Policy, other than Interim Accident Cover.
<b>Maximum Benefit</b>	<p>Unlimited Death (including <b>Terminal Illness</b>).</p> <p>Up to \$5,000,000 of <b>TPD</b> reducing to \$3,000,000 where an <b>Insured Person</b> is aged 65 or over.</p>
<b>Maximum Entry Age</b>	Age 69 for Death and age 66 for <b>TPD</b> .
<b>Medical Practitioner(s)</b>	<p>Means a legally qualified and registered doctor of medicine, other than the <b>Insured Person</b>, or a family member, business partner, <b>Employee</b>, work colleague or <b>Employer</b> of the <b>Insured Person</b>.</p> <p>We may accept a similarly qualified person who is registered and practicing as a medical practitioner in another country with a similar standard of medical care as that in Australia, and who has a formal qualification that is generally equivalent to that required to practice in Australia. We may seek an opinion from a qualified registered medical practitioner in Australia to review such overseas medical evidence.</p>
<b>Mental Illness</b>	Means the <b>Insured Person</b> has been diagnosed by a psychiatrist under the latest edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM) issued by the American Psychiatric Association (or a similar diagnostic tool determined by the Royal Australian and New Zealand College of Psychiatrists Board).
<b>Minimum Annual Premium</b>	As set out in the <b>Policy Schedule</b> .
<b>Minimum Insured Lives</b>	As set out in the <b>Policy Schedule</b> .
<b>New Events Cover</b>	Means the <b>Insured Person</b> is only covered for claims arising from a sickness which first became apparent or an injury which first occurred on or after the date the <b>Insured Person's Cover</b> commenced or most recently commenced under this Policy and is not related to a sickness or injury that occurred before the applicable date.

<b>Permanent Employee</b>	<p>Means a person who accepts an offer of employment where the <b>Employer</b> and the person have agreed to continuing and indefinite work and whose <b>Employer</b>:</p> <ul style="list-style-type: none"> <li>• requires the person to perform identifiable duties for a regular number of hours each week,</li> <li>• provides the person with annual leave and sick leave entitlements, and</li> <li>• is making superannuation guarantee contributions in respect of the person.</li> </ul>
<b>Permanently Incapacitated</b>	<p>Means we are reasonably satisfied that an <b>Insured Person</b> has become incapacitated due to ill-health (whether physical or mental) and as a result of this ill-health makes it unlikely they will ever engage in or work for reward in any occupation for which they are reasonably qualified by education, training or experience.</p>
<b>PMIF Election</b>	<p>Means the notification provided to the <b>Policy Owner</b> by an <b>Eligible Person</b>, of their election to be provided with <b>Cover</b> by the <b>Policy Owner</b> despite being under age 25 or their account balance being less than \$6,000 in accordance with section 68AAB or section 68AAC of the <i>Superannuation Industry (Supervision) Act 1993</i> (Cth).</p>
<b>PMIF Exempt Member</b>	<p>Means a person that a superannuation fund is permitted under the <i>Superannuation Industry (Supervision) Act 1993</i> (Cth) to provide insurance cover to despite the person being under age 25 or having an account balance within the <b>Employer's</b> default superannuation fund of less than \$6,000 (as applicable) due to any of the following:</p> <ul style="list-style-type: none"> <li>• the person has made a written election to take out or maintain cover (<b>PMIF Election</b>) despite their account balance being less than \$6,000 in accordance with section 68AAB(2) of the <i>Superannuation Industry (Supervision) Act 1993</i> (Cth),</li> <li>• the person has made a written election to take out or maintain cover (<b>PMIF Election</b>) despite being under the age of 25 years in accordance with section 68AAC(2) of the <i>Superannuation Industry (Supervision) Act 1993</i> (Cth),</li> <li>• the person is a defined benefit member,</li> <li>• the person qualifies for the dangerous occupation exception under section 68AAF of the <i>Superannuation Industry (Supervision) Act 1993</i> (Cth),</li> <li>• the person is an ADF Super member (within the meaning of the <i>Australian Defence Force Superannuation Act 2015</i> (Cth)) or would have been an ADF Super member if they did not choose their own superannuation fund, or</li> <li>• the person's <b>Employer</b> pays the full cost of premiums in respect of the <b>Insured Person</b> and the <b>Employer-Sponsor Contribution Exception</b> applies in accordance with section 68AAE of the <i>Superannuation Industry (Supervision) Act 1993</i> (Cth).</li> </ul>
<b>PMIF Requirements</b>	<p>Means the person is not a <b>PMIF Exempt Member</b> and is aged 25 years or over and has an account balance within their <b>Employer's</b> default superannuation fund of \$6,000 or more.</p>
<b>Policy Commencement Date</b>	<p>Means the date the Policy commences, as set out in the <b>Policy Schedule</b>.</p>
<b>Policy Owner</b>	<p>Means the owner of the Policy, as set out in the <b>Policy Schedule</b>.</p>
<b>Policy Schedule</b>	<p>Means the document that accompanies this Policy issued by us to you, outlining the details of the benefit design and terms including any Non-Standard Terms and Conditions agreed by us that apply.</p>
<b>Policy Type</b>	<p>Means either ordinary non-superannuation or superannuation business as set out in the <b>Policy Schedule</b>.</p>
<b>Premium Rate(s)</b>	<p>As set out in the <b>Policy Schedule</b>.</p>
<b>Rate Guarantee Period</b>	<p>As set out in the <b>Policy Schedule</b>.</p>
<b>Renewal Date</b>	<p>As set out in the <b>Policy Schedule</b>.</p>
<b>Special Category visa (SCV)</b>	<p>As per the guidelines provided under the Department of Immigration and Border Protection, a <b>Special Category visa</b> (subclass 444) is a temporary visa that allows a person to stay and work in Australia as long as that person remains a New Zealand citizen.</p> <p>For avoidance of doubt, a New Zealand citizen who holds a <b>SCV</b> while residing in Australia and departs temporarily overseas will be treated the same as an <b>Australian Resident</b>. They will be entitled to the same provisions, <b>Cover</b> terms and conditions as an <b>Australian Resident</b> under this Policy.</p>
<b>Sum Insured</b>	<p>Means the amount of insured <b>Cover</b> that we will provide under the Policy in accordance with the benefit design as set out in the <b>Policy Schedule</b>.</p>

**Terminal Illness**

Means:

- two registered **Medical Practitioners** have certified, jointly or separately that the **Insured Person** suffers from an illness, or has incurred an injury, that is likely to result in their death within a period (the **Certification Period**) that ends no more than 12 months or 24 months (as specified in the **Policy Schedule**) after the date of the certification, and
- at least one of the **Medical Practitioner** is a specialist practicing in an area related to the illness or injury suffered by the **Insured Person**, and
- for each of the certificates, the **Certification Period** has not ended.

**Total and Permanent Disablement (TPD)**

An **Insured Person** is **Totally and Permanently Disabled** if:

- their **Date of Disablement** occurs while they have **Cover** in force under this Policy,
- they are attending and following the advice of a **Medical Practitioner** and have undergone all reasonable and usual treatment including rehabilitation for their condition, and
- they satisfy all parts of the definition that applies to them at the **Date of Disablement** as outlined below.

The applicable definition(s) will be stated in your **Policy Schedule**.

**Inside Superannuation**

Where the **Policy Owner** is the trustee of a superannuation fund, the **Insured Person** will also need to be **Permanently Incapacitated** in order to be considered **Totally and Permanently Disabled**.

**Definition 1 – unlikely/unable to return to work in any occupation ever again**

Means:

- the **Insured Person** solely because of injury or sickness, is prevented from performing any work, paid or unpaid for an uninterrupted period of three consecutive months,

and either

- (if the **Policy Schedule** states 'Unlikely') at the end of the three consecutive months, in reasonable consideration of all medical evidence and other evidence, the **Insured Person** has become incapacitated to such an extent as to render them unlikely ever to engage in any occupation for which they are reasonably suited by education, training or experience, or
- (if the **Policy Schedule** states 'Unable') at the end of the three consecutive months, in reasonable consideration of all medical evidence and other evidence, the **Insured Person** has become incapacitated to such an extent as to render them unable ever to engage in any occupation for which they are reasonably suited by education, training or experience.

If one or more of the **TPD Medical Conditions** apply to an **Insured Person**, the three consecutive month period is waived.

**Definition 2 – unlikely to return to work in own occupation ever again**

Means:

- the **Insured Person** solely because of injury or sickness, is prevented from performing any work, paid or unpaid for an uninterrupted period of three consecutive months, and
- at the end of three consecutive months, in reasonable consideration of all medical evidence and other evidence, the **Insured Person** has become incapacitated to such an extent as to render them unlikely ever to engage in their own occupation.

If one or more of the **TPD Medical Conditions** apply to an **Insured Person**, the three consecutive month period is waived.

For the purposes of this definition, occupation means for a professional or a person in senior management, the person's occupation based on the general area of expertise of the **Insured Person**.

**Total and Permanent  
Disablement (TPD)  
(continued)**

Where:

'professional' means a person who:

- has an accredited higher education qualification,
- belongs, or is eligible to belong, to a professional body,
- earns a base salary greater than \$100,000 per annum, and
- 90% or more of the overall occupational tasks are in an office environment and in a sedentary capacity.

'senior management' means a person who:

- is part of the senior management of the **Employer**,
- earns a base salary greater than \$100,000 per annum, and
- 90% or more of the overall occupational tasks are in an office environment and in a sedentary capacity.

**Definition 3 – unable to do basic everyday 'Activities' or has a 'Mental Illness'**

Means:

- for an uninterrupted period of three consecutive months after the occurrence of the injury or sickness, the **Insured Person** continues to be totally and permanently unable to perform at least two of the following activities as certified by a **Medical Practitioner** without assistance from another adult (with aids and adaptations\*):
  - **mobility**: the ability to:
    - › Bend, kneel or squat to pick something up from the floor and straighten up again, and get into and out of a standard sedan, or
    - › walk more than two hundred (200) metres at a normal pace on a level surface without stopping due to breathlessness as a result of a medical condition,
  - **seeing**: the ability to read ordinary newsprint and pass the standard eye test for a car licence (even with glasses or contact lenses) and their vision is better than legal blindness. Legal blindness is as certified by an ophthalmologist,
  - **lifting**: the ability to lift with their hands (from bench height) and carry a five kg weight a distance of 10 metres and place the item back down at bench height,
  - **communicating**: the ability to speak in their first language with sufficient clarity such that they can hold a conversation in a quiet room by understanding a simple message and relaying that message to another person,
  - **manual dexterity**: the ability to use:
    - › at least one hand to pick up or manipulate small objects precisely with their hand or fingers (such as picking up a coin from desk height, using cutlery, tying shoelaces or fastening buttons), or
    - › a pen, pencil or keyboard to write a short note that can be understood by another person in their first language.

Where the **Insured Person** is unable to perform one or more of the above activities when cover commenced, that activity will not be taken into consideration by AIA Australia as part of the **TPD** assessment.

\* Aids and adaptations refers to equipment or fixtures which assist the **Insured Person** to carry out the activities.

OR

- the **Insured Person** is deemed to be totally and permanently disabled if, in the reasonable opinion of AIA Australia, they have a **Mental Illness** that:
  - the **Insured Person's** treating psychiatrist, psychologist or **Medical Practitioner** believes won't improve, and
  - has been assessed by a psychiatrist appointed by AIA Australia as having an impairment of 19% or more on the Psychiatric Impairment Rating Scale and in their opinion the condition is permanent, and
  - the **Insured Person** is **Permanently Incapacitated**.

<b>Total and Permanent Disablement (TPD) (continued)</b>	<p><b>Definition 4 – Loss of Limbs and or Sight</b></p> <p>Means:</p> <p>The <b>Insured Person</b> suffers as a result of injury or sickness:</p> <ul style="list-style-type: none"> <li>• the total and permanent loss of use of two limbs<sup>^</sup>, or</li> <li>• the permanent loss of sight in both eyes, or</li> <li>• the total and permanent loss of use of one limb<sup>^</sup> and the permanent loss of sight in one eye.</li> </ul> <p><sup>^</sup> Where limb is defined as the whole hand or whole foot.</p>
<b>TPD Medical Condition</b>	Means the <b>Insured Person</b> has been certified by a <b>Medical Practitioner</b> (specialising in the relevant field) as having <b>Alzheimer's Disease, Blindness, Cardiomyopathy, Chronic Lung Disease, Dementia, Diplegia, Hemiplegia, Loss of Hearing, Loss of Speech, Major Head Trauma, Motor Neurone Disease, Multiple Sclerosis, Muscular Dystrophy, Paraplegia, Parkinson's Disease, Primary Pulmonary Hypertension, Quadriplegia, or Severe Rheumatoid Arthritis</b> , as defined under the Policy.
<b>Visa</b>	Means a current and valid visa issued in accordance with the <i>Migration Act 1958</i> (Cth) or any amending or replacing Act which enables an <b>Eligible Person</b> or <b>Insured Person</b> to work in Australia.
<b>Voluntary Cover</b>	If stated as being provided in the <b>Policy Schedule, Voluntary Cover</b> means the discretionary <b>Cover</b> , which is not based on the benefit design and which the <b>Insured Person</b> may elect, subject to underwriting and acceptance by us.
<b>War</b>	Includes but is not limited to war (declared or undeclared) or war related activities, revolution, invasion or rebellion or civil unrest.
<b>Welcome Letter</b>	Means the initial notification sent by a superannuation fund to a person as a result of them joining the <b>Employer</b> and which we agree with the <b>Policy Owner</b> constitutes the <b>Welcome Letter</b> .

## 12.2 Medical Conditions

<b>Term</b>	<b>Meaning</b>
<b>Alzheimer's Disease</b>	<p>Means the diagnosis of <b>Alzheimer's Disease</b> as confirmed by a consultant neurologist, psychiatrist or geriatrician resulting in significant cognitive impairment.</p> <p>Significant cognitive impairment means deterioration in the <b>Insured Person's</b> mini-mental state examination, or equivalent thereof, scores to 20 or less.</p>
<b>Blindness</b>	<p>Means as a result of disease or accident and certified by an ophthalmologist, the:</p> <ul style="list-style-type: none"> <li>• visual acuity on the Snellen Scale after correction by suitable lenses is less than 6/60 in both eyes, or the</li> <li>• 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</li> <li>• combination of visual defects results in the same degree of vision impairment as that occurring in either of the above.</li> </ul>
<b>Cardiomyopathy</b>	<p>Means a condition of impaired ventricular function of variable aetiology (often not determined) resulting in permanent significant physical impairment i.e. Class III on the New York Heart Association classification of cardiac impairment.</p> <p>The New York Heart Association classifications are:</p> <ul style="list-style-type: none"> <li>• Class I – no limitation of physical activity, no symptoms with ordinary physical activity.</li> <li>• Class II – slight limitation of physical activity, symptoms occur with ordinary physical activity.</li> <li>• Class III – marked limitation of physical activity and comfortable at rest, symptoms occur with less than ordinary physical activity.</li> <li>• Class IV – symptoms with any physical activity and may occur at rest, symptoms increased in severity with any physical activity.</li> </ul>
<b>Chronic Lung Disease</b>	Means end stage respiratory failure requiring continuous and permanent oxygen therapy and is confirmed by a medical specialist, excluding intermittent oxygen therapy.

<b>Dementia</b>	Means the definitive diagnosis of <b>Dementia</b> as confirmed by a consultant neurologist, psychiatrist or geriatrician resulting in significant cognitive impairment. Significant cognitive impairment means deterioration in the <b>Insured Person's</b> mini-mental state examination or equivalent thereof, scores to 20 or less.  Dementia as a result of alcohol or drug abuse is excluded.
<b>Diplegia</b>	Means the total and permanent loss of function of both sides of the body due to spinal cord injury or disease, or brain injury or disease.
<b>Hemiplegia</b>	Means the total and permanent loss of function of one side of the body due to spinal cord injury or disease, or brain injury or disease.
<b>Loss of Hearing</b>	Means a definite diagnosis, by an appropriate medical specialist, of: <ul style="list-style-type: none"> <li>• the total and irreversible loss of hearing in both ears, even with amplification, or</li> <li>• loss of hearing that has an average auditory threshold of 90 decibels or greater, even with amplification, calculated on the following frequencies: 500 hertz, 1000 hertz, 2000 hertz, 3,000 hertz and 4,000 hertz in the better ear.</li> </ul>
<b>Loss of Speech</b>	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 months of such loss by an appropriate medical specialist.
<b>Major Head Trauma</b>	Means a head injury, as a result of an <b>Accident</b> , resulting in neurological deficit, as certified by a consultant neurologist acceptable to us, causing at least a permanent 25% impairment of whole person function as defined in the Guide to the Evaluation of Permanent Impairment 5th edition, American Medical Association.
<b>Motor Neurone Disease</b>	Means the unequivocal diagnosis of <b>Motor Neurone Disease</b> confirmed by a consultant neurologist.
<b>Multiple Sclerosis</b>	Means the unequivocal diagnosis of <b>Multiple Sclerosis</b> confirmed by a consultant neurologist, evidenced by: <ul style="list-style-type: none"> <li>• more than one episode of well-defined neurological deficit, and</li> <li>• residual neurological impairment persisting for a continuous period of at least six months.</li> </ul>
<b>Muscular Dystrophy</b>	Means the unequivocal diagnosis of <b>Muscular Dystrophy</b> , confirmed by a consultant neurologist.
<b>Paraplegia</b>	Means the total and permanent loss of function of the lower limbs due to spinal cord injury or disease, or brain injury or disease.
<b>Parkinson's Disease</b>	Means the unequivocal diagnosis of idiopathic <b>Parkinson's Disease</b> as confirmed by a consultant neurologist and requiring treatment. All other types of parkinsonism are excluded.
<b>Pulmonary Arterial Hypertension (Primary)</b>	Means primary pulmonary hypertension associated with right ventricular enlargement established by cardiac catheterisation, resulting in significant irreversible physical impairment of at least Class III of the New York Heart Association classification of cardiac impairment. Pulmonary Hypertension in association with chronic lung disease is specifically excluded.  Other forms of hypertension (involving increased blood pressure) are specifically excluded.  The New York Heart Association classifications are: <ul style="list-style-type: none"> <li>• Class I – no limitation of physical activity, no symptoms with ordinary physical activity.</li> <li>• Class II – slight limitation of physical activity, symptoms occur with ordinary physical activity.</li> <li>• Class III – marked limitation of physical activity and comfortable at rest, symptoms occur with less than ordinary physical activity.</li> <li>• Class IV – symptoms with any physical activity and may occur at rest, symptoms increased in severity with any physical activity.</li> </ul>
<b>Quadriplegia</b>	Means the total and permanent loss of function of the lower and upper limbs due to spinal cord injury or disease, or brain injury or disease.
<b>Severe Rheumatoid Arthritis</b>	Means the unequivocal diagnosis of rheumatoid arthritis by a rheumatologist that meets qualification for treatment by biological agents under PBS <sup>^</sup> requirements after treatment with conventional disease-modifying anti-rheumatic drugs (DMARDs) having failed and has failed to respond to treatment with a biological DMARD.  <sup>^</sup> Pharmaceutical Benefits Scheme – Rheumatoid Arthritis Initial PBS authority application.

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