



Priority Protection Policy Enhancement Summary

1 February 2008

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Please read this Policy Enhancement Summary and keep it in a safe place with your Priority Protection Policy Document. It is important that you read this document together with any other policy notices.

The enhancements outlined herein now form part of your Policy Document.

These enhancements apply from 1 February 2008. The improved features and benefits outlined below are only effective on and from this date. These enhancements will not apply to any policy where a claim is pending or where a claim is in the process of being paid. The enhancements override your existing policy terms and conditions (except to the extent where you are disadvantaged in any way, in which case the previous policy wording will apply) and are subject to any pre-existing conditions (with the exception of any increase in fees and charges).

Feature/Benefit/Description	Enhancement	What's changed?
Alzheimer's Disease		
<p>The unequivocal diagnosis of Alzheimer's Disease as confirmed by a consultant neurologist, geriatrician, psychiatrist or psycho-geriatrician. The diagnosis must confirm dementia due to failure of global brain function for which no other recognisable cause has been identified. The condition must result in significant cognitive impairment and the permanent inability to perform at least two of the Activities of Daily Living.</p> <p>Dementia or Alzheimer's disease as a result of alcohol or drug abuse is excluded.</p>	<p>Means the diagnosis of Alzheimer's disease as confirmed by a consultant neurologist or geriatrician resulting in significant cognitive impairment.</p> <p>Significant cognitive impairment means deterioration in the Life Insured's Mini-Mental State Examination scores, or equivalent thereof, to 20 or less.</p>	<ul style="list-style-type: none"> • Removal of diagnosis by a Psychiatrist and/or Psycho-Geriatrician. • Easier and more measurable criteria using the Mini-Mental State Examination diagnostic criteria. • Alcohol and drug abuse exclusion now not applicable.
Major Burns		
<p>Means third degree burns (full thickness skin destruction) to at least 20% of the body surface area.</p>	<p>Means the Life Insured has suffered third degree burns (full thickness skin destruction) to:</p> <ul style="list-style-type: none"> • at least 20% of the body surface; or • whole of both hands, requiring surgical debridement and/or grafting; or • whole of the head requiring surgical debridement and/or grafting. 	<ul style="list-style-type: none"> • Incorporates a full payment for third degree burns to the whole of face or the whole of hands. Previously this would not have triggered a full payment.
Motor Neurone Disease		
<p>Means the unequivocal diagnosis of Motor Neurone Disease by at least two consultant neurologists with persistent neurological deficit resulting in at least a permanent 25% impairment of whole person function as defined in <i>Guides to the Evaluation of Permanent Impairment 5th edition</i>, American Medical Association.</p>	<p>Means the unequivocal diagnosis of Motor Neurone Disease confirmed by a consultant neurologist.</p>	<ul style="list-style-type: none"> • Simplified diagnostic criteria – no subjectivity in determining '25% of whole person function'.

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Multiple Sclerosis		
<p>Means the unequivocal diagnosis of multiple sclerosis by two consultant neurologists resulting in at least a permanent 25% impairment of whole person function as defined in <i>Guides to the Evaluation of Permanent Impairment 5th edition</i>, American Medical Association.</p> <p>Diagnosis must be based on all of the following:</p> <ul style="list-style-type: none"> • symptoms referable to tracts (white matter) involving the optic nerves, brain stem, and spinal cord, producing well defined neurological deficits; • a multiplicity of discrete lesions; and • a well documented history of exacerbations and remissions of said symptoms/ neurological deficits. 	<p>Means the unequivocal diagnosis of Multiple Sclerosis confirmed by a consultant neurologist, evidenced by:</p> <ol style="list-style-type: none"> 1. More than one episode of well defined neurological deficit, and 2. Residual neurological impairment persisting for a continuous period of at least 6 months. 	<ul style="list-style-type: none"> • Removal of subjective diagnostic criteria of determining '25% impairment of whole person function'. • Multiple Sclerosis now needs to satisfy only two diagnostic criteria as opposed to three.
Muscular Dystrophy		
<p>Means the unequivocal diagnosis of muscular dystrophy, confirmed by at least two consultant neurologists, based on a combination of some or all of the following:</p> <ul style="list-style-type: none"> • clinical presentation including absence of sensory disturbance, abnormal cerebro-spinal fluid and mild tendon reflex reduction; • characteristic electromyogram; • clinical suspicion confirmed by muscle biopsy, and which in our opinion confirms the diagnosis of muscular dystrophy. 	<p>Means the unequivocal diagnosis of Muscular Dystrophy confirmed by a consultant neurologist.</p>	<ul style="list-style-type: none"> • Simple diagnostic criteria. • Only one consultant neurologist required to diagnose instead of two.
Parkinson's Disease		
<p>Means the unequivocal diagnosis of Parkinson's Disease by at least two consultant neurologists where the condition:</p> <ul style="list-style-type: none"> • cannot be controlled with medication; • shows signs of progressive impairment; • at least 25% impairment of whole person function, as defined in <i>Guides to the Evaluation of Permanent Impairment 5th edition</i>, American Medical Association, or • 'Activities of Daily Living' assessment confirms the inability of the life insured to perform without assistance two or more of the following: bathing, dressing, eating, toileting, transferring in or out of a bed or a chair. <p>Only idiopathic Parkinson's Disease is covered. Drug-induced or toxic causes of Parkinsonism are excluded.</p>	<p>Means the unequivocal diagnosis of idiopathic Parkinson's Disease as confirmed by a consultant neurologist and requiring treatment. All other types of parkinsonism are excluded.</p>	<ul style="list-style-type: none"> • Only one consultant neurologist to make the diagnosis as opposed to two. • Simple diagnostic criteria.
Surgery to Aorta		
<p>Means the actual undergoing of surgery for a disease of the aorta needing excision and surgical replacement of the diseased aorta with a graft. For the purpose of this definition aorta shall mean the thoracic and abdominal aorta but not its branches.</p>	<p>Means surgical repair to the aorta to correct any narrowing, dissection or aneurysm of the thoracic or abdominal aorta but does not include angioplasty, intra-arterial procedures or other non-surgical techniques.</p>	<ul style="list-style-type: none"> • The word 'replacement' has been substituted with the term 'repair'.
Chronic Liver Disease		
<p>Means end stage liver failure, together with permanent jaundice, ascites, and hepatic encephalopathy. Such disease directly related to alcohol or drug abuse is excluded.</p>	<p>Means end stage liver failure together with two of the following conditions:</p> <ul style="list-style-type: none"> • Permanent jaundice, • Ascites, • Hepatic encephalopathy. <p>Such disease directly related to alcohol or drug abuse is excluded.</p>	<ul style="list-style-type: none"> • Only two diagnostic criteria need to be satisfied as opposed to three.

Feature/Benefit/Description	Enhancement	What's changed?
Loss of Limbs and Sight of One Eye		
<p>Means the total and irrecoverable loss by the life insured of any of the:</p> <ul style="list-style-type: none"> • use of both hands • use of both feet • use of one hand and one foot • use of one hand and the sight of one eye • use of one foot and the sight of one eye. 	<p>Means the total and irrecoverable loss by the life insured of any of the:</p> <ul style="list-style-type: none"> • use of both hands • use of both feet • use of one hand and one foot • use of one hand and the sight of one eye • use of one foot and the sight of one eye. <p>Partial payment for loss of one eye or one limb means the total and permanent loss of use of:</p> <ul style="list-style-type: none"> • one foot, • one hand, or • sight in one eye. <p>'Loss of sight of one eye' means that as a result of disease or accident and certified by an ophthalmologist, the visual acuity on the Snellen Scale after correction by suitable lenses is less than 6/60 in one of the eyes'.</p> <p>AIA Australia will pay a partial benefit if you suffer single loss of limb or eye while covered under this policy.</p> <p>The amount we will pay for single loss of limb or eye is the greater of \$10,000 and 25% of the sum insured for the Crisis Recovery benefit or Crisis Recovery Stand Alone benefit. The amount of payment cannot exceed the sum insured. The sum insured for the Crisis Recovery benefit will be reduced by each payment of this benefit and premiums will be adjusted accordingly. AIA Australia will pay the partial benefit once only for the single loss of limb or eye.</p>	<ul style="list-style-type: none"> • Introduction of a partial payment for the loss of use of one eye, one foot and one hand.
Pneumectomy		
<p>This benefit was not covered previously.</p>	<p>Means undergoing a surgical procedure in which an entire lung is removed due to underlying lung disease or disorder.</p>	<ul style="list-style-type: none"> • Additional procedure covered.
Rheumatoid Arthritis		
<p>This benefit was not covered previously.</p>	<p>Means widespread joint destruction with major deformity of three or more of the following joint areas:</p> <p>Hands, wrists, elbows, cervical spine, knees, ankles, metatarsophalangeal joints in the feet. The condition must result in the permanent inability to perform any three of the following 'Activities of Daily Living':</p> <ul style="list-style-type: none"> • Bathing • Dressing • Eating • Toileting • Transferring. 	<ul style="list-style-type: none"> • Additional condition covered.
Child's Recovery Benefit		
<p>The maximum sum insured was \$100,000 with no conversion to a policy in the child's own name.</p>	<p>Conversion Option has been added to the Child's Recovery benefit that will allow the child life insured to convert to a Crisis Recovery Stand Alone benefit in their own name, free of evidence of health, on attainment of the age of 21.</p> <p>The maximum sum insured has been increased to \$200,000.</p>	<ul style="list-style-type: none"> • Sum insured now doubled. • Greater choice/options for the child life insured on the latest policy anniversary prior to the child's 21st birthday.

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Benefit Indexation		
<p>Benefit Indexation was limited to the higher of CPI or 3%.</p> <p>In addition, the maximum sum insured level on each benefit could not be exceeded by way of Benefit Indexation.</p>	<p>Benefit Indexation will be increased to 5% or higher if CPI is greater.</p> <p>The following changes have been implemented:</p> <ul style="list-style-type: none"> • Index benefits at the greater of CPI or 5% for both new proposals and the current inforce policies. • Removal of the indexation cap on the maximum benefit level to allow a policy holder's cover to exceed the maximum limits through indexation only, without any further health evidence requirements. 	<ul style="list-style-type: none"> • By increasing the Benefit Indexation factor there is security that the sum insured will keep pace in these rising inflationary times – protection of cover. • Sum insured can now be increased beyond the benefit level maximums without any evidence of health.
Policy Upgrade		
<p>Existing policies were only upgraded with enhanced benefits on anniversary date of the policy.</p>	<p>All existing policies will be upgraded from the date the enhancements are implemented.</p>	<ul style="list-style-type: none"> • Immediate upgrade – no need to wait for your policy anniversary before you can benefit from the enhancements made to the benefits.
Cover for Expatriates (Term Life, TPD and Crisis)		
<p>This was applied on an 'Individual Consideration' basis only.</p>	<p>Allow up to \$5m cover (Term Life) and up to \$2m cover (TPD and Crisis) to Expatriates residing overseas for up to 5 years.</p> <ul style="list-style-type: none"> • Life Insured must be an Australian Citizen/National. • Life Insured must own residential property in Australia. • Life Insured must intend to return to Australia within 5 years to take up residence. 	<ul style="list-style-type: none"> • Self explanatory.
Cover for Expatriates (Disability Income/Business Expenses)		
<p>This was applied on an 'Individual Consideration' basis only.</p>	<ul style="list-style-type: none"> • Must be Australian citizen or permanent resident. • Must intend to return to Australia within 3 years. • DFAT 4 and below will be considered. • Minimum 30 day waiting period/to age 65/ Indemnity contract only. • Copy of contract outlining length/term of the contract if available. • Territorial exclusion to apply. • Any medicals or blood tests should be completed in Australia or performed by an English speaking doctor (we will reimburse up to the standard Australian fees). • All premiums and claims proceeds will be made in Australian dollars. 	<ul style="list-style-type: none"> • Self explanatory.
Disability Income		
<p>Ambulance Drivers, Ambulance Officers and Security Guards were not considered for Disability Income benefits.</p>	<p>The following three occupation categories have been amended:</p> <ul style="list-style-type: none"> • Ambulance Drivers: <ul style="list-style-type: none"> – Occupation Category D. – Minimum 30-day waiting period. – Maximum 5-year benefit period. • Ambulance Officers: <ul style="list-style-type: none"> – Occupation Category D. – Minimum 30-day waiting period. – Maximum 5-year benefit period. • Security Guards (unarmed/no clubs, hotels): <ul style="list-style-type: none"> – Occupation Category D. – Minimum 30-day waiting period. – Maximum 5-year benefit period. 	<ul style="list-style-type: none"> • Additional occupations means more clients who can benefit from Disability Income.

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Disability Income Maximum Monthly Benefit		
The maximum insured monthly benefit for occupation categories AAA and AA was \$25,000 per month.	The maximum insured monthly benefit for occupation categories AAA and AA has been increased to \$30,000 per month.	<ul style="list-style-type: none"> An increase in \$5,000 per month benefit.
Terminal Illness		
Not included on Term Life in Super. Limited to the lesser of the sum insured or \$2,000,000.	Terminal Illness is to be provided under the Superannuation Term Life benefit. Terminal Illness maximum sum insured to be increased to \$3m. (Payment is the lesser of the Term Life sum insured and \$3,000,000.	<ul style="list-style-type: none"> An increase in \$1,000,000 lump sum payment.
Term Life		
<p>Business Guaranteed Future Insurability:</p> <ul style="list-style-type: none"> Where the life insured is a key person in a business (e.g. working partner or director, significant shareholder) and the value of their financial interest in the business, averaged over the last three years, increases; Where the life insured is a key person in a business, and the life insured's value to the business, averaged over the last three years, increases; and Where the policy forms part of a written buy/sell, share purchase or business succession agreement and the life insured is a partner, shareholder or unit holder in the business, and the value of the life insured's financial interest in the business, averaged over the last three years, increases. <p>For a business event, the Term Life sum insured may be increased under this option by the lesser of:</p> <ul style="list-style-type: none"> 25% of the original Term Life sum insured; the increase in the value of the life insured's financial interest in the business or of the life insured's value to the business, whichever is appropriate, averaged over the last three years; and \$200,000. <p>The maximum increases from all circumstances will be the lesser of the original sum insured and \$1,000,000.</p>	<p>Business Guaranteed Future Insurability:</p> <ul style="list-style-type: none"> Cover loan guarantees under Business GFI. Increase Business GFI to \$500,000 per event. Maximum increase to double original sum insured over a 5-year period, including TPD if on the original policy. 	<ul style="list-style-type: none"> Loan guarantees now constitute an option event. Increasing the maximum GFI to \$500,000 per event is a \$300,000 increase (from \$200,000). TPD is now included as an option whereas this benefit was not included previously.

This is a summary only. Full terms and conditions are outlined in the Priority Protection policy document dated 1 February 2008. Alternatively, for more information about our Priority Protection product range or for a paper copy of this Policy Enhancement Summary, which will be provided free of charge, please contact AIA Australia on Freecall 1800 333 613.