

POLICY ENHANCEMENT CHANGES

For policyholders

February 2022



HEALTHIER, LONGER,
BETTER LIVES

Periodically, AIA Australia (AIAA), upgrades its Priority Protection and Priority Protection for Platform Investors benefit range to ensure that the features and benefits offered to our customers and policy holders meet their changing needs.

It is important to read this Policy Enhancement Summary together with your existing PDS and any other policy notices. The enhancements outlined in this document now form part of your Policy.

These enhancements apply from 20 February 2022. 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.

The information provided is a summary only and should be read in conjunction with the full terms and conditions relating to the enhanced benefit in the Priority Protection PDS dated 20 February 2022. The description of the benefit or term 'Prior to change' shown is as per the PDS dated 28 November 2021.

The enhancement still applies to you if your existing PDS has a different description of this benefit.

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1. Addition of new Premium and Cover Pause Benefit to AIA Priority Protection

Benefit	Prior to change	After change
Available as built-in benefit to all AIA Priority Protection Policies	<p>Changes: For eligible policies the introduction of the ability to pause premium and cover in the event of financial hardship.</p> <p>New addition.</p>	<p>Section 7.6 (Page 83)</p> <p>7.6 Premium and Cover Pause Benefit</p> <p>For eligible policies, and subject to acceptance of your application, you may apply to temporarily suspend your policy's premiums (including policy fee) and cover for a period of 3, 6 or 12 months in certain circumstances.</p> <p>We recommend in all cases that you speak to your Financial adviser prior to submitting an application for Premium and Cover Pause.</p> <p>Premium and Cover Pause is available to support customers who are experiencing financial hardship. For the purposes of this benefit, financial hardship is defined as a set of circumstances that has resulted in a reduction in your usual levels of income and, as a result, you have or expect to have difficulty paying your usual living expenses.</p> <p>Examples of such circumstances include, but are not restricted to:</p> <ul style="list-style-type: none"> • Employer approved leave including maternity, paternity, or sabbatical leave, • Unemployment, • Business closure or bankruptcy, • Injury or illness, • Leaving paid employment to become a full-time caregiver for a spouse, partner or dependent child, • Death of a spouse, partner or child, • Natural disaster where the event affects a Life Insured's ability to undertake their usual work <p>The maximum, total cumulative pause period available is 12 months per policy (including pause periods utilised under a policy replaced with the existing policy). It is important to understand that once your Premium and Cover Pause period has started, you will not be able to resume cover prior to the scheduled end date of the agreed Premium and Cover Pause period.</p> <p>Premium and Cover Pause is not available in the following circumstances;</p> <ul style="list-style-type: none"> • Your policy is held within a Superannuation Plan, • Your policy is a Superannuation-linked policy, • Your policy has not been in force for at least 24 months, • Cover under your policy has been increased within the last 12 months, • Where the Life Insured under the policy is, in respect of any AIA life insurance policy, currently receiving income protection benefits or has lodged an income protection claim that is currently being assessed, or has received an income protection benefit payment for any period in the 12 months prior to the planned commencement of a Premium and Cover Pause period. <p>If you are experiencing financial hardship but your policy is not eligible for Premium and Cover Pause, then please contact us to discuss your circumstances as we may be able to offer alternative solutions to assist.</p> <p>Where there is more than one Policy Owner, all Policy Owners must provide us with their agreement to exercise the Premium and Cover Pause (unless there is an existing authority to transact on behalf of all Policy Owners)</p> <p>Prior to start of your Premium and Cover Pause period we will confirm to you the start date and end date of the period. The Premium and Cover Pause period is the period between and inclusive of these dates.</p>

Benefit	Prior to change	After change
		<p>During an agreed Premium and Cover Pause period, both your cover and your premiums are temporarily suspended. All benefits under the policy will be suspended for the duration of the Premium and Cover pause period.</p> <p>For policies with a monthly premium frequency, you can apply to pause premiums and cover for a period of 3, 6 or 12 months.</p> <p>Once your pause application has been accepted, we will notify you of the date on which your premium and cover will resume.</p> <p>For policies with a yearly or half-yearly premium frequency, your period of Premium and Cover Pause can only start on the next premium due date following acceptance of your Premium and Cover Pause application. Policies with a yearly premium frequency can only be paused for a 12 month period. Policies with a half-yearly premium frequency can only be paused for a 6 month or 12 month period.</p> <p>Alternatively, if a shorter pause period is required, policies with a yearly or half-yearly premium frequency can be converted to a monthly premium frequency prior to the start of the pause period. Please note, monthly and half-yearly premium payments are subject to a premium frequency charge that will be included in the premium amount. Please refer to Section 11.2 of this PDS for more information.</p> <p>Where any existing benefits under a policy are due to expire during a period of Premium and Cover Pause, that expiry will still occur.</p> <p>For existing policy benefits that have a specific eligibility or application period (e.g. Guaranteed Insurability Options, Buy Back options and Crisis Reinstatement) the option must be applied and accepted within the original timeframe specified in your policy, even when this is during a period of Premium and Cover Pause. Any amended cover and premium resulting from actioning such a change will not however be applied until the end of the Premium and Cover Pause period, when cover has resumed. Any cover resulting from a Buy-Back option will not be reinstated until the end of the pause period.</p> <p>If during a period of Premium and Cover Pause period, you submit an application for increased cover, cover held under any paused policies will be taken into account when considering your eligibility and acceptance for further cover.</p> <p>During a period of Premium and Cover Pause, a policy cannot be cancelled and replaced.</p> <p>During a period of Premium and Cover Pause, any AIA Vitality contribution fee linked to the policy will also be paused. AIA Vitality membership will however not be suspended and the Life Insured will be able to enjoy benefits available under the AIA Vitality programme during the pause period (to a maximum period of 12 months).</p> <p>On conclusion of the Premium and Cover Pause period, all cover provided under your policy/ies and premiums payable in connection with that cover will automatically resume. We will contact you prior to this to remind you of the date your cover and premium will resume.</p> <p>Subject to the submission and acceptance of a new Premium and Cover Pause application, you can extend any ongoing period of Premium and Cover Pause but only for cumulative total of 12 months. Any application for an extension of an existing premium and cover pause period must be submitted at least 7 working days prior to the end of the preceding pause period.</p> <p>When your cover resumes, you will not be charged for any period during which your premiums were paused. The premiums charged at the point your policy resumes will reflect any premium changes which were due during the pause period including, where relevant, Benefit Indexation, age related increases or other premium changes as applicable to your policy.</p> <p>For the avoidance of doubt, your contract of insurance will continue during the period of Premium and Cover Pause.</p>

Benefit	Prior to change	After change
		<p>IMPORTANT:</p> <ul style="list-style-type: none"> • Both during the Premium and Cover Pause period and any subsequent period after your premiums and cover have recommenced, you will not be eligible to claim for any sickness, injury, specified medical event, death or any other event (including signs, symptoms or diagnosis of such Illness, Injury or condition) that occurred for the first time during the Premium and Cover Pause period. • A sickness, injury or specified medical event is taken to have happened when: <ul style="list-style-type: none"> - a Medical Practitioner first gave the Life Insured advice, care or treatment or recommended that the Insured Person seek advice, care or treatment for the sickness, injury or specified medical event; or - in relation to a health condition, you experienced symptoms which, to a reasonable person, would have indicated the presence of that health condition or the need to seek medical treatment or - investigation that would have revealed the presence of that health condition prior to the end of your Premium and Cover Pause period, notwithstanding that you were not in fact aware that you had the health condition. • You will NOT be able to resume cover prior to the end of the agreed Premium and Cover Pause period.
	<p>New addition.</p>	<p>Section 10.1 (Page 164)</p> <p>Premium and Cover Pause</p> <p>Both during the Premium and Cover Pause period and any subsequent period after your premiums and cover have recommenced, you will not be eligible to claim for any sickness, injury, specified medical event, death or any other event (including signs, symptoms or diagnosis of such Illness, Injury or condition) that occurred for the first time during the Premium and Cover Pause period.</p> <p>A sickness, injury or specified medical event is taken to have happened when:</p> <ul style="list-style-type: none"> • a Medical Practitioner first gave the Life Insured advice, care or treatment or recommended that the Life Insured seek advice, care or treatment for the sickness, injury or specified medical event; or • in relation to a health condition, you experienced symptoms which, to a reasonable person, would have indicated the presence of that health condition or the need to seek medical treatment or investigation that would have revealed the presence of that health condition prior to the end of your Premium and Cover Pause period, notwithstanding that you were not in fact aware that you had the health condition. <p>You will NOT be able to resume cover prior to the end of the agreed Premium and Cover Pause period.</p> <p>If you decide to change premium frequency as part of the Premium and Cover Pause process, it will be subject to a premium frequency charge that will be included in the premium amount. Please refer to Section 11.2 of this PDS for more information.</p>

2. Additional of new Accommodation Benefit and Counselling Benefit to selected lump sum covers.

Benefit	Prior to change	After change
Life Cover (Page 13)	Change: Introduction of new Accommodation Benefit and Counselling Benefit to a number of existing lump sum covers available under AIA Priority Protection.	
Accidental Death (Page 16)	New addition.	New Benefit wording as follows: (Please refer left column for page references)
Term Cover (Page 20)		Accommodation Benefit
Total and Permanent Disablement and Accidental Total and Permanent Disablement (Page 27)		<p>Where we pay the <name of relevant benefit as left column>, we will reimburse the accommodation costs incurred by your Immediate Family Members up to a maximum of \$250 per day, for a maximum of 30 days, for each day:</p> <ul style="list-style-type: none"> • you are confined to bed due to the condition for which we paid the benefit; • you are confined to bed more than 100 kilometres from your usual place of residence; and • the Immediate Family Member remains away from their home, having been required to travel more than 100 kilometres from their usual place of residence to be with the Life Insured.
Universal Total and Permanent Disablement (Page 33)		We will require evidence which establishes your bed confinement and proof of the accommodation costs that have been paid.
Crisis Recovery (Page 41)		If you are eligible for this benefit under more than one cover type, we will only pay up to a maximum of \$250 per day and for a maximum of 30 days total across per Life Insured, under all policies and benefit types.
Double Total and Permanent Disablement (Page 91)		The total lifetime benefit paid under any Accommodation Benefit held under an AIA policy will not exceed \$7,500 per Life Insured.
Double Universal Total and Permanent Disablement (Page 96)		This Accommodation Benefit is not payable if you are also claiming Home Care Benefit under an AIA Priority Protection Income Protection benefit.
Crisis Extension (Page 108)		This benefit is not available when the benefit is solely structured through superannuation.
Double Crisis Recovery (Page 121)		Counselling Benefit
Maximiser (page 153)		Where we pay the <name of relevant benefit as left column>, we will pay \$200 for each session of grief counselling you and/or an Immediate Family Member of the Life Insured, subsequently attend with a counsellor or psychologist.
		Your counsellor or psychologist must, at the time of providing the counselling service, be registered with the Australian Counselling Association (www.theaca.net.au) or the Psychotherapy and Counselling Federation of Australia (pacfa.org.au).
		The maximum total Counselling Benefit amount we will pay across all benefits and all policies held with AIA is \$1,200 per Life Insured.
		The Counselling Benefit will only be paid to policyholders or nominated beneficiaries.
		Counselling Benefit is not available when cover is solely structured through superannuation.
		Section 12.1: General Definitions (Page 178)
		Immediate Family Member means the Life Insured's spouse or de facto partner, child, parent, siblings, grandparent, grandchild, including those members mentioned who are step or adopted relatives.

3. Update to End Stage Liver Failure

Benefit	Prior to change	After change
Crisis Recovery (Page 41);	Change: Clarified the definition with minor wording adjustments	
Crisis Extension (Page 108);	Section 12.2: Medical Definitions (Page 186)	Section 12.2: Medical Definitions (Page 193)
Double Crisis Recovery (Page 121);	End Stage Liver Failure means end stage liver failure, together with two of the following conditions:	End Stage Liver Failure means the final stage of liver disease, together with two of the following conditions:
Income Protection and Income Protection Accident Only (only applicable to the closed income protection PLUS Optional benefit).	<ul style="list-style-type: none"> • permanent jaundice • ascites, and • hepatic encephalopathy. 	<ul style="list-style-type: none"> • permanent jaundice • ascites, and • hepatic encephalopathy.

4. Update to Paralysis (total and permanent)

Benefit	Prior to change	After change
Crisis Recovery (Page 41);	Change: Combined Diplegia, Hemiplegia, Paraplegia and Quadriplegia definitions under 'Paralysis (total and permanent)' definition and clarified definitions that are under 'Paralysis (total and permanent)'	
Crisis Extension (Page 108);	Section 12.2: Medical Definitions (Page 183)	Section 12.2: Medical Definitions (Page 193)
Double Crisis Recovery (Page 121);	Diplegia (Page 186) 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.	Paralysis (total and permanent) means:
Family Protection (Page 123);	Hemiplegia (Page 187) 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.	Diplegia
Total and Permanent Disablement (Page 27);	Paraplegia (Page 188) means the total and permanent loss of function of the lower limbs due to spinal cord injury or disease, or brain injury or disease.	The total and permanent loss of use of both arms or both legs, resulting from injury or sickness of the brain or spinal cord; or
Life Cover Purchase (Page 101);	Quadriplegia (Page 189) 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.	Hemiplegia
Complimentary Interim Accidental Crisis Recovery Cover (Page 201);		The total and permanent loss of use of one arm and one leg on the same side of the body, resulting from injury or sickness of the brain or spinal cord; or
Income Protection (only applicable to the closed income protection PLUS Optional benefit).		Paraplegia
		The total and permanent loss of use of both legs, resulting from injury or sickness of the brain or spinal cord; or
		Quadriplegia
		The total and permanent loss of use of both arms and both legs, resulting from injury or sickness of the brain or spinal cord.

Benefit	Prior to change	After change
	<p>Crisis Events listed across the PDS:</p> <ul style="list-style-type: none">• Diplegia• Hemiplegia• Paraplegia• Quadriplegia... <p>or</p> <ul style="list-style-type: none">• Paralysis (Diplegia, Hemiplegia, Paraplegia, Quadriplegia) <p>or</p> <ul style="list-style-type: none">• Diplegia, Hemiplegia, Paraplegia and Quadriplegia <p>or</p> <ul style="list-style-type: none">• Paralysis<ul style="list-style-type: none">- Diplegia- Hemiplegia- Paraplegia- Quadriplegia	<p>Crisis Events listed across the PDS:</p> <ul style="list-style-type: none">• Paralysis (total and permanent)

Benefit	Prior to change	After change
Total and Permanent Disablement (Universal) (Page 33);	<p>Change: Enhanced the definition and benefits by replacing the listed Hemiplegia, Paraplegia and Quadriplegia covered under the relevant benefits with 'Paralysis (total and permanent)' which also covers Diplegia.</p>	
Universal Total and Permanent Disablement (Page 33);	<p>Section 12.1: General Definitions (Page 181)</p> <p>Total and Permanent Disablement (Universal) means:</p> <ol style="list-style-type: none"> you suffer Loss of Independence, or you suffer Mental Illness (severe and permanent), or you suffer one of the following, and a Medical Practitioner confirms the diagnosis: <ul style="list-style-type: none"> Motor Neurone Disease, Hemiplegia, Paraplegia, or Quadriplegia. <p>In addition to satisfying either b) or c) above, you must also satisfy each of the following requirements:</p> <ul style="list-style-type: none"> you are not working (whether paid or unpaid), you attend a Medical Practitioner and have undergone all reasonable and usual treatment prescribed by them, including (where appropriate) rehabilitation for your condition, and you have become, in reasonable consideration of all relevant medical and other evidence, incapacitated to such an extent as to render you unlikely ever to engage in any business, profession, or occupation for which you are reasonably suited by education, training, or experience. 	<p>Section 12.1: General Definitions (Page 188)</p> <p>Total and Permanent Disablement (Universal) means:</p> <ol style="list-style-type: none"> you suffer Loss of Independence, or you suffer Mental Illness (severe and permanent), or you suffer one of the following, and a Medical Practitioner confirms the diagnosis: <ul style="list-style-type: none"> Motor Neurone Disease, or Paralysis (total and permanent). <p>In addition to satisfying either b) or c) above, you must also satisfy each of the following requirements:</p> <ul style="list-style-type: none"> you are not working (whether paid or unpaid), you attend a Medical Practitioner and have undergone all reasonable and usual treatment prescribed by them, including (where appropriate) rehabilitation for your condition, and you have become, in reasonable consideration of all relevant medical and other evidence, incapacitated to such an extent as to render you unlikely ever to engage in any business, profession, or occupation for which you are reasonably suited by education, training, or experience.
Double Universal Total and Permanent Disablement (Page 96)	<p>Inside Super</p> <p>Under the Superannuation Life Cover Plan, you will also need to meet a condition of release, as required under superannuation law, in order to have the benefit paid to you. This means that the trustee must be reasonably satisfied that your ill health makes it unlikely that you will engage in gainful employment for which you are reasonably qualified by education, training or experience.</p> <p>Depending on your circumstances, you may also need to meet the tax definition of 'disability superannuation benefit' in order to receive your benefit payment with concessional tax treatment.</p> <p>You will be requested to provide medical reports from two legally qualified medical practitioners who have both certified that, because of the ill health, it is unlikely that you can ever be gainfully employed in a capacity for which you are reasonably qualified because of education, experience or training. If these are not provided, it may take the Trustee longer to determine whether you have met a condition of release, and it may affect how the benefit you receive is taxed.</p>	<p>Inside Super</p> <p>Under the Superannuation Life Cover Plan, you will also need to meet a condition of release, as required under superannuation law, in order to have the benefit paid to you. This means that the trustee must be reasonably satisfied that your ill health makes it unlikely that you will engage in gainful employment for which you are reasonably qualified by education, training or experience.</p> <p>Depending on your circumstances, you may also need to meet the tax definition of 'disability superannuation benefit' in order to receive your benefit payment with concessional tax treatment.</p> <p>You will be requested to provide medical reports from two legally qualified medical practitioners who have both certified that, because of the ill health, it is unlikely that you can ever be gainfully employed in a capacity for which you are reasonably qualified because of education, experience or training. If these are not provided, it may take the Trustee longer to determine whether you have met a condition of release, and it may affect how the benefit you receive is taxed.</p>

Benefit	Prior to change	After change
	<p>3.2 Universal Total and Permanent Disablement (Page 29)</p> <p>Your insurance cover</p> <p>Universal Total and Permanent Disablement (Universal TPD) will pay a lump sum if you suffer a Loss of Independence, Mental Illness (severe and permanent), Hemiplegia, Paraplegia, Quadriplegia or Motor Neurone Disease.</p> <p>This insurance cover is available if you don't meet the minimum work hours for TPD cover.</p> <p>Built-in Benefits</p> <p>Universal Total and Permanent Disablement</p> <p>Pays a lump sum equal to the Sum Insured if you suffer a Loss of Independence, Mental Illness (severe and permanent), Hemiplegia, Paraplegia, Quadriplegia or Motor Neurone Disease.</p> <p>(see Section 12.1).</p>	<p>3.2 Universal Total and Permanent Disablement (Page 31)</p> <p>Your insurance cover</p> <p>Universal Total and Permanent Disablement (Universal TPD) will pay a lump sum if you suffer a Loss of Independence, Mental Illness (severe and permanent), Motor Neurone Disease, or Paralysis (total and permanent).</p> <p>This insurance cover is available if you don't meet the minimum work hours for TPD cover.</p> <p>Built-in Benefits</p> <p>Universal Total and Permanent Disablement</p> <p>Pays a lump sum equal to the Sum Insured if you suffer a Loss of Independence, Mental Illness (severe and permanent), Motor Neurone Disease or Paralysis (total and permanent).</p> <p>(see Section 12.1).</p>
	<p>8.3 Double Universal Total and Permanent Disablement (Page 89)</p> <p>Your optional benefit</p> <p>Double Universal Total and Permanent Disablement (Double Universal TPD) will pay a lump sum if you suffer a Loss of Independence, Mental Illness (severe and permanent), Hemiplegia, Paraplegia, Quadriplegia or Motor Neurone Disease.</p> <p>In addition, if a full Double Universal TPD benefit is payable, the Life Cover Sum Insured will not be reduced and future premiums for Life Cover will be Waived until the Policy Anniversary prior to your 65th birthday (or your 55th birthday for Occupation E only).</p> <p>This insurance cover is available if you don't meet the minimum work hours for TPD cover.</p>	<p>8.3 Double Universal Total and Permanent Disablement (Page 94)</p> <p>Your optional benefit</p> <p>Double Universal Total and Permanent Disablement (Double Universal TPD) will pay a lump sum if you suffer a Loss of Independence, Mental Illness (severe and permanent), Motor Neurone Disease, or Paralysis (total and permanent).</p> <p>In addition, if a full Double Universal TPD benefit is payable, the Life Cover Sum Insured will not be reduced and future premiums for Life Cover will be Waived until the Policy Anniversary prior to your 65th birthday (or your 55th birthday for Occupation E only).</p> <p>This insurance cover is available if you don't meet the minimum work hours for TPD cover.</p>