

FOR POLICYHOLDERS

PRIORITY PROTECTION

Policy Enhancement Summary

8 June 2013



Every year AIA Australia upgrades its Priority Protection benefit range to ensure that the features and benefits offered to our customers and policyholders meet their changing needs.

The latest enhancements which are being passed back to existing policyholders are listed below.

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

These enhancements apply from 8 June 2013. 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).

The table below is a summary only and should be read in conjunction with the full terms and conditions relating to the enhanced benefits that are in the Priority Protection PDS dated 8 June 2013. This document is not a substitute and does not override those terms and conditions.

Feature/Benefit Description	Previous key features and benefits that applied prior to 8 June 2013	Enhanced key features and benefits to apply effective from 8 June 2013
Life Cover Plan		
Complimentary Family Final Expenses	This benefit was not covered previously.	The Complimentary Family Final Expenses is now available as a built-in benefit. <ul style="list-style-type: none"> • Pays a lump sum benefit of the lower of 10% of the sum insured and \$20,000 if the life insured's child dies or is diagnosed with a Terminal Illness. • This benefit won't be paid if the Complimentary Family Protection benefit has been paid.
Enhancement	The Complimentary Family Final Expenses benefit is now available as a built in benefit under Life Cover, Term Cover and Accidental Death benefits.	
Life Cover Plan and Superannuation Life Cover Plan		
Guaranteed Future Insurability	Personal Events covered are: <ul style="list-style-type: none"> – Marriage; – Divorce; – Birth or adoption of a child; and – 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 on the life insured's principal place of residence with a mortgage provider.) 	Personal Events covered are: <ul style="list-style-type: none"> • Marriage; • Divorce; • Death of a spouse; • Birth or adoption of a child; • Dependent child commences Tertiary Education; • 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 on the life insured's principal place of residence with a mortgage provider.)
Enhancement	Two new options have been added under Personal Events to increase Life and Total and Permanent Disablement cover under the Guaranteed Future Insurability benefit.	

Feature/Benefit Description	Previous key features and benefits that applied prior to 8 June 2013	Enhanced key features and benefits to apply effective from 8 June 2013
<p>Total and Permanent Disablement (Home Duties) definition</p>	<p>‘TOTAL AND PERMANENT DISABLEMENT (HOME DUTIES)’ means that:</p> <p>(a) the life insured has suffered the total and irrecoverable loss of the:</p> <ul style="list-style-type: none"> – sight of both eyes; – use of two limbs; or – sight of one eye and use of one limb; <p>or</p> <p>(b) the life insured, where wholly engaged in full-time unpaid domestic duties in his or her own residence:</p> <ul style="list-style-type: none"> – has been unable to perform normal domestic duties, leave home unaided and engage in any employment for an uninterrupted period of at least six consecutive months solely as a result of Injury or Sickness; and – is attending a Medical Practitioner and has undergone all reasonable and usual treatment including rehabilitation for the Injury or Sickness; and – at the end of the period of six months, after consideration of all the medical evidence and such other evidence as we may require, has become in our opinion incapacitated to such an extent as to render him or her likely to require indefinite ongoing medical care and unable ever to perform normal domestic duties, leave home unaided and engage in any form of employment; <p>or</p> <p>(c) the life insured has suffered Loss of Independence.</p> <p>The life insured is ‘Totally and Permanently Disabled (Home Duties)’ if the life insured satisfies the definition of Total and Permanent Disablement (Home Duties).</p>	<p>TOTAL AND PERMANENT DISABLEMENT (HOME DUTIES) means that:</p> <p>(a) the life insured has suffered the total and irrecoverable loss of the:</p> <ul style="list-style-type: none"> – sight of both eyes; – use of two limbs; or – sight of one eye and use of one limb; <p>or</p> <p>(b) the life insured, where wholly engaged in full-time unpaid domestic duties in his or her own residence:</p> <ul style="list-style-type: none"> – has been unable to perform all Normal Domestic Duties and engage in any employment for an uninterrupted period of at least three consecutive months solely as a result of Injury or Sickness; and – is attending a Medical Practitioner and has undergone all reasonable and usual treatment including rehabilitation for the Injury or Sickness; and – at the end of the period of three months, after consideration of all the medical evidence and such other evidence as we may require, has become in our opinion incapacitated to such an extent as to render him or her likely to require indefinite ongoing medical care and unable ever to perform all Normal Domestic Duties and engage in any form of employment. <p>or</p> <p>(c) the life insured has suffered Loss of Independence.</p> <p>The life insured is ‘Totally and Permanently Disabled (Home Duties)’ if the life insured satisfies the definition of Total and Permanent Disablement (Home Duties).</p> <p>‘NORMAL DOMESTIC DUTIES’ means the household duties normally performed by a person who remains at home and is not working in a regular occupation including part time and/or voluntary work.</p> <p>Normal domestic duties specifically include:</p> <ul style="list-style-type: none"> – Cooking and preparing meals – meaning the ability to prepare meals using kitchen appliances; – Cleaning the home – meaning the ability to carry out the basic internal household chores using domestic equipment such as a vacuum and mop; – Washing clothes – meaning the ability to do the household’s laundry to a basic standard; – Shopping for groceries – meaning the ability to purchase general household grocery items; – Caring for children – meaning the ability to care for and supervise children (where applicable). <p>The life insured will not be considered to be unable to carry out all Normal Domestic Duties if the life insured is able to perform any one of these duties.</p>
<p>Enhancement</p>	<p>Under the Total and Permanent Disablement (Home Duties) definition, the waiting period has been reduced from 6 months to 3 months. The requirement of ‘being unable to leave home unaided’ has been removed. Normal Domestic Duties has been defined.</p>	

Feature/Benefit Description	Previous key features and benefits that applied prior to 8 June 2013	Enhanced key features and benefits to apply effective from 8 June 2013
Crisis Recovery benefit		
Needlestick Injury	The 'Accidental HIV Infection' under 'Other Serious Crisis Events' under the Crisis Recovery benefit, is not payable in conjunction with a payment for the Needlestick Injury benefit.	If 'Accidental HIV Infection' under 'Other Serious Crisis Events' under the Crisis Recovery benefit is payable in conjunction with a payment from the Needlestick Injury benefit, then both benefits will be paid up to a maximum of \$2 million in total. Where the total payout under both benefits would exceed \$2 million, the full Needlestick Injury benefit will be paid first and a portion of the 'Accidental HIV Infection' under 'Other Serious Crisis Events' under the Crisis Recovery benefit will be paid to bring the total payout up to \$2 million.
Enhancement	Removal of Needlestick Injury payment limitation.	
Income Protection Plan		
Waiver of Premium	<p>We will waive premiums from the later of the date you became totally disabled and the end of the Waiting Period, until the end of the Benefit Period, or until the date total disablement ceases, whichever occurs first.</p> <p>Premium payments will recommence from the date on which the waiving of premium ceases.</p>	<p>If a total or partial disablement benefit becomes payable after the Waiting Period, we will reimburse premiums from the start of the Waiting Period. Any premiums paid during the Waiting Period will be refunded with the first benefit payment from us.</p> <p>The waiving of premiums will continue to apply until the earlier of the:</p> <ul style="list-style-type: none"> – end of the Benefit Period; and – date your total or partial disablement ceases. <p>Premium payments will recommence from the date on which the waiving of premium ceases.</p>
Enhancement	For the Waiver of Premium benefit under the Income Protection Plan, the premium would be waived from the start of the Waiting Period and is also waived for Partial Disablement.	
Crisis Recovery benefit under PLUS Optional	The Crisis Recovery benefit is payable once only during the term of the Income Protection PLUS Optional benefit.	Once the Crisis Recovery benefit has been paid for one of the listed Crisis Events, we will not pay for a second Crisis Event that is related to, or caused by, the medical condition resulting in any previous claim under the Crisis Recovery benefit.
Enhancement	The Crisis Recovery benefit is payable more than once – for unrelated Crisis Events during the term of the Income Protection PLUS Optional benefit.	

This information is current at the date of this document and may be subject to change. This provides general information only, without taking into account your personal circumstances. It does not constitute financial or other advice. Please consult a financial adviser and read the product disclosure statement relating to a financial product before making any decision about that financial product.