

# POLICY ENHANCEMENT SUMMARY

## For policyholders

November 2021



HEALTHIER, LONGER,  
BETTER LIVES

**Periodically, AIA Australia 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 28 November 2021. 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 tables below are 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 28 November 2021. The description of the benefit or term 'Prior to change' shown is as per the PDS dated 25 September 2021.

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

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## 1. Income Protection CORE and Complimentary Income Protection CORE Extras – Offsets wording change

Benefit	Prior to change	After change
<b>Income Protection CORE and Complimentary Income Protection CORE Extras</b>	<p><b>Changes:</b> Only sick pay received will be offset. Wording amended to be explicit that we do not offset annual or long service leave.</p> <p><b>Page 53 and Page 60 of the 25 September 2021 PDS</b></p> <p>If you make a claim for a Total Disablement or Partial Disablement benefit, the benefit amount you are entitled to receive will be reduced by any ongoing income and any payments received by you relating to loss of income, loss of earning capacity or any other economic loss caused by the relevant Injury or Sickness from:</p> <p>Any other payments received or entitlement receivable from your employer over the period of sickness or injury. An example includes but is not limited to, sick leave,</p>	<p><b>Page 54 and page 61 of the 28 November 2021 PDS</b></p> <p>If you make a claim for a Total Disablement or Partial Disablement benefit, the benefit amount you are entitled to receive will be reduced by;</p> <p>Any payments received from your employer over the period of sickness or injury including sick pay. This does not include payments received due to annual or long service leave,</p>

## 2. Income Protection CORE – Introduction of Elective Surgery Benefit

Benefit	Prior to change	After change
<b>Income Protection CORE</b>	<p><b>Change:</b> Introduction of new Elective Surgery Benefit to Income Protection CORE.</p> <p>Not an existing benefit</p>	<p><b>New Page 52 of the 28 November 2021 PDS</b></p> <p>We will pay a Total Disablement benefit if you become Totally Disabled and remain Totally Disabled after the Waiting Period as a result of:</p> <ul style="list-style-type: none"> <li>• cosmetic surgery,</li> <li>• other elective surgery, or</li> <li>• surgery to transplant an organ or bone marrow from you into the body of another person</li> </ul> <p>This benefit does not apply if the surgery or transplant takes place within six months of the Income Protection benefit commencing, being reinstated, or increased (but only in relation to the increased amount). In the case of a policy which has been cancelled and replaced, the six-month period will start from the date of the original policy commencement.</p> <p>Normal post-surgery recovery is not considered to be Total Disablement for the purposes of this benefit.</p> <p>No benefit will be paid for normal post-surgery recovery.</p> <p>In all cases the surgery must be performed by an appropriately qualified Doctor/ Medical Practitioner</p>

### 3. Complimentary Income Protection CORE Extras – Switch to Suited Occupation for those unemployed at time of claim changed from 6 months to 12 months.

Benefit:	Prior to change	After change
<b>Complimentary Income Protection CORE Extras</b>	<b>Change:</b> the period of unemployment after which the definition of disability changes from an Own Occupation to a Suited Occupation basis has increased from 6 months to 12 months.	
	<p><b>Page 56 of the 25 September 2021 PDS</b></p> <p>If you have been unemployed for more than 6 consecutive months, or on maternity, paternity or Sabbatical Leave for more than 12 consecutive months, immediately preceding the occurrence of an event giving rise to a claim, then Total Disablement (not actively employed) means that, solely as a result of Injury or Sickness, you are:</p>	<p><b>Page 57 of the 28 November 2021 PDS</b></p> <p>If you have been unemployed or on maternity, paternity or Sabbatical Leave for more than 12 consecutive months, immediately preceding the occurrence of an event giving rise to a claim, then Total Disablement (not actively employed) means that, solely as a result of Injury or Sickness, you are:</p>
	<p><b>Page 58 of the 25 September 2021 PDS</b></p> <p>If you have been unemployed for more than 6 consecutive months, or on maternity, paternity or Sabbatical Leave for more than 12 consecutive months, immediately preceding the occurrence of an event giving rise to a claim, then Partial Disablement (not actively employed) means that, solely as a result of Injury or Sickness, you are:</p>	<p><b>Page 58 of the 28 November 2021 PDS</b></p> <p>If you have been unemployed or on maternity, paternity or Sabbatical Leave for more than 12 consecutive months, immediately preceding the occurrence of an event giving rise to a claim, then Partial Disablement (not actively employed) means that, solely as a result of Injury or Sickness, you are:</p>
<p><b>Page 176 and Page 181 of the 25 September 2021 PDS</b></p> <p>Where you were unemployed for more than 6 consecutive months, or on maternity or paternity leave for more than 12 consecutive months immediately preceding the occurrence of an event giving rise to a claim, you will only be considered to be partially disabled where you are unable to perform the Material and Substantial Duties of a Suited Occupation</p>	<p><b>Page 177 and Page 182 of the 28 November 2021 PDS</b></p> <p>Where you were unemployed or on maternity or paternity leave for more than 12 consecutive months immediately preceding the occurrence of an event giving rise to a claim, you will only be considered to be partially disabled where you are unable to perform the Material and Substantial Duties of a Suited Occupation</p>	

## 4. Complimentary Income Protection CORE Extras – Removal of 1 day totally disabled requirement from waiting period requirement.

Definition	Prior to change	After change
<b>Complimentary Income Protection CORE Extras</b>	<b>Change:</b> The requirement for there to be a mandatory 1 day of total disablement in the waiting period for occupation classes A1, A2, M, A3, A4 has been removed from Complimentary Income Protection CORE Extras	
	<p><b>Page 57 of the 25 September 2021 PDS</b></p> <p>Occupation Categories – A1, A2, M, A3, A4</p> <p>If you are:</p> <ul style="list-style-type: none"> <li>• Totally Disabled for at least one day during the waiting period, and</li> <li>• continuously disabled (either Totally Disabled or Partially Disabled) for the duration of the Waiting Period, and</li> <li>• Partially Disabled from the end of the Waiting Period,</li> </ul> <p>a Partial Disablement monthly benefit is payable under this policy provided you meet the Partial Disablement definition that applies to you under your Income Protection CORE policy at the end of the Waiting Period.</p>	<p><b>Page 58 of the 28 November 2021 PDS</b></p> <p>Occupation Categories – A1, A2, M, A3, A4</p> <p>If you are:</p> <ul style="list-style-type: none"> <li>• continuously disabled (either Totally Disabled or Partially Disabled) for the duration of the Waiting Period, and</li> <li>• Partially Disabled from the end of the Waiting Period,</li> </ul> <p>a Partial Disablement monthly benefit is payable under this policy provided you meet the Partial Disablement definition that applies to you under your Income Protection CORE policy at the end of the Waiting Period.</p>
	<p><b>Page 56 of the 25 September 2021 PDS</b></p> <p>Occupation Categories – A1, A2, M, A3, A4</p> <p>If you are:</p> <ul style="list-style-type: none"> <li>• Totally Disabled for at least one day during the waiting period, and</li> <li>• continuously disabled (either Totally Disabled or Partially Disabled) for the duration of the Waiting Period, and</li> <li>• Totally Disabled from the end of the Waiting Period,</li> </ul> <p>a Total Disablement monthly benefit is payable provided you meet the Total Disablement definition that applies to you under your Income Protection CORE policy at the end of the Waiting Period.</p>	<p><b>Page 57 of the 28 September 2021 PDS</b></p> <p>Occupation Categories – A1, A2, M, A3, A4</p> <p>If you are:</p> <ul style="list-style-type: none"> <li>• continuously disabled (either Totally Disabled or Partially Disabled) for the duration of the Waiting Period, and</li> <li>• Totally Disabled from the end of the Waiting Period,</li> </ul> <p>a Total Disablement monthly benefit is payable provided you meet the Total Disablement definition that applies to you under your Income Protection CORE policy at the end of the Waiting Period.</p>

## 5. Changes to Section 9.4 – AIA Insurance Superannuation Scheme No2

Definition	Prior to change	After change
<b>3. Membership of the Scheme</b>	<p><b>Change:</b> Changes to the Membership of the Scheme and Membership Fees and Costs information within Section 9.4.</p> <p><b>Page 150 of the 25 September 2021 PDS</b></p> <p><b>Applying for membership to obtain new insurance cover</b></p> <p>To apply for Priority Protection insurance cover under this PDS, you should speak with a financial adviser qualified to sell AIA Australia products and help you complete an application form for the insurance cover required. You apply to the trustee</p> <p>for membership of the Scheme at the same time as you apply to AIA Australia for insurance cover. While your application is being assessed, your initial or instalment premium will be held in a trust account held by the trustee until the Policy is issued by AIA Australia. Any interest earned on the account while your initial or instalment premium is held within that account will be retained by the trustee for Scheme purposes.</p>	<p><b>Page 151 of the 28 November 2021 PDS</b></p> <p><b>Applying for membership to obtain new insurance cover</b></p> <p>To apply for Priority Protection insurance cover under this PDS, you should speak with a financial adviser qualified to sell AIA Australia products and help you complete an application form for the insurance cover required. You apply to the trustee for membership of the Scheme at the same time as you apply to AIA Australia for insurance cover. While your application is being assessed, your initial or instalment premium will be held in a trust account held by the trustee until the Policy is issued by AIA Australia. Any interest earned on the account while your initial or instalment premium is held within that account is retained by the Trustee and allocated to the Fund's General Reserve to meet expenses of the Fund.</p>
<b>5. Membership Fees and Costs</b>	<p><b>Page 151 of the 25 September 2021 PDS</b></p> <p>There are no fees or costs charged to you for Scheme membership other than the cost of insurance cover and any associated policy fee, stamp duty and premium frequency charges as set out in Section 11 and if your premiums are funded by non-concessional contributions, expenses associated with the Scheme are met from the benefit of any tax deduction that is not passed on to you.</p> <p><b>Page 151 of the 25 September 2021 PDS</b></p> <p>When calculating the cost of insurance cover payable by you through the Scheme (and the superannuation contribution or rollovers to the Scheme), you should note that the benefit of tax deductions that the trustee receives in relation to the premiums paid to AIA Australia is generally passed on to you</p> <p>(either by offsetting tax payable by the trustee on concessional contributions or on untaxed rollovers, or by a rebate on taxed</p> <p>rollovers) unless your premium payment is funded by a non-concessional contribution in which case the benefit of any tax deduction is retained in the Scheme to meet expenses relating to the Scheme.</p>	<p><b>Page 152 of the 28 November 2021 PDS</b></p> <p>There are no fees or costs charged to you for Scheme membership other than the cost of insurance cover and any associated policy fee, stamp duty and premium frequency charges as set out in Section 11. If your premiums are funded by non-concessional contributions, the benefit of any tax deduction is retained by the Trustee and allocated to the Fund's General Reserve to meet expenses of the Fund.</p> <p><b>Page 152 of the 28 November 2021 PDS</b></p> <p>When calculating the cost of insurance cover payable by you through the Scheme (and the superannuation contribution or rollovers to the Scheme), you should note that the benefit of tax deductions that the trustee receives in relation to the premiums paid to AIA Australia is generally passed on to you (either by offsetting tax payable by the trustee on concessional contributions or on untaxed rollovers, or by a rebate on taxed rollovers) unless your premium payment is funded by a non-concessional contribution, in which case the benefit of any tax deduction is retained by the Trustee and allocated to the Fund's General Reserve to meet expenses of the Fund.</p>