



Priority Protection Policy Enhancement Summary

1 June 2006

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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 1 June 2006. 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	Previous key features and benefits that applied to policies prior to 1 June 2006	Enhanced key features and benefits to apply effective from 1 June 2006
Term Life		
Complimentary Interim Accident Death Cover	<p>The lump sum amount payable on accidental death under this cover is:</p> <p>a) Term Life Plan The lesser of:</p> <ul style="list-style-type: none"> - The Term Life Sum Insured proposed; and - \$500,000 <p>b) Money-back Term Plan The lesser of:</p> <ul style="list-style-type: none"> - The Term Life Sum Insured proposed; and - \$500,000 	<p>The lump sum amount payable on accidental death under this cover is:</p> <p>a) Term Life Plan The lesser of:</p> <ul style="list-style-type: none"> - The Term Life Sum Insured proposed; and - \$1,000,000 <p>b) Money-back Term Plan The lesser of:</p> <ul style="list-style-type: none"> - The Term Life Sum Insured proposed; and - \$1,000,000
Enhancement	The maximum benefit amount under the Complimentary Interim Accidental Death Cover has been increased to \$1,000,000.	
Guaranteed Future Insurability benefit	<p>Personal Events covered are:</p> <ul style="list-style-type: none"> • Marriage; • 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 principle place of residence with a mortgage provider.) 	<p>Personal Events covered are:</p> <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 principle place of residence with a mortgage provider.) <p>For 'marriage', 'divorce' and 'birth or adoption of a child' events, 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; and • \$200,000.
Enhancement	<ul style="list-style-type: none"> • 'Divorce' has been added to the list of 'Personal Events'; and • the maximum allowable increase in the Term Life sum insured as a result of the 'Personal Events' ('marriage', 'divorce' and 'birth or adoption of a child') has been increased to \$200,000 (from \$100,000). 	

Feature/Benefit/ Description	Previous key features and benefits that applied to policies prior to 1 June 2006	Enhanced key features and benefits to apply effective from 1 June 2006
Suicide Exclusion	<p><i>Term Life Benefit</i></p> <ul style="list-style-type: none"> Death from suicide within 13 months from the commencement date, date of benefit increase or the last reinstatement date of the policy. For a benefit increase, the benefit is not payable only in respect of the increase in the sum insured. 	<p><i>Term Life Benefit</i></p> <ul style="list-style-type: none"> Death from suicide within 13 months from the commencement date, date of benefit increase or the last reinstatement date of the policy. For a benefit increase, the benefit is not payable only in respect of the increase in the sum insured. (Subject to terms, this exclusion will be waived in respect of any death cover under the policy provided the policy is replacing death cover from a previous insurer and the full suicide exclusion period under the in force policy to be replaced has elapsed.)
Enhancement	Waived where policy is a replacement policy.	

Permanent Disablement and Permanent Disablement Stand Alone

<p>Total and Permanent Disablement (Own Occupation)</p>	<p>(b) the life insured, where engaged in any business, profession or occupation, whether as an employee or otherwise:</p> <ul style="list-style-type: none"> has been absent from employment solely as a result of injury or sickness for an uninterrupted period of at least six consecutive months; 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 unlikely ever to engage in his or her own profession or occupation. <p>Occupations of a specialised nature are covered on a broader definition of their occupation. For example, a barrister will be interpreted and covered as a legal practitioner, and a doctor or surgeon will be interpreted and covered as a medical practitioner.</p> <p>If the life insured was not engaged in any business, profession or occupation at the time of the injury or sickness causing disablement then the Total and Permanent Disablement (Home Duties) definition will apply.</p>	<p>(b) the life insured, where engaged in any business, profession or occupation, whether as an employee or otherwise, or where unemployed or on leave without pay for less than six months immediately prior to the injury or sickness causing disablement:</p> <ul style="list-style-type: none"> has been absent from employment solely as a result of injury or sickness for an uninterrupted period of at least six consecutive months; 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 unlikely ever to engage in his or her own occupation. <p>If the life insured was not engaged in any business, profession or occupation or was on leave without pay in the six months immediately prior to the injury or sickness causing disablement then the Total and Permanent Disablement (Any Occupation) definition will apply.</p>
Enhancement	<p>Total and Permanent Disablement (Own Occupation) – Definition / ‘Occupations of a specialised nature e.g. barrister, surgeon, etc are no longer assessed on a broader definition of their occupation. A life insured is now assessed on their actual occupation.</p> <p>If not engaged in an occupation at the time of the injury or sickness causing the TPD but was engaged in an occupation within the prior six months, the ‘any occupation’ definition will apply.</p> <p>If not engaged in an occupation in the six months prior to the date of the injury or sickness causing the TPD, then the ‘any occupation’ definition will apply.</p>	

Feature/Benefit/Description	Previous key features and benefits that applied to policies prior to 1 June 2006	Enhanced key features and benefits to apply effective from 1 June 2006
<p>Total and Permanent Disablement (Any Occupation)</p>	<p>(b) the life insured, where engaged in any business, profession or occupation, whether as an employee or otherwise:</p> <ul style="list-style-type: none"> – has been absent from employment solely as a result of injury or sickness for an uninterrupted period of at least six consecutive months; 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 incapacitated to such an extent as to render him or her unlikely ever to engage in any business, profession or occupation for which he or she is reasonably suited by education, training or experience. <p>If the life insured was not engaged in any business, profession or occupation at the time of the injury or sickness causing disablement then the Total and Permanent Disablement (Home Duties) definition will apply.</p>	<p>(b) the life insured, where engaged in any business, profession or occupation, whether as an employee or otherwise, or where unemployed or on leave without pay for less than six months immediately prior to the injury or sickness causing disablement:</p> <ul style="list-style-type: none"> – has been absent from employment solely as a result of injury or sickness for an uninterrupted period of at least six consecutive months; 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 unlikely ever to engage in any business, profession or occupation for which he or she is reasonably suited by education, training or experience. <p>If the life insured was not engaged in any business, profession or occupation or was on leave without pay in the six months immediately prior to the time of the injury or sickness causing disablement, then the payment of any claim will be assessed against the Total and Permanent Disablement (Any Occupation) definition.</p>
<p>Enhancement</p>	<p>Total and Permanent Disablement (Any Occupation) – Definition / If not engaged in an occupation at the time of the injury or sickness causing the TPD but was engaged in an occupation within the prior six months, the 'any occupation' definition will apply.</p> <p>If not engaged in an occupation prior to the date of the injury or sickness causing the TPD, then the 'any occupation' definition will continue to apply.</p>	

Feature/Benefit/ Description	Previous key features and benefits that applied to policies prior to 1 June 2006	Enhanced key features and benefits to apply effective from 1 June 2006
Crisis Recovery benefit & Crisis Recovery Stand Alone benefit		
Cancer definition	<p>Means the presence of one or more malignant tumours including Hodgkin's disease, leukaemia and other malignant bone marrow disorders, and characterised by the uncontrolled growth and spread of malignant cells and the invasion and destruction of normal tissue, but does not include the following:</p> <ul style="list-style-type: none"> • Tumours which are histologically described as pre-malignant or showing the changes of 'carcinoma in situ'; <ul style="list-style-type: none"> – 'carcinoma in situ of the breast' is not excluded if the entire breast is removed specifically to arrest the spread of malignancy, and this procedure is the appropriate and necessary treatment as confirmed by an appropriate specialist acceptable to us. • Melanomas of less than 1.5mm thickness as determined by histological examination and which are also less than Clark Level II depth of invasion, without ulceration; • All hyperkeratoses or basal cell carcinomas of the skin; • All squamous cell carcinomas of the skin, unless there has been spread to other organs; • prostatic cancers which are histologically described as TNM classifications T1 or are of another equivalent or lesser classification • T1 N0 M0 papillary carcinoma of the thyroid less than 1cm in diameter; • chronic lymphocytic leukaemia Binet stages A or B or Rai stages 0,I and II • Polycythemia Rubra Vera requiring treatment by venesection alone, and • Tumours treated by endoscopic procedures alone. 	<p>Means the presence of one or more malignant tumours including Hodgkin's disease, leukaemia and other malignant bone marrow disorders, and characterised by the uncontrolled growth and spread of malignant cells and the invasion and destruction of normal tissue, but does not include the following:</p> <ul style="list-style-type: none"> • Tumours which are histologically described as pre-malignant or showing the changes of 'carcinoma in situ'; <ul style="list-style-type: none"> – 'carcinoma in situ of the breast' is not excluded if the entire breast is removed specifically to arrest the spread of malignancy, and this procedure is the appropriate and necessary treatment as confirmed by an appropriate specialist acceptable to us. • Melanomas of less than 1.5mm thickness as determined by histological examination and which are also less than Clark Level II depth of invasion, without ulceration; • All hyperkeratoses or basal cell carcinomas of the skin; • All squamous cell carcinomas of the skin, unless there has been spread to other organs; • T1 N0 M0 papillary carcinoma of the thyroid less than 1cm in diameter; • Polycythemia Rubra Vera requiring treatment by venesection alone, and • Tumours treated by endoscopic procedures alone.
Enhancement	Definition of 'Cancer' / Previous exclusions relating to prostatic cancers and chronic lymphocytic leukaemia have been removed.	
Coronary Artery Angioplasty definition	<p>Means the actual undergoing of the first time of either:</p> <ul style="list-style-type: none"> • balloon angioplasty; • insertion of a stent; • atherectomy; or • laser therapy <p>to correct a narrowing or blockage of three or more coronary arteries within the same procedure. Angiographic evidence, indicating at least 50% obstruction of three or more coronary arteries is required to confirm the need for this procedure.</p> <p>The procedure must be considered necessary by a cardiologist to correct or treat coronary artery disease.</p>	<p>Means the actual undergoing of the first time of either:</p> <ul style="list-style-type: none"> • balloon angioplasty; • insertion of a stent; • atherectomy; or • laser therapy <p>to correct a narrowing or blockage of three or more coronary arteries within the same procedure. Angiographic evidence, indicating obstruction of three or more coronary arteries is required to confirm to the need for this procedure.</p> <p>The procedure must be considered necessary by a cardiologist to correct or treat coronary artery disease.</p>
Enhancement	Definition of 'Coronary Artery Angioplasty' / Removed the ceiling of \$100,000 on payments for 3 or more arteries. Also removed the requirement for the obstruction to be at least 50%.	

Feature/Benefit/Description	Previous key features and benefits that applied to policies prior to 1 June 2006	Enhanced key features and benefits to apply effective from 1 June 2006
Coronary Artery By-Pass Surgery definition	Means the actual undergoing of by-pass surgery (including saphenous vein or internal mammary graft(s) for the treatment of coronary artery disease. The operation must be open chest, for the treatment of one or more coronary arteries and angioplasty contra-indicated and must be considered necessary by a consultant cardiologist.	Means the actual undergoing of by-pass surgery (including saphenous vein or internal mammary graft(s) for the treatment of coronary artery disease. The operation must be for the treatment of one or more coronary arteries and angioplasty contra-indicated and must be considered necessary by a consultant cardiologist.
Enhancement	Definition of 'Coronary Artery By-Pass Surgery' / Removed the requirement that the surgery must be open-chest.	

Money-back Term benefit

	<p>This benefit provides:</p> <ul style="list-style-type: none"> complimentary interim accidental death cover up to \$500,000 <p>Exclusions – Events for Which The Life Insured Is Not Covered</p> <p>Suicide of the life insured within 13 months from the commencement date or date of last reinstatement of the policy.</p>	<p>This benefit provides:</p> <ul style="list-style-type: none"> complimentary interim accidental death cover up to \$1,000,000 <p>Exclusions – Events for Which The Life Insured Is Not Covered</p> <p>Suicide of the life insured within 13 months from the commencement date or date of last reinstatement of the policy.</p> <p>(Subject to terms, this exclusion will be waived in respect of any death cover under the policy provided the policy is replacing death cover from a previous insurer and the full suicide exclusion period under the in force policy to be replaced has elapsed.)</p>
Enhancement	<p>Complimentary Interim Accidental Death Cover / Maximum benefit increased to \$1,000,000 (from \$500,000).</p> <p>Suicide exclusion / Waived where policy is a replacement policy.</p>	

Disability Income Plan

Total Disablement (Disability Income)	<p>Means that, due to injury or sickness, the life insured:</p> <ul style="list-style-type: none"> is unable to perform one of the important duties of his or her occupation that he or she must be able to perform to earn income; and is following the advice of a medical practitioner; and is not working (whether paid or unpaid). <p>An important duty is one which involves 20% or more of the life insured's overall occupational tasks essential to producing the life insured's income.</p>	<p>Means that, due to injury or sickness, the life insured:</p> <ul style="list-style-type: none"> is unable to perform one or more of his or her occupation that is important or essential in producing income; and is following the advice of a medical practitioner; and is not working (whether paid or unpaid).
Enhancement	Definition of 'Total Disablement (Disability Income)' / Removed definition of 'important duty'.	

Feature/Benefit/ Description	Previous key features and benefits that applied to policies prior to 1 June 2006	Enhanced key features and benefits to apply effective from 1 June 2006
Waiting Period definition	Is the period that must expire after the life insured becomes disabled before payment of the monthly benefit commences.	<p>Is stated on the policy schedule and means the number of days at the beginning of a period of Total Disablement, in respect of which no Total or Partial Disablement benefit is payable.</p> <p>The Waiting Period begins on the earlier to occur of the date:</p> <ul style="list-style-type: none"> the life insured first consults a medical practitioner about the condition that is causing the disablement; and the life insured first ceases work due to the condition that is causing the disablement as long as it is not more than seven days before the life insured first consults a medical practitioner about the condition and provides reasonable medical evidence about when the disablement began. <p>If during the Waiting Period the life insured returns to work for</p> <ul style="list-style-type: none"> 5 consecutive days or a shorter period for Waiting Period of 14 or 30 days, or 10 consecutive days or a shorter period for Waiting Period of 60, 90 days, 1 year or 2 years, then the Waiting Period will not recommence but will be extended by the number of days worked. <p>If the life insured returns to work for a longer period, the Waiting Period will restart from the day after the last day worked, provided a medical practitioner confirms that the life insured is totally disabled.</p>
Enhancement	Definition of 'Waiting Period' / Number of days life insured can return to work for during the Waiting Period before the Waiting Period starts again improved to 5/10 consecutive days.	
Pre-Disablement Income (Agreed Value) Definition	<p>Is the greater of the:</p> <ul style="list-style-type: none"> life insured's average monthly income for the latest financial year preceding the commencement date of the plan; and the life insured's highest average monthly income for any of the latest 3 financial years preceding the commencement of disablement. <p>During disablement the Pre-Disablement Income amount will be increased every 12 months, following the date of disablement, by 3% or the CPI increase (whichever is the greater).</p>	<p>Is the life insured's highest average monthly income for any financial year since the date two years before the commencement date of the Disability Income benefit up until the commencement of disablement.</p> <p>During disablement the Pre-Disablement (Agreed Value) amount will be increased every 12 months, following the date of disablement, 3% or the CPI Increase (whichever is the greater).</p>
Enhancement	Definition of 'Pre-Disablement Income (Agreed Value)' / Improved to now being based on highest average monthly income in a financial year going back to two years before the start date of the plan.	

Feature/Benefit/ Description	Previous key features and benefits that applied to policies prior to 1 June 2006	Enhanced key features and benefits to apply effective from 1 June 2006
Disability Income Plan PLUS Optional benefit		
Specified Injury benefit	'Fracture' for the purposes of this benefit means any bone fracture requiring the application of a plaster cast or an immobilising device within 48 hours of the injury. The Specified Injury benefit will be paid instead of any Total or Partial Disablement benefit or the Bed Confinement benefit under the plan.	'Fracture' for the purposes of this benefit means any bone fracture requiring the application of a plaster cast or an immobilising device. The Specified Injury benefit will be paid instead of any Total or Partial Disablement benefit or the Bed Confinement benefit or Day 1 Accident benefit under the plan.
Enhancement	Specified Injury benefit / Removed 'within 48 hours of the injury' from the definition of 'Fracture'. Also, clarified the wording relating to the list of benefits that won't be paid when a Specified Injury benefit is being paid. Day 1 Accident benefit is added to the list.	
Accommodation benefit	We will pay \$150 a day, for up to 30 days in any 12 month period, for each day the immediate family member has to stay away from home.	We will pay \$250 a day, for up to 30 days in any 12 month period, for each day the immediate family member has to stay away from home.
Enhancement	Accommodation benefit / Maximum daily benefit increased to \$250 (from \$150).	
Crisis Recovery benefit	Refer to Crisis Recovery benefit & Crisis Recovery Stand Alone benefit for full definitions.	
Enhancement	Crisis Recovery benefit / Improved definitions for the following crisis events: <ul style="list-style-type: none"> • Cancer • Coronary Artery Angioplasty • Coronary Artery By-Pass Surgery 	
Home Expenses benefit		
Waiting Period (Home Expenses) definition added	<i>Not available</i>	'WAITING PERIOD (HOME EXPENSES)' Is stated on the policy schedule (30 days) and means the number of days at the beginning of a period of Total Disablement, in respect of which no Total Disablement benefit is payable. The Waiting Period (Home Expenses) begins on the earlier to occur of the date: <ul style="list-style-type: none"> • the insured spouse first consults a medical practitioner about the condition that is causing the disablement; and • the insured spouse first becomes unable to perform normal domestic duties due to the condition that is causing the disablement as long as it is not more than seven days before the insured spouse first consults a medical practitioner about the condition and provides reasonable medical evidence about when the disablement began. If during the Waiting Period (Home Expenses) the insured spouse returns to normal domestic duties for five consecutive days or a shorter period, then the Waiting period (Home Expenses) will not recommence but will be extended by the number of days of normal domestic duties performed. If the insured spouse returns to normal domestic duties for a longer period, the Waiting Period (Home Expenses) will restart from the day after the last day on which the insured spouse performed normal domestic duties, provided a medical practitioner confirms that the insured spouse is totally disabled.
Enhancement	Definition of 'Waiting Period (Home Expenses)' / Added to remove confusion with the 'Waiting Period' applicable to Disability Income and Business Expenses Insurance benefits.	

Feature/Benefit/ Description	Previous key features and benefits that applied to policies prior to 1 June 2006	Enhanced key features and benefits to apply effective from 1 June 2006
Business Expenses Insurance benefit		
Definition of 'Total Disablement (Business Expenses)'	<p>Means that, due to injury or sickness, the life insured:</p> <ul style="list-style-type: none"> • is unable to perform one of the important duties of his or her occupation that he or she must be able to perform to earn income; and • is following the advice of a medical practitioner; and • is not working (whether paid or unpaid). <p>An important duty is one which involves 20% or more of the life insured's overall occupational tasks essential to producing the life insured's income.</p>	<p>Means that, due to injury or sickness, the life insured:</p> <ul style="list-style-type: none"> • is unable to perform one or more duties of his or her occupation, that is important or essential in producing income; and • is following the advice of a medical practitioner; and • is not working (whether paid or unpaid). <p>The life insured is 'Totally Disabled (Business Expenses)' if the life insured satisfies the definition of the Total Disablement (Business Expenses).</p>
Enhancement	Definition of 'Total Disablement (Business Expenses)' / Removed definition of 'important duty'.	

This is a summary only. Full terms and conditions are outlined in the Priority Protection Policy Document dated 1 June 2006. For more information about AIA Australia's Priority Protection product range or for a paper copy of the Policy Enhancement Summary, which will be provided free of charge, please contact AIA Australia on Freecall 1800 333 613.