

# Policy conditions

## BENEFITS OF OUR LOAN PROTECTION PLAN

### Death Benefit

We pay a Death Benefit if you die.

The amount we pay can change over the term of your cover as a result of automatic increases, payment of a Living Benefit or your requests for changes to your benefit amounts. We pay the amount that applies on the date of your death.

When your cover starts, your Death Benefit may be calculated on the amount of your loan, rounded up to the nearest \$10,000. The maximum amount of cover is \$750,000 and the minimum is \$50,000.

If you apply to increase an existing loan, your Death Benefit may be calculated on your new full loan amount, not just the increase.

If you're insuring two people, you don't have to both be insured for the same amount.

Once we've paid your Death Benefit, your cover automatically ends.

#### EXAMPLE

You take out a home loan for \$600,000 and request a Death Benefit of \$600,000 when you apply for cover. Two years later you borrow an extra \$250,000 to renovate your home and you ask us to take account of this increase under your cover. Your new Death Benefit now goes up to the maximum \$750,000. Your premiums will increase too.

### Terminal Illness Benefit

We pay a Terminal Illness Benefit if you suffer a **terminal illness**.

Your Terminal Illness Benefit is the same amount as your Death Benefit, but we pay it before you die. The amount we pay is the same as the Death Benefit that applies on the date **terminal illness** is diagnosed, not the date we're told about the illness.

If you die before we pay the Terminal Illness Benefit, we'll pay a Death Benefit instead.

Once your Terminal Illness Benefit is paid, your cover automatically ends.

#### EXAMPLE

You're insured for a Death Benefit of \$600,000 and are diagnosed with stage 4 **cancer** that reduces your life expectancy to six months. We pay you the full amount as a lump sum Terminal Illness Benefit so that you can spend it as you wish, even if you outlive your life expectancy. Your cover now ends and no Death Benefit will be payable if you die.

### Living Benefit

We pay a Living Benefit if you suffer:

- **Alzheimer's Disease (dementia);**
- **cancer\*;**
- **coronary artery bypass surgery\*;**
- **heart attack\*;**
- **kidney failure;**
- **loss of independent existence;**
- **paralysis;**
- **severe burn;**
- **stroke\*;**

- **total loss of hearing; or**
- **total loss of sight.**

\*You'll need to wait three months from the start of the policy before you're eligible to claim a Living Benefit for these conditions. For full definitions of these conditions, see the 'Glossary' (page 22).

The amount we pay can change over the term of your cover as a result of automatic increases or your requests for changes to your benefit amounts. We pay the amount that applies on the date the condition is suffered (not the date we're told about the condition). The time you are deemed to suffer the condition is the date of initial diagnosis, or of the medical trauma (as appropriate).

As a guide, at the start of the policy your Living Benefit is equal to 30% of your Death Benefit unless you ask us to amend it. It can't ever be more than 50% of your Death Benefit.

We only pay one Living Benefit for each **insured person**. Once the Living Benefit is paid, we reduce your Death and Terminal Illness Benefits by the same amount. This means your premiums will also go down.

#### EXAMPLE

You're insured for a Death Benefit of \$600,000 and have a Living Benefit of 30%. Eleven months later you suffer a **heart attack**. We pay you \$180,000. Your Death Benefit is now reduced by the same amount and becomes \$420,000.

### Involuntary Unemployment Benefit

We pay an Involuntary Unemployment Benefit if you become **involuntarily unemployed** in the first five years of your cover. The Involuntary Unemployment Benefit is not payable during the first 30 days of the **involuntary unemployment**. Benefits accrue from the end of this waiting period and are payable monthly in arrears.

The Involuntary Unemployment Benefit is 1% of the Death Benefit that applied when you became **involuntarily unemployed**. We pay up to a maximum of \$2,500 a month for up to three months. Where the Involuntary Unemployment Benefit is payable for less than one whole month, we will calculate each day's benefit as 1/30th of the monthly benefit for each day you remain **involuntarily unemployed**.

If you don't use the full three months of cover, the balance of the three months cover will still be available to you if you go through a second period of **involuntary unemployment** which commences within five years of your cover **start date**.

We continue to pay your Involuntary Unemployment Benefit after the end of the fifth year if your **involuntary unemployment** began before the end of the fifth year and we have paid less than three months benefits.

If we pay you an Involuntary Unemployment Benefit, this won't affect your other benefits.

#### EXAMPLE

Your Death Benefit is \$600,000. Six months after taking out cover you lose your full-time job and become **involuntarily unemployed**. You immediately start looking for a new job and commence in new employment four months later. You submit a claim for an Involuntary Unemployment Benefit. We pay three months of benefits at \$2,500 a month, a total of \$7,500.

### Accidental Injury Benefit option

The Accidental Injury Benefit is not automatically included in your cover. You'll need to ask us to include it as part of your package within 90 days of your policy **start date**.

We pay an Accidental Injury Benefit if you suffer a **disabling injury** and remain continuously **disabled**