

Ezicover PDS additional information

Updated information on external industry dispute resolution (EDR) scheme

What is changing?

From the 1st of November 2018 the Australian Financial Complaints Authority (AFCA) will replace the Financial Ombudsman Service (FOS) as the new external dispute resolution (EDR) scheme to deal with complaints from consumers in the financial system.

Please take note of the below dates and points of contact should you have a complaint about your policy.

Prior to 1st November 2018

If you are not satisfied with our response to your complaint or we haven't resolved the complaint within 45 days (or any extended period you approve) you can raise the matter with the Financial Ombudsman Service (FOS):

Financial Ombudsman Service Limited

GPO Box 3
Melbourne VIC 3001

The telephone number is 1800 367 287, or email info@fos.org.au.

After 1st November 2018

If you are not satisfied with our response to your complaint or we haven't resolved the complaint within 45 days (or any extended period you approve) you can raise the matter with:

The Australian Financial Complaints Authority (AFCA)

GPO Box 3
Melbourne VIC 3001

The telephone number is 1800 931 678, or email info@afca.org.au
More information can be found on the AFCA website www.afca.org.au

Thank you for choosing Zurich to assist you with your insurance needs. If you require any further information, please don't hesitate to contact us on 131 551.

Yours sincerely,



Sasho Briskoski
Head of Customer Service Operations
Zurich Australia Limited

American Express Ezicover® Income Protection



Issued by Zurich Australia Limited

Product Disclosure Statement

28 February 2018



LIFE INSURANCE

Ezicover Income Protection is an insurance product that can provide a monthly benefit for up to 5 years if you are unable to work due to sickness or injury

About this PDS

This Product Disclosure Statement (PDS) is an important document and is designed to help you decide whether to buy Ezicover Income Protection insurance. This PDS will help you to:

- decide whether Ezicover Income Protection will meet your needs; and
- compare Ezicover Income Protection with similar products you may be considering.

Information contained in this PDS is general information only. It does not take into account your individual objectives, financial situation or particular needs. You should consider the appropriateness of this insurance to your objectives, financial situation and needs. You may wish to consider seeking professional financial advice, or compare the product with products offered by other insurers.

If an organisation has referred this product to you (Referrer), it is acting only as a referrer for the issuer, Zurich Australia Limited, and as such does not provide advice or recommendations concerning the product or its suitability for you.

Definitions

Throughout this document, 'Zurich', 'us', 'our' and 'we' means Zurich Australia Limited; 'American Express' means American Express Australia Limited and 'you' or 'your' means the policy owner who is also the *life insured*. All terms appearing in *italics* are defined terms with special meanings. Defined terms are found on page 9.

Important notice

The primary purpose of the Ezicover Income Protection policy is to pay a *monthly benefit* should you meet the *disability* definition of the *cover type*. It is not a savings plan. If you terminate your policy at any time other than during the cooling off period you will not get any money back.

Contact us



1800 237 300 (to apply)
1800 025 015 (customer service)



amexlife@zurich.com.au



PO Box 1399
North Sydney NSW 2059



americanexpress.com.au

Protecting your income...

For most of us the lifestyle we enjoy is thanks to our ability to work and earn an income, so what would happen if you got sick or injured and couldn't work? That's where Ezicover Income Protection can assist, by helping you maintain your lifestyle while you concentrate on your recovery.

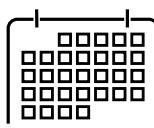
Ezicover Income Protection can pay you a *monthly benefit* if due to *injury* and / or *sickness* you are *disabled* and *unable to work*. You can choose to use the monthly payments however you wish, it is there for you and your family to cover everyday expenses, bills and commitments while you are recovering.

Two cover types:

- Sickness & Injury cover OR
- Injury Only cover

If you have a medical condition or history that prevents you getting Sickness & Injury cover, Injury Only cover may be available.

Why choose Ezicover Income Protection?



COVER FOR MORE PEOPLE

- Monthly payments of up to 75% of *pre-disability income*, up to \$12,000 per month (for both Sickness & Injury and Injury Only cover)
- Specific terms of cover available for people with health restrictions (Injury Only cover)

EXTRA HELP WHEN NEEDED

- After 90 days continuous cover lump sum payout for *Heart attack, Cancer or Stroke* with no *waiting period* (for Sickness & Injury cover only)
- A single \$500 Return-to-work benefit to help with extra expenses when claim ends
- While we are paying you a *monthly benefit*, we will waive your insurance *premiums*

COVER TO SUIT YOUR BUDGET

- *Premiums* are generally tax deductible and *monthly benefits* are generally tax assessable
- Discount of 5.7% if you choose to pay your *premium* annually
- 5% discount if you also have an Ezicover Life Insurance policy
- First month's premium is waived

FLEXIBLE – COVER THAT MEETS YOUR CHANGING NEEDS

- Inflation protection available if your income regularly increases
- Once your Policy has been in place for 12 continuous months, if you ever need a little help, you can keep your cover going by reducing your sum insured with the Reducing income feature, or put your cover on hold with the Premium holiday feature
- Applying is quick and easy
- Online or phone application
- World-wide cover subject to exclusions. For more information, see 'Exclusions - what are you not covered for?' on page 6

Up-to-date information

The information in this PDS is up to date at the date of issue. Certain information in this PDS may change from time to time – this includes but is not limited to possible changes which we have identified in this PDS. Where the change is material or we otherwise indicate to you that we will give notice of such changes, then you will be advised of such changes in writing. Where other changes that are not materially adverse to you occur, we will update such information via Zurich's website, www.zurich.com.au and American Express's website www.americanexpress.com.au. A paper copy of the updated information will be available free of charge upon request if you contact us.

Applying for American Express Ezicover Income Protection

You can apply for Ezicover Income Protection online or by calling us on 1800 237 300. To apply, you must be aged between 19 and 60, be an Australian citizen or holding permanent resident status of Australia, and residing in Australia on a permanent basis.

Ezicover Income Protection has two *cover types*:

- Sickness & Injury
- Injury Only

To apply for Ezicover Income Protection, you need to be permanently employed and working between 20 and 60 hours per week, or are employed in a non-permanent position or are self employed and have been working consistently between 20 and 60 hours per week and with consistent income for at least 2 years.

If the above doesn't sound like you, then, unfortunately, you may not be eligible for Ezicover Income Protection. In which case we recommend you talk with your financial adviser who may be able to help you find suitable cover. If you don't have a financial adviser, you can find one via:

Financial Planning Association of Australia

1300 337 301

fpa@fpa.com.au

If you have selected to apply for Sickness & Injury Income Protection cover but have a medical condition that makes it difficult for us to offer this cover to you, we may be able to offer you Injury Only Income cover at a lower cost.

How does the waiting period work?

You must be *disabled* for the duration of the *waiting period* as shown on your *Policy schedule* before any benefit is payable. We will pay the benefit monthly, with the first payment due to you fifteen (15) days after

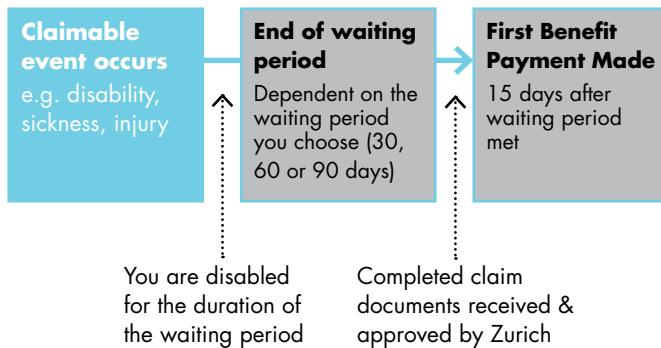
More about American Express Ezicover Income Protection

What does it do?	Pays a <i>monthly benefit</i> while you are <i>disabled</i> and <i>unable to work</i> in any occupation solely due to <i>sickness</i> or <i>injury</i> (or <i>injury only</i>) depending on your <i>cover type</i> :		
	COVER TYPE	COVERED FOR	SICKNESS
	Sickness & Injury		✓
	Injury Only		✗
Who is it for?	<p>You must be aged between 19 and 60, be an Australian citizen or holding permanent resident status of Australia, and reside in Australia on a permanent basis.</p> <p>You are eligible to apply for this cover type if:</p> <ul style="list-style-type: none"> you are employed in a permanent position and are working between 20 and 60 hours per week, or you are employed in a non-permanent position or self employed and have been working between 20 and 60 hours per week and with consistent income for at least the last 2 years. 		
What is the waiting period?	<p><i>Waiting period</i> is the number of days you must be <i>disabled</i> before being eligible for a benefit.</p> <p>You can choose 30, 60 or 90 days as your <i>waiting period</i>.</p> <p>You will not receive any benefit during the <i>waiting period</i>. Your <i>waiting period</i> is shown on your <i>Policy schedule</i>.</p>		
What is the benefit period?	This is the maximum amount of time the <i>monthly benefit</i> is payable. You have a choice of 1, 2 or 5 years.		
How frequently are benefits paid?	Benefit payments, for all valid claims, are made monthly, with the first payment commencing 15 days after the <i>waiting period</i> ends, helping you better manage your expenses. Benefits under this policy are payable to you, the policy owner.		
What cover amounts are available?	Up to 75% of your monthly income with a minimum of \$1,000 and a maximum of \$12,000. Benefits are capped at 75% of your <i>pre-disability income</i> .		
Is proof of income required at application?	No. Your benefit payment will be determined based on your income at the time of claim and in accordance with the criteria set out in <i>pre-disability income</i> on page 9.		
Will benefits be reduced at claim time for income received from other sources?	<p>Yes, your <i>monthly benefit</i> will be reduced by any <i>offsets</i>, being income or benefits received from other sources during the period of your <i>disability</i>.</p> <p>Investment income is not an offset. <i>Offsets</i> are payments received by you from other sources by which we are entitled to reduce your eligible benefit in order to calculate the <i>monthly benefit</i> payable. <i>Offsets</i> are entitlements received from any of the following sources:</p> <ul style="list-style-type: none"> an employer as sick leave or other paid leave; workers' compensation; social security where the payment relates to inability to work; Compulsory Third Party (CTP) or motor accident payments; any other legislation that provides income type payments; other insurance policies providing income benefits; superannuation benefits relating to inability to work; or any other payments related to employment or business controlled by you or an immediate family member, for the same period, in relation to the <i>disability</i>. <p>If any of these payments are made in a lump sum, we will divide the amount by the number of months remaining of your <i>benefit period</i>, to convert the value to a monthly amount. <i>Offsets</i> do not include investment income and policy payments for business expenses or compensation for pain and suffering.</p>		
When are you eligible for a benefit?	<p>If you are <i>disabled</i> (depending on your <i>cover type</i>) and <i>unable to work</i> in any occupation for longer than the <i>waiting period</i>, we will pay the <i>monthly benefit</i> to you for the duration of your <i>disability</i> to the maximum of the <i>benefit period</i> shown on your <i>Policy schedule</i>.</p> <p>In addition, you must be under the regular care of and following the advice of a <i>medical practitioner</i> in relation to your <i>sickness</i> or <i>injury</i> and be <i>disabled</i> for the duration of the <i>waiting period</i>.</p>		
How long will the benefit payments go for?	<p>If you are eligible for a benefit, we will pay you the <i>monthly benefit</i> until one of the following events occur:</p> <ul style="list-style-type: none"> we consider you are able to return to work we consider you are no longer under the regular care of or not following the advice of a <i>medical practitioner</i> for treatment of the <i>sickness</i> or <i>injury</i> the <i>benefit period</i> has ended the policy has ended your death. 		
What are the exclusions?	Refer to page 6 for a full list of exclusions.		

the *waiting period* ends. Any part-payment will be calculated on the basis of one thirtieth (1/30) of the benefit amount for each day that you are entitled to a benefit.

We will only pay one benefit at any one time, regardless of the number of events (*sickness* or *injury*) leading to *disability*.

If you return to work for no more than 5 consecutive days during the *waiting period* but then become *unable to work* again, the *waiting period* will not start again. We will simply extend the *waiting period* by the number of days that you were able to work.



Important features of Ezicover Income Protection

WAIVER OF WAITING PERIOD AND LUMP SUM PAYOUT FOR CANCER, STROKE OR HEART ATTACK

If you have Sickness & Injury cover and you are diagnosed with one of the three common critical illnesses, *Cancer*, *Stroke* or *Heart attack* as defined on pages 8 and 9, we will waive the *waiting period* and provide you with a lump sum in advance, equal to three times the *monthly benefit*. We will also waive the requirement of ongoing claim forms for the period of 3 months so you can focus on your recovery and have one less thing to worry about. After three months, if you are still eligible to claim, the standard claims process will be applicable and you will be paid a *monthly benefit* if you are eligible.

RETURN TO WORK BENEFIT

After a period of being on claim, when you are ready to return to work and stop receiving claim benefit we will make a one-time payment to you of \$500. This payment is intended to help you meet the costs of returning to work such as improvements at work, physiotherapy, purchase of medical equipment, gym membership, etc. This payment will only apply on new claims and not recurring claims.

PREMIUM HOLIDAY

During a period of financial hardship or a change in circumstance, for example, if you take extended leave, you can request a Premium holiday, where you can put your cover and premium on hold. A Premium holiday can be activated for any number of months up to 12 months, starting from the latest unpaid *premium* due date. You are not entitled to any benefit under the policy during this time.

How Premium holiday works:

- You can request a Premium holiday after your policy has been continually in force for at least 12 months
- A Premium holiday can be requested for any number of months, subject to a maximum of 12 months for the duration of the policy
- The Premium holiday will start from the next unpaid *premium* due date

- Extensions and reductions to the Premium holiday period can be made with our approval. We must receive the request 14 days before the earlier of the original or proposed Premium holiday end date
- When the Premium holiday period ends, your cover is reinstated if we receive the requested *premium* within 30 days of the next due date.

No cover is provided under the policy for any insured event which:

- is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) before the Premium holiday start date, unless all elements of the insured event are already fully satisfied before the Premium holiday start date; or
- occurs or is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) at any time during the Premium holiday period.

If the Premium holiday period is reduced, in addition to the conditions above, no cover is provided under the policy for any insured event which occurs or is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) in the first 90 days after the revised Premium holiday end date.

REDUCING INCOME FEATURE

If you experience monetary strain or feel your situation requires a reduction of the existing level of cover, for example while on maternity leave or leave without pay, or a temporary reduction in income, you can elect to reduce your cover level for a period of 3, 6, 9 or 12 months. With this feature, you can temporarily reduce your cover and *premium* payment but continue to remain protected, albeit with your selected lower cover level.

How Reducing income works:

- You can request a Reducing income period after your policy has been continually in force for at least 12 months
- Reducing income feature can only be requested for a 3, 6, 9 or 12 month period, subject to a maximum of 12 months for the duration of the policy
- The Reducing income period will start from the next unpaid *premium* due date
- During the Reducing income period your cover will be reduced to a level nominated by you, to a minimum of \$1000 *monthly sum insured*
- When the Reducing income period ends, your previous level of cover is reinstated if we receive the requested *premium* within 30 days of the next *premium* due date
- We can only vary the *monthly sum insured*. The *benefit period* and *waiting period* will remain unchanged
- Changes to Reducing income period can be made with our approval, subject to a minimum period of 4 months
- If you have varied your Reducing income period, the reduced *monthly sum insured* level of cover will apply to any insured event which occurs or is apparent (through diagnosis, circumstances or symptoms which could lead to a claim) in the first 90 days after a changed Reducing income period end date.

WAIVER OF PREMIUM

While we are paying you a *monthly benefit*, we will waive your insurance *premiums*. This means during any period when the *monthly benefit* is payable, all *premiums* payable will be waived or refunded. Furthermore, if you are eligible for a claim payment, we will refund the *premiums* you have paid during the *waiting period* if we receive your completed claim form within 30 days from the date of *disability*.

INFLATION PROTECTION OPTION

If you are concerned about increases in the cost of living, you can choose to have your benefit increased in line with the official *Consumer Price Index (CPI)* to a maximum of 3% per annum. Selecting this option means your cover is increased every year and your *premiums* will reflect this increase in cover. Inflation protection is not available or applicable while on claim.

It's important to consider whether your income also increases annually, as your income will be verified at claim time. You can select whether you receive annual offers for increases in your cover amount at application stage.

If you have selected the inflation protection option and the indexation increase would mean that your *monthly sum insured* exceeds 75% of your *annual income* you can opt out of inflation protection at anytime to avoid being over-insured.

GUARANTEED TO CONTINUE

If you meet your obligations, including paying your *premium* when due, your policy cannot be cancelled by Zurich.

What is the cost of cover?

PREMIUMS AND CHARGES

The *premium* or cost of your cover will depend upon:

- your *cover type* - Sickness & Injury or Injury Only
- your amount of cover - generally the higher the *monthly benefit*, the higher the *premium*
- your age - *premiums* generally increase each year in line with age
- your gender
- your smoking status - *premiums* are higher for smokers; non-smokers are those who have not smoked tobacco, cigarettes, e-cigarettes, nicotine replacement, or any other substance for the last 12 months
- your occupation - *premiums* are higher for occupations with greater manual duties or higher occupational risk
- your health - *premiums* may have an additional loading for individual health risk
- your pastimes - *premiums* are higher for hazardous pastimes
- the *benefit period* - the longer the *benefit period*, the higher the *premium*
- the *waiting period* - the shorter the *waiting period*, the higher the *premium*
- any stamp duty charged by State governments or taxes levied by State or Federal governments.

PREMIUM RATES ARE NOT GUARANTEED

Premium rates are not guaranteed and can change from time to time. Any change, however, will affect all policies, not just an individual policy. We will notify you of any changes to *premium* rates at least 30 days prior to the change taking effect. The *premium* payable from the start of your policy is shown on your *Policy schedule*, and will not change before the first *policy anniversary*.

Should changes in the law result in changes to or additional taxes or imposts in relation to your policy, these amounts may be added to your policy.

CHOICE OF PAYMENT OPTIONS

Premiums must be paid by the due date to keep your cover in force. *Premium* payment can be made by monthly direct debit (from a bank account or credit card). If you wish to pay annually, as well as direct debit we also accept BPAY. Direct debits may incur an additional fee charged by your financial institution. Any overpayment of *premium* will be retained by Zurich unless it exceeds \$5.

COMMISSION

If this product has been referred to you by a Referrer, they may receive a payment of 20% (plus GST) of each premium paid. We pay these amounts out of your premium payments – they are not additional amounts you have to pay.

Are there any discounts?

MULTIPOLICY DISCOUNT OF 5%

We offer you a Multipolicy discount of 5% on your Ezicover Income Protection policy for an additional Ezicover policy you buy and/or continue to hold along with your Ezicover Income Protection. The other policy may be one of the following: Ezicover Life Insurance, Ezicover MyLife, Ezicover Funeral Advantage or Ezicover Accidental Death.

FIRST MONTH'S PREMIUM IS WAIVED

With Ezicover Income Protection your first month's cover costs are waived, meaning no *premiums* are payable for the period of one month from the start date of your policy.

PREMIUM FREQUENCY DISCOUNT

If you pay the *premium* on your policy as an annual payment, it will reduce the administrative expenses for your policy. This reduction in administrative costs will be passed on to you as a 5.7% discount on your total yearly *premium*.

Taxation

Generally, the *premiums* you pay for your policy can be claimed as a tax deduction by both employees and self-employed people. Every year Zurich will tell you the amount of *premium* you have paid during the previous financial year. Generally any income benefit you receive from your policy while on claim must be included in your tax return and may be taxed at your applicable marginal income tax rate. This information is a guide only and is based on current taxation laws, their continuation and their interpretation. For information about your individual circumstances, contact your tax professional.

When does cover begin and end?

WHEN COVER BEGINS

Your cover begins when we accept your application and issue you a *Policy schedule* and Policy document. This sets out the terms and conditions of your cover. Your *Policy schedule* outlines the start date and the specific details of your particular cover. These are important documents and should be read carefully. Please keep them in a safe place because you will need them to make a claim.

Each year Zurich will send you an annual statement stating your new *premium* amount and, where applicable, an offer to increase your level of cover in line with the increase in the *CPI*.

WHEN DOES YOUR POLICY END?

Your policy ends on the first of any of the following events to occur:

- the *policy anniversary* following your 65th birthday
- the non-payment of any *premium* within 30 days of its due date
- on receipt of your written notification to terminate the policy
- your death.

CHANGING YOUR COVER

You can apply at any time to:

- increase or decrease cover
- change your smoking status from smoker to non-smoker
- change the waiting period
- opt in or out of Inflation protection
- request a Premium holiday or Reducing income feature
- change the benefit period
- reinstate cover after cover has lapsed subject to approval.

You must submit a signed written request if you want to make a change to the policy. In order to consider your request, we may ask for further information. If we agree, we will confirm any changes in writing. Only an authorised member of our staff can agree to change or waive any condition of the policy.

COOLING OFF PERIOD

If after receiving your Policy document you wish to cancel for any reason, you have 30 days to do so. Any *premiums* or charges paid will be fully refunded. To cancel please advise Zurich in writing and return your Policy document and *Policy schedule*.

You cannot cancel the policy and receive a refund if you exercise any rights in relation to your policy (for example, you make a claim) before the 30 day period has elapsed. You also cannot make a claim after cancelling your cover.

Exclusions - what are you not covered for?

We will not pay a benefit or claim if your disablement occurs as a direct or indirect result of:

- an intentional self-inflicted act or attempted suicide
- *uncomplicated pregnancy or childbirth*
- unemployment for reasons other than *sickness* or *injury*
- an act of war, whether declared or not
- your committing, being involved in or attempting to commit a criminal offence or the use of illegal illicit substances
- you being incarcerated or lawfully detained
- elective surgery (including cosmetic surgery) unless you are *disabled* for more than 90 days
- *Cancer, Stroke or Heart attack* in the first 90 days of the start or reinstatement of the policy
- any *sickness* or *injury* which is the direct or indirect result of elective or donor transplant surgery within six months of the start or reinstatement of the policy
- events occurring during travel in countries outside Australia, if the Australian government has advised against travel to that country at the time of starting the trip. Visit www.dfat.gov.au/travel for more information
- any other condition/exclusion agreed with you at time of application, specifically noted on your *Policy schedule*.

Are there any significant risks?

There are certain risks associated with holding an Ezicover Income Protection policy:

- if *premiums* are not paid when due, the policy will lapse meaning your cover ends and you cannot make a claim
- if you do not comply with your duty of disclosure, we may not pay your claim, pay only a portion of your claim or cancel your cover. See the section 'Your duty of disclosure' on page 7
- the level of cover you select is important as it may not be appropriate or sufficient to provide adequate cover for your circumstances. For example if your income changes.

What if you don't pay your premium?

We can cancel your policy if a *premium* remains unpaid for 30 days after it was due. This means you will not be covered and you cannot make a claim.

How do you make a claim?

Please call us to receive a claims form on 1800 025 015.

We understand that if you need to make a claim, you and your family may be going through a difficult time. Every claim is handled promptly and with sensitivity, ensuring all genuine claims are paid as quickly as possible. Our claims process is set out in the diagram below.

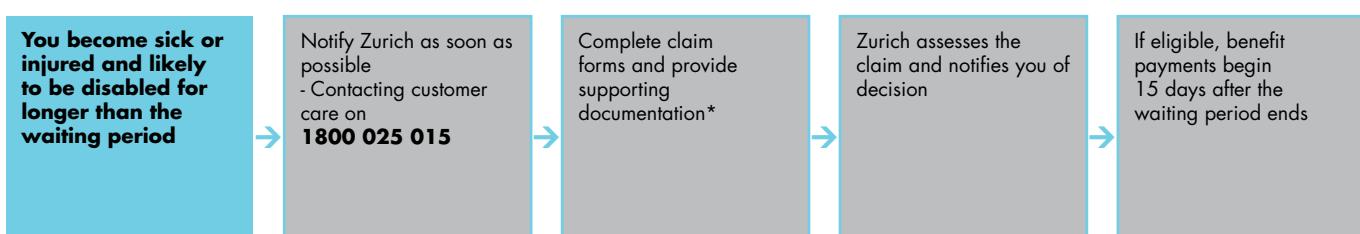
24 HOUR WORLD WIDE COVER

The policy provides you with cover 24 hours a day, seven days a week worldwide, with the exception of countries where the Australian government has advised against travel to that country. If you are claiming while overseas, we will require you to have a medical examination in Australia or in another country by a doctor nominated or reasonably approved by us. The maximum *benefit period* we will pay while you remain overseas is 3 months.

RECURRENT DISABILITY PERIOD

If within twelve months of the end of a claim, you suffer from the same or related *sickness* or *injury* which caused your initial claim, the recurrence will be treated as a continuation of the original claim and we will waive the *waiting period*. Every recurrence for the same or related event (*sickness* or *injury*) will count toward your total *benefit period* entitlement. If already paid, the Waiver of waiting period or Return to work benefit will not be paid again. All benefits cease at the end of the *benefit period*.

Our claims process



*Supporting documentation includes:

- the *Policy schedule*;
- proof of claimable event or condition and when it occurred;
- evidence that any surgical procedure was medically necessary;
- proof of *pre-disability income*;
- supporting evidence from appropriate specialist *medical practitioners*;
- proof of your age.

Examples for your benefit

EXAMPLE 1 - INCLUDING A REGULAR OFFSET PAYMENT

Cover Type	Pre-disability income	Monthly sum insured on Policy schedule	Offsets – Other income received?	Calculation	Payable monthly benefit
Sickness & Injury or Injury Only	\$7,500 per month	\$5,625	Income from other source of \$500 per month	75% of <i>pre-disability income</i> minus any offsets	$(75\% \times \$7,500) - \500 = \$5,625 - \$500 = \$5,125

EXAMPLE 2 - INCLUDING A SUBSEQUENT SIGNIFICANT OFFSET PAYMENT RECEIVED DURING THE BENEFIT PERIOD (5 YEARS / 60 MONTHS)

Cover Type	Monthly benefits paid	Offset Payment Received (at 18 months)	Calculation of Remaining Benefit Period	Calculation of Future Monthly Reduction in Payments	New Payable Monthly Benefit
Sickness & Injury or Injury Only	\$5,125 Received for first 18 months of claim	\$50,000	60 – 18 months = 42 months	\$50,000 / 42 = \$1,190	\$5,125 - \$1,190 = \$3,935

Additional information about Ezicover

RESIDENCY AND COMPLIANCE WITH LAWS

This policy is designed for people who are resident in Australia. If you move to another country outside of Australia you may no longer be eligible to make payments into your policy. The local laws and regulations of the jurisdiction to which you move may affect our ability to continue to service your policy in accordance with its terms and conditions. You need to tell us of any planned change in residency before the change happens.

We and other companies within the worldwide Zurich group of companies have obligations under Australian and foreign laws. Regardless of any other policy terms and conditions, we reserve the right to take any action (or not take any action) which could place us or another company within the group at risk of breaching Australian laws or laws in any other country.

All financial transactions, including acceptance of *premium* payments, claim payments and other reimbursements, are subject to compliance with applicable trade or economic sanctions laws and regulations. We reserve the right not to provide any service or benefit under this policy to you or any other party if we determine this places us at risk of violating applicable trade or economic sanctions laws or regulations. We may terminate the policy if we consider you or any person entitled to receive benefits under the policy as sanctioned persons, or you conduct an activity which is sanctioned, according to trade or economic sanctions laws and regulations.

IF YOU HAVE A COMPLAINT ABOUT YOUR POLICY

Please contact us. We acknowledge all complaints within 5 days and we aim to resolve your complaint within 45 days (or up to 90 days if you agree). If you are not satisfied with our response or we haven't resolved the complaint within 45 days (or any extended period you approve) you can raise the matter with the Financial Ombudsman Service Limited, GPO Box 3, Melbourne, VIC 3001. The telephone number is 1800 367 287, or email info@fos.org.au.

YOUR DUTY OF DISCLOSURE

Before you enter into a life insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you extend, vary or reinstate the contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If the insurance is for the life of another person and that person does not tell us everything he or she should have, this may be treated as a failure by you to tell us something that you must tell us.

IF YOU DO NOT TELL US SOMETHING

In exercising the following rights, we may consider whether different types of cover can constitute separate contracts of life insurance. If they do, we may apply the following rights separately to each type of cover.

If you do not tell us anything you are required to, and we would not have insured you if you had told us, we may void the contract within 3 years of entering into it.

If we choose not to void the contract, we may, at any time, reduce the amount you have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have.

If we choose not to void the contract or reduce the amount you have been insured for, we may, at any time vary the contract in a way that places us in the same position we would have been in if you had told us everything you should have.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

YOUR PRIVACY

Zurich collects your personal information (including sensitive information) to assess your application, administer your policy and enhance customer service or products ('purposes'). If you do not provide all information requested, we may not be able to issue or administer your policy. We may disclose your information, where relevant for the purposes, to affiliates of the Zurich Insurance Group Ltd, other insurers and reinsurers, our service providers, our business alliance partners or as required by law within Australia or overseas. These laws include the Australian Securities and Investment Commissions Act 2001, Corporations Act 2001, Insurance Contracts Act 1984, Life Insurance Act 1995, Anti Money Laundering and Counter Terrorism Financing Act 2006 and Income Tax Assessment Act 1997, as those acts are amended and any associated regulations. From time to time other acts may require, or authorise us to collect your personal information.

We may collect information about you from third parties to assess a claim. We may use personal information (but not sensitive information) collected about you to notify you of other products and services we offer. If you do not want your personal information to be used in this way, please contact us. For further information on the service providers and business partners that we may disclose your information to, a list of countries in which recipients of your information are likely to be located, details of how you can access or correct the information we hold about you or make a complaint, please refer to the Zurich Privacy Policy, available at www.zurich.com.au or contact us on 132 687.

DIRECT DEBIT REQUEST SERVICE AGREEMENT

The Account Holder (ie. you or the person whose account is used to pay the *premiums*) needs to agree to the Direct Debit Request Service Agreement which sets out the terms and conditions on which the Account Holder has authorised Zurich to debit money from their account, and the obligations of Zurich and the Account Holder under this Agreement. This information will be forwarded with your Policy document, and can also be found at www.zurich.com.au.

Defined terms

annual income means income calculated:

- after the deduction of expenses incurred in producing that income and
- before the deduction of tax.

It is based on total remuneration from personal exertion and includes salary, wages, director's fees, allowances, packaged fringe benefits, regular commissions, regular bonuses, regular overtime payments and pre-tax superannuation contributions.

If the life insured is a business owner or self-employed, income also includes the life insured's share of net income of the business, based on his/her ownership of and/or role in the business (calculated after the deduction of expenses incurred in producing that income but before the deduction of tax).

Income does not include investment income, such as rental income from third parties and interest.

Please note that the result of this calculation for a business owner is likely to be different to what the life insured received from the business in the form of dividends, distributions and/or drawings.

any occupation means any occupation you are suited to by reason of your education, training or experience.

benefit period is the maximum total length of time that we will pay a *monthly benefit* when the *life insured* suffers from:

- the same or related *sickness* or *injury* during the life of the policy; or
- any *mental health disorder* during the life of the policy (even when there is more than one claim for a *mental health disorder* and the conditions are not the same or related to each other).

The *benefit period* is shown on your *Policy schedule*.

Cancer means the presence of a malignant tumour, including leukaemia, malignant lymphoma and other haemopoietic malignancies.

The tumour must be confirmed by histological examination and:

- the *life insured* must require major interventionist therapy including surgery, radiotherapy, chemotherapy, biological response modifiers or any other major treatment; or
- the tumour must be sufficiently advanced such that major interventionist therapy is no longer recommended.

The following cancers are specifically excluded from this definition:

- chronic lymphocytic leukaemia less than RAI Stage 1;
- all cancers described as carcinoma *in situ*. Carcinoma *in situ* of the breast is covered only if it requires:
- the removal of the entire breast; or

- breast conserving surgery and radiotherapy; or
- breast conserving surgery and chemotherapy (chemotherapy means the use of drugs specifically designed to kill or destroy cancer cells).

Carcinoma *in situ* of the breast treated by breast conserving surgery and other forms of adjuvant systemic therapy, including endocrine manipulation therapy, hormonal manipulation therapy or non-endocrine adjuvant therapy, is not covered;

- skin cancers unless:
- they have metastasised to other organs; or
- the tumour is a malignant melanoma of Clark Level 3 and above; or
- the tumour is a malignant melanoma with invasion greater than 1mm thickness; or
- the tumour is a malignant melanoma where melanoma is showing signs of ulceration as determined by histological examination;
- prostate cancers diagnosed as T1 with a Gleason score of 5 or less, unless major interventionist therapy is performed.

Consumer Price Index or CPI means the Consumer Price Index for "Weighted Average of Eight Capital Cities Index" as published by the Australian Bureau of Statistics (or, if that index ceases to be published or is substantially amended, such other appropriate index we will select), published for the quarter ending immediately prior to 3 months before the *policy anniversary*, over that published for the quarter ending immediately prior to 15 months before that *policy anniversary*.

cover type, cover types means either Sickness & Injury cover or Injury Only cover, as shown on the *Policy schedule*.

disabled, disability or disablement means that:

- if you have Sickness & Injury cover, as shown on your *Policy schedule*, you are solely due to *sickness* or *injury* occurring after policy commencement, *unable to work*; or
- if you have Injury Only cover, as shown on your *Policy schedule*, you are solely due to an *injury* occurring after policy commencement, *unable to work*.

Heart attack means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The diagnosis must be supported by diagnostic rise and/or fall of cardiac biomarkers with at least one value above the 99th percentile of the upper reference limit and at least one of the following:

- signs and symptoms of ischaemia consistent with myocardial infarction; or
- ECG changes indicative of new ischaemia (new ST-T changes or new left bundle branch block [LBBB]); or
- development of pathological Q waves in the ECG; or

- imaging evidence of new loss of viable myocardium or new regional wall motion abnormality.

If the above tests are inconclusive or our noted diagnostic techniques are impractical to apply or have been superseded, we will consider other appropriate and medically recognised tests. A rise in biological markers as a result of an elective percutaneous procedure for coronary artery disease is excluded. Also excluded are other acute coronary syndromes including but not limited to angina pectoris.

injury means bodily injury caused by accidental, violent, external and visible means, inflicted after the policy begins and while the policy is in force.

life insured means the person named as the life insured on your *Policy schedule*.

medical practitioner means a medical practitioner legally qualified and registered to practise in Australia or New Zealand or a medical practitioner legally qualified and registered to practise in another country approved by us, but does not include the policy owner, the *life insured* or a relative, business partner or employee of the policy owner or *life insured*. Medical practitioners do not include other paramedical professionals such as chiropractors, physiotherapists or naturopaths.

mental health disorder is any disorder classified in the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association which is current at the start of the period of *disability* (or such replacement or successor publication or if none then such comparable publication as selected by us).

Such mental health disorders include, but are not limited to, stress (including post traumatic stress disorder), physical symptoms of a psychiatric illness, anxiety, depression, chronic fatigue, chronic pain, psychoneurotic, psychotic, personality, emotional or behavioral disorders or disorders related to substance abuse and dependency which includes alcohol, drug and chemical abuse dependency. A *mental health disorder* does not include dementia (except where the dementia is related to any substance abuse or dependency) and Alzheimer's Disease.

monthly benefit is the maximum monthly amount you are eligible to receive under this policy in respect of a *life insured* and is based on your cover type. The *monthly benefit* is equal to the lesser of:

- the monthly sum insured or
- 75% of your *pre-disability income*, reduced by any amount of *offsets* applicable.

monthly sum insured means the amount shown as the monthly sum insured on your *Policy schedule*, and if applicable, increased by the Inflation protection option or reduced by any Reducing income feature selected.



Offsets are payments received by the *life insured* from other sources by which we are entitled to reduce your eligible benefit in order to calculate the *monthly benefit payable*.

"Offsets" are entitlements received from any of the following sources:

- an employer as sick leave or other paid leave;
- workers' compensation;
- social security where the payment relates to inability to work;
- Compulsory Third Party (CTP) or motor accident compensation;
- any other legislation that provides income type payments;
- other insurance policies providing income benefits;
- superannuation benefits relating to inability to work; or
- any other payments related to employment or business controlled by you or the *life insured* or the immediate family of either you or the *life insured*, for the same period, in relation to the *disability*.

If any of these payments are made in a lump sum, we will divide the amount by the number of months remaining of your *benefit period*, to convert the value to a monthly amount. **Offsets** do not include investment income or policy payments for business expenses or compensation for pain and suffering.

policy anniversary means the anniversary of the commencement date of your policy as shown in your *Policy schedule*.

Policy schedule means the document which will be provided to you by us, containing details of the *life insured* under this policy, the *monthly sum insured*, the *cover type*, the *waiting period*, the *benefit period* and other important details about your policy. Your *Policy schedule* will be updated by us as a result of:

- any changes you make to your policy and agreed to by us; and
- any changes made by us in accordance with these policy terms.

pre-disability income means the *life insured*'s average monthly income calculated from the *life insured*'s *annual income* in the financial year in which the *life insured* reported the highest earning from the last two complete financial years immediately prior to the onset of his or her *disability*.

premium means the amount payable for the benefits applicable under this policy, including any increase in benefit, stamp duty and any other government charges, duties or taxes that may be levied from time to time.

sickness is an illness or disease that first manifests itself after the policy begins and while the policy is in force.

Stroke is a cerebrovascular event producing a neurological sequela lasting at least 24 hours.

This requires clear evidence on a Computerised Tomography (CT), Magnetic Resonance Imaging (MRI) or similar scan that a stroke has occurred and of:

- infarction of brain tissue, or
- intracranial or subarachnoid haemorrhage.

Cerebral symptoms due to transient ischaemic attacks, reversible neurological deficit, migraine, cerebral injury resulting from trauma or hypoxia, disturbances of vision or balance due to disease of the eye, optic nerve or the vestibular apparatus of the ear are excluded.

unable to work means in our opinion, and confirmed by a medical practitioner acceptable to us, the *life insured*:

- has stopped working in their *usual occupation* solely as a result of a *sickness* or *injury*; and
- is unable to work in *any occupation* (whether paid or unpaid); and
- is not earning any income from personal exertion; and
- is under the regular care of, and following the advice of, a *medical practitioner*.

uncomplicated pregnancy or childbirth

is a pregnancy, childbirth or termination which does not result in any serious medical complication. It includes participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems, giving birth, miscarrying or having an abortion.

usual occupation means the paid occupation you predominantly performed in the 12 months prior to the *sickness* or *injury*. If you have been on long service, maternity or paternity leave for more than 12 consecutive months immediately prior to the *sickness* or *injury* then your usual occupation is *any occupation*.

waiting period is the number of days you must be *disabled* before being eligible for a benefit. The waiting period is shown on your *Policy schedule*.