



INCOME PROTECTION

Policy Document



AAMI



This product and Policy Document are issued by Suncorp Life & Superannuation Limited
ABN 87 073 979 530 AFSL 229880 under the brand, AAMI.

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1.0 Important information

This policy document, together with the schedule, constitutes your insurance policy and is evidence of your insurance with us. You should read this document in conjunction with the schedule because together they contain important information relating to your policy. Please keep this policy document and the schedule in a safe place. We have issued this policy to you based on the information provided by you, to us on your application for insurance.

AAI Limited ABN 48 005 297 807, AFSL 230859 trading as AAMI does not provide any financial product advice in relation to AAMI Income Protection and does not issue, guarantee or underwrite AAMI Income Protection.

This policy document and the schedule are issued by Suncorp Life & Superannuation Limited ABN 87 073 979 530, AFSL 229 880 (Suncorp).

AAMI Income Protection is not a savings plan. The primary purpose is to provide a monthly benefit under the terms and conditions of the policy in the event of a claimable event.

You are the sole policy owner and insured person listed on the schedule. You are covered for the insured events under your policy 24 hours a day, 365 days a year. If premiums payable under this policy are paid (please refer to Your premium on page 9), your policy will continue until your 65th birthday, unless your policy stops earlier (please refer to When cover starts and stops on page 2).

From time to time we may also make improvements to your policy with no resulting increase to your premium. If we make a change to your policy which, in your opinion was adverse to you, we will, if you make a claim, assess your claim on the terms of the policy in existence before the change took place.

When reading this policy document, please refer to What do we mean by that? on pages 14-18 which shows the meaning of various terms used throughout. For details on how to contact us, please refer to page 12.

2.0 Cooling off period

You have 30 days from the policy commencement date to check that this insurance meets your needs. This is the cooling off period.

If you wish, you can cancel your policy during this cooling off period by notifying us in writing or verbally. If you notify us verbally, you will need to answer certain questions to confirm your identity. Provided you have not made a claim, you will receive a full refund of any money you have paid.

3.0 When cover starts and stops

Your policy will start on the policy commencement date shown on the schedule, subject to us having received correct payment details.

Cover will stop under this policy on the earliest of the following events:

- your 65th birthday;
- you ask us to cancel your policy;
- the date your policy is cancelled due to non-payment of outstanding premiums;
- the date you retire; or
- the date of your death.

We will only consider a claim if the event giving rise to the claim occurred while your policy was in force. We may also cancel this policy on any grounds permitted under relevant law by telling you in writing.

4.0 What we cover

This section outlines the benefits payable under your AAMI Income Protection policy. You are entitled to all the benefits under AAMI Income Protection.

Payment of a benefit is subject to our acceptance of your claim, please refer to Claims on page 10.

4.1 Disability Benefit

The monthly benefit will be payable from the end of the waiting period if, solely due to sickness or injury, you:

- are unable to perform all the important income producing duties of your primary occupation;
- are not working, whether remunerated or not;
- are under the regular care, treatment and following the advice of a registered doctor; and
- continue to be disabled after the waiting period.

You must have been disabled for the entire waiting period and not working in any occupation (whether remunerated or not) during this time. Your policy has a 30 day waiting period before a benefit is payable.

The monthly benefit is only payable after the waiting period ends and is paid monthly in arrears. This means your first benefit payment would be made at least 60 days after the date the waiting period started.

Where the monthly benefit is payable for less than 1 month, payments will be calculated as 1/30th of the monthly benefit for each day you are disabled.

The most we will pay under your AAMI Income Protection policy is the monthly benefit or 75% of your pre-disability income, whichever is less. The maximum amount we will pay across all Income Protection

policies issued by us for the same insured person is 75% of your monthly pre-disability income or \$10,000 per month (plus indexation – please refer to Automatic Indexation Benefit on page 7), whichever is less.

Unless cover ceases earlier (please refer to When cover starts and stops on page 2), ongoing monthly benefit payments will cease when:

- your benefit period ends;
- you are no longer disabled; or
- you die.

There are some circumstances when we will not pay, please see What we do not cover on page 8.

If you are on leave or unemployed at the time of your disability

If you have been unemployed or on annual, long service, maternity, paternity or sabbatical leave for **less than 12 months** at the time of your disability, your pre-disability income will be calculated based on your average monthly income during the 12 consecutive months prior to commencing unemployment, annual, long service, maternity, paternity or sabbatical leave.

If you have been unemployed or on annual, long service, maternity, paternity or sabbatical leave for **more than 12 months** at the time of your disability the monthly benefit will not be payable.

If you are overseas at the time of your disability

If you are overseas at the time of your disability or at any time while you are disabled, your monthly benefit will only be payable for a maximum of 2 months while you are overseas, but will continue when you return to Australia so long as an event has not occurred that ceases payment of your monthly benefit (other than being overseas).

Benefit limitations

Income Protection replaces up to 75% of your monthly income which has ceased because of your disability however, there are some circumstances when the monthly benefit payable to you may be altered or reduced.

The monthly benefit amount payable to you will be recalculated if, in relation to the sickness or injury which caused your disability, you receive other payments by way of:

- other disability, group, sickness or accident insurance cover, including a mortgage replacement policy or through a superannuation fund;
- workers' compensation schemes;
- accident compensation schemes; or
- other statutory insurances payable for loss of income.

If any of the other payments listed above are received in the form of a lump sum in compensation for loss of earnings, we will convert that part of the compensation to income on the basis of 1% of the loss of earnings component and reduce the monthly benefit amount payable to you by that component.

In the event of a claim, the monthly benefit amount payable will be the lesser of:

- 75% of your pre-disability income (reduced by any 'other payments'); and
- the monthly benefit.

Recurring disability

If you suffer from the same or a related sickness or injury within 6 months of your last monthly benefit being payable, and you continue to be disabled, we will consider your disablement as recurring and therefore will recommence claim payments without applying a new waiting period. This means we will continue your monthly benefit payments and we will keep paying you while you remain disabled. Any payment made will be added to the original claim period to ensure the maximum benefit period is not exceeded.

Unless you make a full recovery, no monthly benefit will be payable for the same or a related sickness or injury for which the previous claim was paid in full, i.e. for the entire benefit period.

4.2 Waiver of Premium Benefit

If we are paying you a monthly benefit while you are disabled, we will waive your Income Protection premiums for the proportion of the period while you are on claim.

The waiver does not apply to premiums paid during the waiting period.

Unless cover ceases earlier (please refer to When cover starts and stops on page 2), the Waiver of Premium Benefit will end on the earliest of:

- the end of your benefit period;
- the date you are no longer disabled; or
- the date your policy ends.

4.3 Automatic Indexation Benefit

To help keep your insurance in line with your income, we will automatically increase your monthly benefit each year on your policy anniversary by the greater of the indexation factor or 5%. Unless you decline the increase, we will recalculate your premium to reflect the increase as a result of the indexation factor (and your age) and we will advise you of your new premium prior to your policy anniversary.

The Automatic Indexation Benefit will not apply if you are receiving monthly benefit payments from us under this policy.

Given AAMI Income Protection replaces up to 75% of your lost monthly income, you need to check that the increase to your monthly benefit, after the indexation factor has been applied, does not result in your cover exceeding this maximum.

Refer to Benefit limitations on page 5

You can ask us not to apply the indexation factor to your monthly benefit. If you request this, your monthly benefit will not change.

Unless cover ceases earlier (please refer to When cover starts and stops on page 2), the Automatic Indexation Benefit stops on your 65th birthday.

5.0 What we do not cover

We will not pay the monthly benefit, refund or waive any premium under your policy if the event giving rise to the claim, directly or indirectly, is as a result of:

- your intentional self inflicted act;
- you working in an occupation:
 - at heights above 15 metres;
 - underground in the mining industry;
- you attempting to engage in or engaging in;
 - aviation or aerial pursuit activities other than as a fare paying passenger on a commercial airline on regular scheduled flights;
 - riding on or driving in any self-propelled vehicle engaged in any race, speed or reliability trial on any waterway, racing course, speedway or racing track;
 - mountaineering, abseiling, rock climbing or canyoning;
 - diving to a depth of 45 metres or more, pothole diving, wreck diving or diving in a cave.
- the use of drugs, other than medication prescribed by a registered doctor and taken as directed;
- being under the influence of alcohol, where your blood alcohol content is over the prescribed legal limit for driving;
- any mental disorder or mental illness;
- pregnancy, miscarriage or childbirth, unless disability continues for more than 3 months from the later of the date the pregnancy finishes and the disablement starts (the later date being the date we will consider your disablement to have started); or
- you engaging in any criminal activity.

No benefit will be payable for any period you are incarcerated.

Please also refer to Benefit limitations on page 5

6.0 Your premium

Your premium pays for your cover, government fees and charges and administration costs.

The premium you pay is determined by multiplying your monthly benefit by the applicable premium rate. Your premium is based on the following factors: your age, gender, smoking status, level of monthly benefit, benefit period and occupation class of your primary occupation. The premium stated in the schedule applies during the first 12 months after your policy commencement date.

Your premium rate is guaranteed not to change for 12 months from your policy commencement date. After this period, your premium will generally increase each year with age and increases in the monthly benefit for example, as a result of the Automatic Indexation Benefit (explained on page 7). We will send you a notice prior to each policy anniversary confirming your premium. We can also change the premium rate for all policies of the same kind at any time. In the event we apply an increase to policies of the same kind, we will provide you with at least 30 days' notice and you will be charged the new premium from your next policy anniversary.

Premiums received are paid into our No. 1 Statutory fund. This policy does not participate in any surplus arising in our statutory fund.

6.1 Paying your premium

Your premium is payable from the financial institution account or credit card you nominate. Your premium and the frequency (monthly or annually) you have chosen to pay your premium are detailed on the schedule.

You have up to 14 days (or 30 days if you pay monthly) from the date each premium is due to pay your premium. This period is called the days of grace. If you are entitled to claim within the days of grace, we will pay the benefit if otherwise payable on the terms explained in this policy document, less the amount of any unpaid premium.

If your premium remains unpaid during the days of grace, we will send a notice to you specifying the date we will cancel the policy without any refund of premium. If the premium remains unpaid and your policy is cancelled, we will also provide written notice of cancellation to you at the address last advised to us. We will not be liable for any claims after the date of cancellation.

If we cancel your policy due to non-payment of premiums, you can request that your policy be reinstated by contacting us within 30 days of the policy's cancellation date. In order for us to process your reinstatement, we may ask for information relating to (but not limited to) your health and occupation and all outstanding premiums must be paid by you.

7.0 Claims

If entitled to make a claim, you or your legal personal representative can contact us on 13 22 44 and we will then send a claim pack that needs to be completed and returned to us.

Any monthly benefit payable to you in the event that you are disabled will be payable directly to you, subject to any relevant terms and conditions which may apply.

To make a claim under Income Protection, you are required to notify us as soon as reasonably possible after the date of your disability. The following information will be required:

claim form completed by you and your registered doctor;

evidence of employment in the form of an Employer's Statement (unless you are self-employed where proof of income will indicate evidence of your employment);

certified proof of your identity (birth certificate, driver's licence or passport); and

proof of your income (personal tax return for the 12 months prior to incapacity, group certificate or letter from your employer or other evidence that is satisfactory to us).

You or your legal personal representative will be required to pay for the cost of satisfying these claim requirements, unless we notify you otherwise.

We may ask for information we might reasonably need and obtain medical and other records to ensure that the terms and conditions of the policy as set out in this policy document are satisfied. You must submit, at our expense, to any medical examination conducted by a registered doctor or other health professional appointed by us as we deem necessary.

In the event you are overseas at the time of your disability or at any time while you are disabled, and your claim is accepted, monthly benefit payments under AAMI Income Protection will cease after 2 months (not including the waiting period) while you are overseas, but will continue when you return to Australia so long as an event has not occurred that ceases payment of your monthly benefit (other than being overseas).

Payment of benefits under this policy will be subject to relevant legislative requirements being adhered to and depending upon individual circumstances, additional information may be required by us.

To assess your claim promptly, we need to ensure the information provided to us at the time of application is correct, for example your age and smoking status. If we have received any false information, we may refuse the claim, adjust the premiums paid by you or the monthly benefit payable by us.

We may refuse or reduce the claim if we are disadvantaged by any delay in notifying us of a claim.

All benefit payments are paid in Australian currency and any benefit payments received are assessable for tax purposes. It is your responsibility to ensure the payment of any tax payable on the monthly benefit.

We will only consider a claim if the event giving rise to the claim occurred while your policy was in force.

8.0 How to contact us

8.1 Administration queries and changes

If you have any questions about your policy or you would like to make any changes to your policy, including a change to your address or to your payment type, please contact us (please refer to the back page for contact details). A change to this policy will only apply if we confirm the change in writing. You can apply to increase or decrease your monthly benefit on an existing policy by contacting us.

If you wish to apply for an increase to your existing monthly benefit, the maximum monthly benefit limits will apply (please refer to What we cover on page 3).

During the life of this policy, you cannot assign ownership of this policy to any other person or party.

8.2 Complaints

If you have a complaint about this product or our services, you can contact us (please refer to the back page for contact details).

If you are dissatisfied with our decision or the way we handled your complaint, you can also contact the Financial Ombudsman Service Limited (ABN 67 131 124 448) (FOS). FOS is an external dispute resolution scheme that provides free services to customers, and is a totally independent and impartial body who will deal with your complaint directly, or follow up the matter on your behalf in accordance with its terms of reference.

You can contact FOS by:

- phoning 1300 780 808
(for the cost of a local call*) or
03 9613 7366
- faxing 03 9613 6365
- emailing info@fos.org.au
- writing to Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001
- visiting www.fos.org.au

*A higher charge may apply for public telephones and mobile phones.

9.0 What do we mean by that?

Where any words appear in this policy document, whether the first letter is in upper or lower case, their meanings are listed below.

Where applicable, with respect to the definitions, singular includes the plural and vice versa.

Benefit period means the maximum period of time during which payment will be paid. The benefit period will start on the date immediately after the expiry of the waiting period for the sickness or injury giving rise to your Income Protection claim.

Criminal activity means any crime for which you are convicted where you could receive a custodial sentence, whether or not you do in fact receive a custodial sentence for that crime.

Disabled, Disablement or Disability mean that solely due to sickness or injury you are:

- unable to perform all the important income producing duties of your primary occupation;
- not working whether remunerated or not; and
- under the care, treatment and following the advice of a registered doctor.

Expiry date means the date your policy ends as stated on your policy schedule.

Full recovery means for a continuous period of 6 months, you have returned to work and you have:

- performed all the important income producing duties of your primary occupation;
- not been suffering from the sickness or injury you were previously claiming for;

not required or received advice, care or treatment from a registered doctor for the sickness or injury you were previously claiming for; and

not been receiving Disability Benefit payments.

Important income producing duties means those duties which could reasonably be considered primarily essential to producing your monthly income.

Indexation factor means the percentage change in the consumer price index (CPI) which is the weighted average of the 8 Australian capital cities combined as published by the Australian Bureau of Statistics or any body which succeeds it and in respect of the 12 month period finishing on 30 September.

The indexation factor will be applied from 1 March the following year. If the CPI is not published by this date, the indexation factor will be calculated upon a retail price index which we consider most nearly replaces it.

Injury means physical damage to your body which occurs as a result of violent, external and visible means while this policy is in force.

Insured person means the person who has been accepted by us and is listed on your policy schedule as the insured person under the policy.

Legal personal representative means any person(s) who is authorised by law to administer and distribute your estate or act on your behalf.

Mental disorder or **mental illness** means any fatigue disorder, motivational disorder or mental health disorder as defined in the American Psychiatric Association, Diagnostic and Statistical Manual of Mental Disorder, Volume IV (or as amended). These include but are not limited to depressive disorders, anxiety disorders, adjustment disorders, somatoform disorders, psychotic disorders, bipolar disorders, personality disorders, Attention Deficit Hyperactivity Disorder or any complications thereof.

Monthly benefit means the amount you applied for under the AAMI Income Protection cover and we accept as varied by agreement (for example if you apply for a decrease or through increases under automatic indexation).

In the event of a claim, the amount payable will be the lesser of:

75% of your pre-disability income (reduced by any 'other payments' listed under the heading Benefit limitations on page 5); and

the monthly benefit.

Monthly income means the income earned each month from your primary occupation by your own personal exertion. Monthly income is your total remuneration package including:

salary;

wages;

reportable fringe benefits;

regular commissions;

regular bonuses;

overtime payments; and

superannuation contributions.

If you are a self-employed person who has ownership interest in the business which is operating as a sole trader or under a partnership, company and/or trust structure (including an employee of your own company or trust), the monthly income is your share of the net income before tax of the business (your share of business income less business expenses), directly due to your personal exertion. Business expenses include (but are not limited to) motor vehicle expenses and depreciation.

Monthly income does not include:

income that you will continue to receive from your business, even if you are unable to work, including any ongoing profit generated by other employees of the business;

other unearned income such as dividends, interest, rental income or proceeds from the sale of assets;

income from occupations other than your primary occupation; or

ongoing trailing commission or royalties.

Policy document means the document issued by us which, together with your policy schedule, constitutes the full terms of your Income Protection policy with us.

Policy means your Income Protection cover, which consists of the policy document, schedule and information provided in your application.

Policy anniversary means the anniversary of your policy commencement date.

Policy commencement date means the date as shown on your schedule.

Policy owner means the person listed on the policy schedule as the owner of this policy.

Pre-disability income means your average monthly income during the 12 consecutive months before the start of your disablement from your primary occupation.

Premium means the amount you pay us for the insurance.

Primary occupation means the occupation in which you were predominantly engaged immediately prior to becoming disabled or if you were unemployed at the time of disablement, the occupation in which you were predominantly engaged immediately prior to unemployment.

Registered doctor means a doctor who is legally qualified and properly registered in Australia. The doctor cannot be you or an immediate member of your family (e.g. partner, parents, siblings or children).

If practising outside Australia, the doctor must have qualifications equivalent to Australian standards and approved by us.

A registered doctor could be your general practitioner or treating medical specialist.

Schedule means a document issued by us which shows important information about your policy, including your policy number, premiums, special conditions (if applicable), your policy commencement date and your expiry date.

Sickness means an illness or disease you suffer while this policy is in force.

Waiting period means the period of time that must elapse during which a benefit will not be paid. The waiting period starts on the date you consult a registered doctor for the sickness or injury giving rise to your claim and when you ceased all work due to that sickness or injury.

We, us and **our** means Suncorp Life & Superannuation Limited ABN 87 073 979 530 AFSL 229880.

You and **your** means the policy owner who is also the insured person who has been accepted by us and is shown on the policy schedule.



We're here to help you
24 hours a day
7 days a week

13 22 44

aami.com.au

AAMI Life Customer Service
GPO Box 3950, Sydney, NSW, 2001

AAMI

