

Start-Up Monthly Disability Cover



The following terms and conditions of Start-Up Monthly Disability Cover tell you:

- › the definitions of total disability and partial disability a life assured needs to meet to claim under this cover
- › what benefits are available under this cover and how they work.

You must read these terms and conditions together with the general terms of your policy.

Total disability and partial disability have particular meanings

For this Start-Up Monthly Disability Cover, total disability and partial disability have the definitions below.

The definition of total disability

The life assured is totally disabled if, because of an *illness* or *injury*, one of the following apply.

- › The life assured is unable to continuously perform at least one of the duties of their *pre-disability occupation* that's needed to generate at least 20 percent of the amount of *business revenue* that the life assured directly or indirectly generated in their *pre-disability occupation*. The life assured isn't working in their *pre-disability occupation* or any other *gainful occupation*.
- › The life assured is unable to work more than 10 hours a week in their *pre-disability occupation*. The life assured isn't working more than 10 hours a week in their *pre-disability occupation* and isn't working at all in any other *gainful occupation*.

In either case, the life assured is under the regular care of, and following the advice and treatment of, a *medical practitioner*.

The definition of partial disability

The life assured is partially disabled if an *illness* or *injury* causes them to be unable to work in their *pre-disability occupation* for more than 75 percent of their *pre-disability hours*.

Both of the following must also apply:

- › The life assured is working in their *pre-disability occupation* or any other *gainful occupation*.
- › The life assured is under the regular care of, and following the advice and treatment of, a *medical practitioner*.



Getting an outline of your benefits

The tables below summarise this cover's benefits and tell you where you can read the full terms of each benefit.

Built-in benefits

Your Start-Up Monthly Disability Cover includes these benefits.

Benefit	Summary	Full terms
Total Disability Benefit	You can get a monthly payment if the life assured has a total disability.	Page 3
Partial Disability Benefit	You can get a monthly payment if the life assured has a partial disability.	Page 3
Cover Conversion Option	You can apply to convert this Start-Up Monthly Disability Cover for a life assured to another policy without assessment of their health.	Page 4
Recurrent Disability Benefit	We will waive the <i>waiting period</i> , and treat your claim as continuing, if a disability comes back within 12 months of a claim ending.	Page 4

Optional benefits

These optional benefits are included in your cover if you've applied for them and your *policy schedule* or *endorsement schedule* confirms you have them.

Benefit	Summary	Full terms
Seasonal Adjustment Option	You can get increased total or partial disability claim payments for a selected 3-month period.	Page 5
Farm Consultancy Option	You can get an additional payment, for up to 6 months, to help cover the cost of a specialist farming consultant while we are paying a total or partial disability claim.	Page 5



Understanding your benefits

This section details the benefits we include in Start-Up Monthly Disability Cover.

Total Disability Benefit

With the Total Disability Benefit, we'll make monthly payments if the life assured has a total disability and meets the criteria to claim.

When we'll start paying this benefit

We'll start paying the Total Disability Benefit while this policy is in force, if all the following apply because of the same *illness* or *injury*.

- › The life assured has a total disability or partial disability continuously during the *waiting period*.
- › The life assured has a total disability either:
 - at the end of the *waiting period*
 - after a period of continuous total disability and / or partial disability after the end of the *waiting period*.

The *waiting period* starts on the first day the life assured has a total disability or partial disability.

How much we'll pay

We'll pay the Start-Up Monthly Disability Cover *sum insured* for that life assured.

We'll subtract any *other business insurance income* (after tax) that you or the life assured gets, or can get, from other sources because of the life assured's disability.

We'll pay monthly in advance

We'll pay the Total Disability Benefit monthly in advance, starting from the day after the *waiting period* ends, provided we have assessed and accepted your claim.

When we'll stop paying the Total Disability Benefit

We'll stop paying when one of the following happens.

- › The life assured is no longer totally disabled.
- › The *payment term* ends.
- › The *cover term* ends.
- › This cover is no longer in force for the life assured.
- › This cover has ended, as described in the section 'When cover ends' on page 5.
- › The life assured dies.

Partial Disability Benefit

With the Partial Disability Benefit, we'll make monthly payments if the life assured has a partial disability and meets the criteria to claim.

When we'll start paying this benefit

We'll start paying the Partial Disability Benefit while this policy is in force, if all the following apply because of the same *illness* or *injury*.

- › The life assured has a total disability or partial disability continuously during the *waiting period*.
- › The life assured has a partial disability either:
 - at the end of the *waiting period*
 - after a period of continuous total disability and / or partial disability after the end of the *waiting period*.

The *waiting period* starts on the first day the life assured has a total disability or partial disability.

We won't pay a Partial Disability Benefit if the life assured is eligible for a Total Disability Benefit.

How much we pay depends on the hours the life assured can work and the hours they were working before becoming disabled

We'll calculate what we pay using a percentage based on:

- › the hours the life assured can work with a partial disability. If the life assured is working fewer hours than they're capable of while they have a partial disability, we'll use medical advice to determine the number of hours the life assured can work.
- › the life assured's *pre-disability hours*.

We work out the percentage by subtracting the hours the life assured can work from their *pre-disability hours*, and then dividing that figure by the *pre-disability hours*. This gives us the percentage of working hours the life assured has lost because of their partial disability.

For example, if the life assured can work 16 hours a week with a partial disability and they worked 40 hours a week on average in the three months before becoming disabled, we subtract 16 from 40 to get 24. Then we divide 24 by 40 to get 0.6. We'll calculate the Partial Disability Benefit using 60 percent.

We'll pay monthly in arrears

We'll pay the Partial Disability Benefit monthly in arrears, with the first payment following the end of the first month after the end of the *waiting period*.

If the life assured is moving from a Total Disability Benefit paid in advance to a Partial Disability Benefit paid in arrears, there may be a period of at least two months between the last Total Disability Benefit payment and the first Partial Disability Benefit payment.



When we'll stop paying the Partial Disability Benefit

We'll stop paying when one of the following happens.

- › The life assured is no longer partially disabled.
- › The *payment term* ends.
- › The *cover term* ends.
- › This cover for the life assured is no longer in force.
- › This cover has ended as described in the section 'When cover ends' on page 5.
- › The life assured dies.

Cover Conversion Option

With the Cover Conversion Option, you can apply to convert an amount up to the Start-Up Monthly Disability Cover *sum(s) insured* under this policy to monthly disability cover on a new policy without assessment of the life assured's health.

The cover on the new policy can be either:

- › Monthly Disability Cover on an Assurance Extra Business policy on the same terms applying to this cover and policy,
- › Monthly disability cover on another policy with similar benefits and terms, that is available at that time, at our discretion.

When you can apply to use this Cover Conversion Option

You can apply to use this Cover Conversion Option if all the following apply.

- › The business has been trading continuously for at least 2 years.
- › The life assured is under 60 years old.
- › The life assured is working in an insurable, *gainful occupation*.
- › The life assured isn't currently eligible for, applying for, or on a claim on this Start-Up Monthly Disability Cover.
- › This cover is in force.
- › All premiums are paid and up to date.
- › The cover has a benefit period of 12 or 24 months.

How we'll assess your application to convert

Your application to convert will be subject to normal underwriting criteria for the new cover and policy, without assessment of the life assured's health.

We'll issue the converted cover on similar terms to this cover

Where the cover is converted to another policy, the same *waiting period* as your Start-Up Monthly Disability Cover at the time of conversion will be applied, unless you choose to extend the *waiting period*. The *payment term* will be the same or the closest equivalent *payment term* available at our discretion on the policy the cover transfers to.

Any special terms and conditions which apply to a life assured's cover under this policy will also apply to the cover that is converted to the new policy.

Recurrent Disability Benefit

With the Recurrent Disability Benefit, you can get support sooner if the life assured's total disability or partial disability comes back after their claim ends.

When this benefit applies

The Recurrent Disability Benefit applies if all the following apply.

- › We were paying a Total Disability Benefit or Partial Disability Benefit claim for the life assured.
- › After that claim has ended, the life assured is totally disabled or partially disabled again because of the same *illness or injury*.
- › The total disability or partial disability returns within 12 months of the previous claim ending.

How we'll assess your continuing claim

When this benefit applies, we'll assess your Total Disability Benefit or Partial Disability Benefit claim for the same *illness or injury* as if there was no *waiting period* and as a continuation of your previous claim.

You'll need to make a new claim if the disability returns after 12 months or has a different cause

You'll need to make a new claim and the *waiting period* will restart if the returning disability was not caused by the same *illness or injury*, or if it comes back after 12 months.



Getting extra help with optional benefits

This section includes information about the optional benefits in Start-Up Monthly Disability Cover. These optional benefits are included in your cover if you've applied for them and your *policy schedule* or *endorsement schedule* confirms you have them.

Seasonal Adjustment Option

With the Seasonal Adjustment Option, we will increase the amount of any Total Disability Benefit or Partial Disability Benefit claim we pay during your selected 3 month period by twenty five percent (25%).

You must tell us your chosen period before the *commencement date*.

When you can change your 3 month period

You can change your selected 3 month period by writing to us within 60 days of the anniversary date.

You cannot change the selected 3 month period if the life assured is currently eligible for, applying for, or on a claim on this monthly disability cover.

We'll only pay once during a 12 month period

We will only pay this seasonal adjustment benefit once during a 12 month period.

Farm Consultancy Option

With the Farm Consultancy Option, we'll pay an additional \$750 per month, for up to 6 months, for specialist farming assistance.

When we'll pay this benefit

We'll pay this benefit each month, for up to 6 months, while this policy is in force if we are paying a Total Disability Benefit or Partial Disability Benefit claim for that month for the life assured.

When we'll stop paying this benefit

We'll stop paying the Farm Consultancy Option benefit when one of the following happens.

- › We stop paying a Total Disability Benefit or Partial Disability Benefit claim for the life assured.
- › If we've paid this benefit for 6 months for the same continuing or recurrent claim.
- › The life assured stops farming for more than 6 months in a row for any reason other than a disability we're paying a Total Disability Benefit or Partial Disability Benefit for under this cover.

Understanding what we don't cover

We won't cover the life assured if they become totally disabled or partially disabled as a direct or indirect result of:

- › intentional self-harm, including attempted suicide
- › pregnancy or complications resulting from pregnancy, unless the disability lasts more than 90 days after the pregnancy
- › taking part in a criminal activity.

The life assured must follow medical advice

We also won't pay a claim, and we'll stop paying existing claims, if the life assured isn't under the regular care of, or doesn't follow the advice and treatment of, a *medical practitioner*.

When cover ends

This cover ends, meaning we won't pay a claim, or we'll stop paying existing claims, 60-days from any of the following occurring to the business the life assured is working in, for any reason other than the disability we're covering.

- › It's sold, liquidated, or placed into receivership.
- › It stops operating.
- › It cannot pay its debts.
- › The life assured permanently ceases to be gainfully occupied in the normal operations of the business..