

# AIA LIVING - BUSINESS OPTIONAL BENEFIT APPENDIX



## Waiver of Premium Benefit

This *appendix* only applies if cover under *the schedule* for your policy includes the Waiver of Premium Benefit. This *appendix* forms part of and is incorporated into your **AIA Living** policy, the terms of which apply to this *appendix*.

This is a Waiver of Premium Benefit. Details of the benefit and the *life/lives assured* are shown in *the schedule*.

### 1. When will AIA waive the regular premiums payable under this AIA Living policy?

AIA will waive the regular *premiums* payable under this **AIA Living** policy if, in AIA's opinion, at any time during the *waiver of premium term* the *life assured* becomes *totally disabled* and remains so for a continuous period greater than the *waiting period*.

If cover for a *life assured* under another *appendix* of this **AIA Living** policy includes a partial disability benefit, then AIA will waive the regular *premiums* payable under this **AIA Living** policy after the end of the *waiting period* where the partial disability benefit criteria are met for the *life assured* under that other *appendix*.

While AIA is waiving the regular *premiums* payable under this **AIA Living** policy, you may not change the benefits of the policy.

The waiver relates to *premiums* payable under this **AIA Living** policy which fall due for payment after the end of the *waiting period*.

AIA will waive the regular *premiums* payable under this **AIA Living** policy until the occurrence of any one or more of the events set out in Section 5.

### 2. What does *totally disabled* mean?

The definition of *totally disabled* that applies for a *life assured* depends on the *life assured's* occupation class. The occupation class for each *life assured* is shown in *the schedule*. However, if a *life assured* has been on leave without pay for more than 12 months or was *unemployed* for three months or more immediately before becoming *totally disabled*, that *life assured* is automatically classed as occupation class five. For each occupation class, the degree of incapacity which constitutes *total disablement* is as follows:

#### For occupation classes other than occupation class five:

In AIA's opinion, the *life assured* is *totally disabled*, if as a direct result of sickness or injury, he or she is:

- > Under the regular and personal care of a *registered medical practitioner*, and
- > Unable to:
  - perform at least one important income producing duty of the role they were involved in immediately

before the *disablement date* and is not working in that role; or

- engage in the occupation they were involved in immediately before the *disablement date* for more than ten hours per week; and
- > not in fact working or engaged in any other occupation or business.

If a *life assured* has been on leave without pay for 12 months or less, or was *unemployed* for less than three months immediately before becoming *totally disabled*, the references in the above to "immediately before the *disablement date*" are replaced by references to "immediately before going on leave or becoming *unemployed*".

#### For occupation class five:

In AIA's opinion, the *life assured* is:

- > disabled to such an extent that necessitates confinement to the home under medical supervision or to a recognised medical institution and necessitates receiving regular medical care; or
- > as a result of sickness or injury, he or she is unable to perform at least two of the *activities of daily living* without the assistance of someone else (if the *life assured* can perform an activity on his or her own by using special equipment AIA will treat the *life assured* as being able to perform that activity); and
- > in each case, not working in any gainful occupation or engaged in voluntary work.

### 3. How to make a claim for the Waiver of Premium Benefit

To make a claim, the relevant procedures in the section of your **AIA Living** policy entitled 'How to make a claim' must be followed.

In addition, for a Waiver of Premium Benefit claim, AIA will require:

- > the *life assured* to be examined by a *registered medical practitioner* acceptable to AIA, before accepting liability for a claim; and
- > an AIA claims form completed by the *life assured* and a *registered medical practitioner* (at your expense); and
- > other information which AIA may reasonably request to

- help assess the claim; and
- > the *life assured* to undergo medical and/or surgical treatment (including any operation or vocational, medical and/or social rehabilitation) at your expense which the *life assured's* registered medical practitioner or a registered medical practitioner approved by AIA considers necessary; and
- > any other information that AIA may deem relevant to the assessment of the claim.

#### 4. Ongoing Claim Requirements

For ongoing claims AIA will require:

- > Completion of a monthly medical certificate by a registered medical practitioner (at your expense) in a form from time to time approved by AIA for the purposes of determining ongoing entitlement to a Waiver of Premium Benefit.
- > Completion of a monthly individual declaration by the *life assured* in a form from time to time approved by AIA, which may include completion of daily activity logs detailing the *life assured's* functional activities for the purposes of determining ongoing entitlement to a Waiver of Premium Benefit.
- > Proof of any remunerated or non-remunerated work completed during the claim period.
- > Any other information that AIA may deem relevant to the ongoing assessment of the claim.

#### 5. When will AIA cease waiving the regular premiums payable under this AIA Living policy?

AIA will cease waiving the regular premiums payable under this policy if:

- (a) The *life assured* fails to undergo and complete:
  - > any surgical operation; and/or
  - > any medical rehabilitation; and/or
  - > any social rehabilitation; and/or
  - > any vocational rehabilitation,
 which a registered medical practitioner approved by AIA considers reasonably necessary.
- (b) The *life assured* fails to undertake any medical examinations that AIA requires the *life assured* to have, at our expense.
- (c) The *life assured* fails to comply with the requirements of Section 4 above.
- (d) AIA determines that the *life assured* is no longer *totally disabled*, or a partial disability benefit is no longer payable in respect of the *life assured* under another appendix of this AIA Living policy.
- (e) The waiver of premium term expires in relation to the *life assured*.

- (f) The *life assured* or anyone acting on behalf of the *life assured* makes a false or fraudulent statement in respect of a claim or supports any claim with false evidence.
- (g) The *life assured* is in prison or sentenced to home detention for any reason.
- (h) The *life assured* dies.

If AIA ceases waiving the regular premiums payable under this policy in accordance with paragraphs (a), (b) or (c) and the *life assured* subsequently complies with the relevant requirement(s), then:

- > The date that the *life assured* complied with the relevant requirement(s) will, subject to the provisions of this appendix, be treated as the *disablement date* for a new claim.
- > The *waiting period* will be waived for the new claim.
- > AIA will not waive the regular premiums payable under this AIA Living policy retrospectively for any period of time before the date that the *life assured* complies with the relevant requirement(s).

#### 6. Exclusions – when AIA won't waive the regular premiums

AIA will not waive the regular premiums payable under this AIA Living policy where any of the following directly or indirectly cause or contribute to the disability:

- > The *life assured* deliberately injures himself or herself or attempts to do so.
- > The *life assured* engages in or is part of any conduct that is criminal.
- > Pregnancy of, or childbirth by, the *life assured*, unless the disability lasts for more than 90 days after the end of pregnancy, in which case the *waiting period* will start from the 91<sup>st</sup> day.
- > The *life assured* does not comply with the treatment prescribed by the attending treatment providers.

If the *life assured* is imprisoned or sentenced to home detention for any reason, regular premiums will not be waived during the term of imprisonment.

#### 7. Key terms

##### **activities of daily living**

Activities of Daily Living are:

- > Bathing and showering.
- > Dressing and undressing.
- > Eating and drinking.
- > Using a toilet.
- > Moving from place to place by walking, in a wheelchair or with a walking aid.

<b><i>disablement date</i></b>	The date the <i>life assured</i> became <i>totally disabled</i> .
<b><i>totally disabled</i></b>	See Section 2 of this <i>appendix</i> for the meaning of this key term.  <i>Total disablement</i> has a corresponding meaning
<b><i>unemployed</i></b>	A person who is not engaged in remunerated work or business activities for 10 hours or more a week.  This definition does not include a person on leave without pay.
<b><i>waiting period</i></b>	The period stated in <i>the schedule</i> for this Waiver of Premium Benefit during which <i>AIA</i> will not waive the regular <i>premiums</i> payable under this <b><i>AIA Living</i></b> policy.
<b><i>waiver of premium term</i></b>	The term the <i>life assured</i> is covered for the Waiver of Premium Benefit as stated in <i>the schedule</i> .