



**PPS Mutual
Professionals' Choice**

Income Protection Cover – Loss of Earnings

Cover terms



MUTUAL
FOR PROFESSIONALS

Introduction

This Income Protection Cover provides claim payments if the ***life insured*** experiences disability that meets the relevant criteria.

These ***cover terms*** are a key part of our agreement with you. They explain how the Income Protection Cover works. For a complete understanding, read them alongside the ***PPS Mutual*** General Terms and Conditions document and ***policy schedule***. The ***policy schedule*** outlines the ***cover types, acceptance terms, the sum insured***, and optional benefits and features that you have chosen for each ***life insured***.

Your Income Protection ***cover*** for the ***life insured*** will cease when the ***life insured*** reaches the ***cover expiry term*** shown in the ***policy schedule***.



For any terms shown in both bold and italics (***like this***), refer to the glossary at the end of the ***PPS Mutual*** General Terms and Conditions document for the specific meanings.

Main benefits

This section is your guide to understanding the claim payments available under your Cover.

Ongoing claim requirements

If **PPS Mutual** is paying an ongoing Income Protection claim, we may ask you for reasonable information about the **life insured** from time to time for the purposes of determining your ongoing entitlement to an Income Protection Benefit. Regular requirements may include:

- medical certificates completed by a **doctor** or **specialist**; and/or
- individual declarations completed by the **life insured**; and/or
- proof of any **income** the **life insured** received during the claim period; and/or
- any other information that **PPS Mutual** may reasonably require to determine the ongoing assessment of the claim.



1.

Total Disability Benefit

When will PPS Mutual pay the Total Disability Benefit?

PPS Mutual will pay the Total Disability Benefit if the **life insured** has been totally or partially disabled (as defined below) for the **waiting period** and is totally disabled at the end of the **waiting period**.

The **waiting period** begins on the first (1st) day the **life insured** is totally or partially disabled.

Waiting period reduction on cancer diagnosis

If the **life insured** is unequivocally diagnosed with a cancer **condition** that meets the following criteria:

- the cancer is considered **medically necessary** to treat by a **specialist** (regardless of whether treatment has begun); and
- the cancer meets at least one (1) of the following severity criteria:

- the cancer is classified as Stage 2 or above according to the American Joint Committee on Cancer (AJCC)'s TNM classification or an equivalent staging system, and is either completely unresectable or requires **major treatment** or **surgery**; or
- the cancer requires **major treatment** or **radical surgery**,

then the **waiting period** will begin on the first (1st) day the **life insured** is unequivocally diagnosed with a cancer **condition** that meets the severity criteria outlined above. The **life insured** must be totally disabled (as defined below) at the end of the **waiting period**.

How long will PPS Mutual pay the Total Disability Benefit?

PPS Mutual will pay the Total Disability Benefit monthly in advance until the earliest of:

- the **life insured** no longer being totally disabled; or
- the end of the **claim payment term**; or
- the **policy anniversary** corresponding to the **cover expiry term**.

If there is less than six (6) months remaining before the **cover expiry term**, then **PPS Mutual** will pay half (50%) the Total Disability Benefit as calculated under the following paragraph during the **waiting period** if the **life insured** remains totally disabled for more than two (2) weeks.

How is the Total Disability Benefit calculated?

PPS Mutual will pay:

- $(\text{pre-disability income} - \text{offsets}) \times 75\%$,

provided that the amount payable will not exceed the **sum insured**.

What does totally disabled mean?

The definition of totally disabled depends on whether the **life insured** is working or not working (as described below).

Working

A **life insured** is "working" if they were:

- actively involved in their **usual occupation** or carrying on a **business** within the last twelve (12) months (other than during any periods of approved short term leave) immediately prior to the disability; or
- undertaking a formal educational sabbatical for up to twenty-four (24) months prior to the disability (as evidenced by proof of admission from a registered educational institution) and were actively involved in their **usual occupation** or carrying on a **business** immediately prior to undertaking the formal educational sabbatical.

A "working" **life insured** is considered totally disabled if all the following conditions are met:

- they are under the regular care of a **specialist** or **doctor**; and

- solely due to ***injury*** or ***illness***, they are unable to either:
 - work more than ten (10) hours per week in their ***usual occupation***; or
 - perform at least one (1) key income-producing duty of their ***usual occupation***; and
- solely due to ***injury*** or ***illness***, they are not engaged in any other occupation or business that generates an income exceeding twenty-five percent (25%) of their ***pre-disability income***.

Not working

A ***life insured*** is “not working” if they do not meet the definition of “working” above.

A “not working” ***life insured*** is totally disabled if they are under the regular care of a ***specialist*** or ***doctor*** and due to their disability they are:

- continuously confined to a medical institution or their home under medical supervision; or
- continuously unable to carry out at least two (2) of the ***activities of daily living*** without the assistance of another person; or
- continuously unable to perform three (3) of the ***normal domestic duties*** without the assistance of another person,

and they are not actively involved in or carrying on any other occupation or ***business***.

2.

Partial Disability Benefit

When will PPS Mutual pay the Partial Disability Benefit?

PPS Mutual will pay the Partial Disability Benefit if the ***life insured*** has been totally disabled (as defined above) or partially disabled (as defined below) for the ***waiting period*** and is partially disabled at the end of the ***waiting period***.

The ***waiting period*** begins on the first (1st) day the ***life insured*** is totally or partially disabled.

The Partial Disability Benefit is not available if the ***life insured*** was not working, as defined in section 1 (above).

Waiting period reduction on cancer diagnosis

If the ***life insured*** is unequivocally diagnosed with a cancer ***condition*** that meets the following criteria:

- the cancer is considered ***medically necessary*** to treat by a ***specialist*** (regardless of whether treatment has begun); and
- the cancer meets at least one (1) of the following severity criteria:

- the cancer is classified as Stage 2 or above according to the AJCC TNM staging classification or an equivalent staging system, and is either completely unresectable or requires **major treatment** or **surgery**; or
- the cancer requires **major treatment** or **radical surgery**,

then, the **waiting period** will begin on the first (1st) day the **life insured** is unequivocally diagnosed with a cancer **condition** that meets the severity criteria outlined above. The **life insured** must be partially disabled (as defined below) at the end of the **waiting period**.

How long will PPS Mutual pay the Partial Disability Benefit?

PPS Mutual will pay the Partial Disability Benefit monthly in advance until the earliest of:

- the **life insured** no longer being partially disabled; or
- the end of the **claim payment term**; or
- the **policy anniversary** corresponding to the **cover expiry term**.

If there is less than six (6) months remaining before the **cover expiry term**, then **PPS Mutual** will pay half (50%) the Partial Disability Benefit as calculated under the following paragraph during the **waiting period** if the **life insured** remains partially disabled for more than two (2) weeks.

How is the Partial Disability Benefit calculated?

PPS Mutual will pay:

- $(\text{pre-disability income} - \text{offsets}) \times 75\%$,

provided that the amount payable will not exceed the **sum insured**.

What does partially disabled mean?

The **life insured** is partially disabled if they are under the regular care of a **specialist** or **doctor** and due to their disability they are unable to:

- engage in their **usual occupation** for more than seventy-five percent (75%) of their **pre-disability working hours**; or
- earn an **income** which is equal to or greater than seventy-five percent (75%) of their **pre-disability income**; or
- perform at least twenty-five percent (25%) of the key income-producing duties of their **usual occupation**.

3.

Partial Disability Booster Benefit

PPS Mutual will pay the Partial Disability Booster Benefit if the Total Disability Benefit was paid for the **life insured** for a continuous period of no less than one (1) month and the **life insured** subsequently transitioned to a Partial Disability claim.

The Partial Disability Booster Benefit increases the Partial Disability Benefit paid in respect of the **life insured** (as calculated above) by twenty-five percent (25%) and is payable:

- until the **life insured** is no longer partially disabled; or
- for a maximum of twelve (12) months.



Additional benefits

Your Income Protection Cover comes with the following additional built-in benefits that are paid in addition to the Income Protection Cover **sum insured**.

1.

Bed Confinement Benefit during the waiting period

If, during the **waiting period**, a **life insured** is admitted to a **hospital** or is confined to a bed at home under the supervision of a **nurse** or **doctor** for at least three (3) consecutive days, then **PPS Mutual** will pay you the **daily amount** for each day the **life insured** was medically confined during the **waiting period**.

Limitations

To the extent that the Total Disability Benefit is payable during the **waiting period**, **PPS Mutual** will pay either the Bed Confinement Benefit or the Total Disability Benefit.

2.

Care At Home Benefit

PPS Mutual will pay the Care At Home Benefit if the **life insured** is totally disabled and a **doctor** certifies that the **life insured** requires **full-time care** provided outside of a **hospital**.

The amount **PPS Mutual** will pay for the Care at Home Benefit is the **daily amount** up to a maximum of \$4,500 per calendar month across all **PPS Mutual policies**.

The Care At Home Benefit is payable until the earlier of:

- the **life insured** no longer being certified as requiring **full-time care** by a **doctor**; or
- the **life insured** being admitted to a **hospital**; or
- the equivalent of one-hundred and eighty (180) days of the Care At Home Benefit having been paid in respect of the total disability.

3.

Functional Equipment Benefit

If a **life insured** is totally or partially disabled, **PPS Mutual** will, on the recommendation of a **specialist** or an occupational therapist, reimburse you for the reasonable costs associated with purchasing and installing specialised equipment to help the **life insured** to regain function and/or return to work.

Specialised equipment may include (but is not limited to):

- wheelchairs; or
- artificial limbs; or
- prosthetic devices; or
- driving aids.

The amount paid under the Functional Equipment Benefit will be the actual and reasonable costs for the equipment up to a maximum of six (6) times the Income Protection Cover **sum insured**.

To claim the Functional Equipment Benefit, you must provide sufficient evidence of the purchase of the specialised equipment. We encourage you to seek prior approval from **PPS Mutual** wherever possible.

Limitations

Amounts paid under the Functional Equipment Benefit will be aggregated for each related period of disability, including recurrent claims under the Recurring Claim Fast-Track Feature.

The amount paid under the Functional Equipment Benefit will be offset by any costs reimbursed from other sources.

4.

Home Modification Benefit

If a **life insured** is totally or partially disabled, **PPS Mutual** will, on the recommendation of a **specialist** or an occupational therapist, reimburse you for the reasonable costs associated with purchasing and installing necessary home alterations to help the **life insured** regain function and/or improve accessibility.

Home modifications may include (but are not limited to):

- ramps; or
- chair lifts; or
- shower or bath rails.

The amount paid under the Home Modification Benefit will be the actual and reasonable costs for the home modifications up to a maximum of twelve (12) times the Income Protection Cover **sum insured**.

To claim the Home Modification Benefit, you must provide sufficient evidence of the costs of the home alterations. We encourage you to seek prior approval from **PPS Mutual** first wherever possible.

Limitations

Amounts paid under the Home Modification Benefit will be aggregated for each related period of disability, including recurrent claims under the Recurring Claim Fast-Track Feature.

The amount paid under the Home Modification Benefit will be offset by any costs reimbursed from other sources.

5.

Vocational Retraining Benefit

PPS Mutual will pay the Vocational Retraining Benefit if the **life insured** is unlikely to return to their **usual occupation** at full capacity. **PPS Mutual** will reimburse you for reasonable costs of vocational or educational courses recommended by an occupational therapist as suitable to support the **life insured** to return to paid work at greater capacity.

The amount paid under the Vocational Retraining Benefit will be actual costs for the vocational or educational course(s) up to a maximum of twenty-four (24) times the Income Protection Cover **sum insured**.

To claim the Vocational Retraining Benefit, you must request approval from **PPS Mutual** and provide sufficient evidence of enrolment and course costs. We encourage you to seek prior approval from **PPS Mutual** first wherever possible.

Limitations

The amount paid under the Vocational Retraining Benefit will be offset by any costs reimbursed from other sources.

6.

Rehabilitation Support Benefit

A **PPS Mutual** Case Manager will work with the **life insured** to develop a suitable rehabilitation plan to assist them to return to work or increase their capacity to work. **PPS Mutual** will cover the costs associated with the rehabilitation plan, which may include (but is not limited to):

- consultations with occupational therapists; or
- consultations with psychologists; or
- consultations with exercise physiologists; or
- applicable travel costs.

7.

Return To Work Benefit

PPS Mutual will pay a Return To Work Benefit as calculated below where the **life insured** has:

- been totally disabled or partially disabled for at least twelve (12) consecutive months; or
- received a Vocational Retraining Benefit or Rehabilitation Support Benefit,

and then returns to **full time** work after receiving medical clearance from their **specialist** or **doctor**.

The amount of the Return To Work Benefit is:

- the Income Protection Cover **sum insured** after three (3) consecutive months of **full time** work; and
- two (2) times the Income Protection Cover **sum insured** after six (6) consecutive months of **full time** work.

8.

Childcare Assistance Benefit

If **PPS Mutual** is paying a Total Disability Benefit, Partial Disability Benefit or Bed Confinement Benefit for a **life insured**, **PPS Mutual** will pay a Childcare Assistance Benefit for each **dependent child** of the **life insured** who is under age six (6) for so long as **PPS Mutual** is paying any of those benefits for the **life insured**.

The amount **PPS Mutual** will pay is the **daily amount** up to a maximum of \$1,300 per calendar month across all **PPS Mutual** Income Protection covers per **dependent child** and for a maximum total period of one hundred and eighty (180) days.

9.

Return To Home Benefit

PPS Mutual will pay this reimbursement benefit if the **life insured** is totally or partially disabled while living or working outside of New Zealand for three (3) or more continuous months and the **life insured** subsequently returns back to New Zealand. **PPS Mutual** will reimburse you for the cost of a one-way flight back to New Zealand for the **life insured** and one (1) support person.

The maximum total benefit amount is \$10,000 per **life insured** across all **PPS Mutual policies** for each Total Disability or Partial Disability Claim.

To claim the Return to Home Benefit, you must provide **PPS Mutual** with satisfactory evidence for the costs of the one-way flight.

Limitations

Amounts paid under the Return To Home Benefit will be aggregated for each related period of disability, including recurrent claims under the Recurring Claim Fast-Track Feature.

10.

Death or Terminal Illness Benefit

Subject to the provisions below, **PPS Mutual** will pay the Death or Terminal Illness Benefit to the **policy owners** or, if that is prohibited by New Zealand law, to the **life insured**. The amount payable under the Death or Terminal Illness Benefit is:

- an amount equal to three (3) times the Income Protection Cover **sum insured** if a **life insured** dies or is diagnosed with a **terminal illness**; or
- an amount equal to three (3) times the Income Protection Cover **sum insured** if a **dependent child** of the **life insured** is diagnosed with a **terminal illness**; or
- an amount equal to one (1) times the Income Protection Cover **sum insured** if a **dependent child** aged ten (10) years or over of a **life insured** dies; or
- \$2,000 less any other amounts payable in respect of the death of that **dependent child** of a **life insured** aged under ten (10) years.

For a **dependent child** aged under ten (10) years, **PPS Mutual** will only make one (1) payment per **dependent child** under the Death or Terminal Illness Benefit across all **PPS Mutual policies** irrespective of how many parents are a **life insured**.

For a **dependent child** aged ten (10) years or older, **PPS Mutual** will make one (1) payment per **dependent child** under the Death or Terminal Illness Benefit across all **PPS Mutual policies** for each parent who is a **life insured**.



Additional features

Your Income Protection Cover comes with the following additional built-in features.

1.

Recurring Claim Fast-Track Feature

If a **life insured** suffers a recurrence of a related **injury** or **illness** that was the cause of an earlier Total Disability or Partial Disability claim within the prior twelve (12) months, **PPS Mutual** will waive the waiting period for a recurrent Total Disability or Partial Disability claim.

Where this section applies, the recurrent claim will be considered a continuation of the previous claim for the purposes of determining the duration of the **claim payment term**.

2.

Related Claim Payment Reset Feature

If the **life insured** has:

- recovered from an **illness** or **injury** for at least twelve (12) consecutive months after the original Total Disability or Partial Disability claim ended; and
- returned to **full time** work for at least six (6) continuous months after the original Total Disability or Partial Disability claim ended; and
- continuously performed all the key income-producing duties of their **usual occupation**,

then **PPS Mutual** will reset the **claim payment term** for the **life insured** to its full duration for a claim arising from the same or any related **illness** or **injury**. The **waiting period** will apply to these claims.

3.

Increasing your Income Protection Feature

This feature may be used to increase the **life insured's** Income Protection Cover **sum insured** if they are working **full time** and their **income** increases.

To use this feature, you must provide **PPS Mutual** with appropriate financial information to support an increase in the **sum insured**. **PPS Mutual** will determine the justifiable increase in the **sum insured** based on **PPS Mutual's** current financial underwriting guidelines.

The total of all increases made under this feature to the **life insured's** Income Protection Cover **sum insured** across all **PPS Mutual policies** cannot exceed the lower of:

- one-hundred percent (100%) of the **underwritten** Income Protection Cover **sum insured** across all **PPS Mutual policies**; or
- \$3,000.

This feature is subject to the following conditions:

- the feature must be exercised within one-hundred and eighty (180) days after the **life insured's income** increases; and
- the **life insured** must provide evidence to verify the increase in **income**; and
- the **acceptance terms** which applied to this Income Protection Cover for the **life insured** will apply to increases under this feature.

Limitations

PPS Mutual will not accept increases under this feature after the **policy anniversary** immediately following the **life insured's** fifty-fifth (55th) birthday or where the **life insured** has:

- previously been deferred an application for Cover with **PPS Mutual**; or
- been diagnosed with a **terminal illness** that reduces their life expectancy to less than twelve (12) months; or
- made a claim under any **PPS Mutual policy**.

The **sum insured** for the **life insured** following an increase under this feature cannot exceed \$60,000 per month.

4.

Reduction in Waiting Period Feature

This feature may be used to reduce the **life insured's waiting period** if they are working **full time** and:

- a PPS Mutual Key Person Protector Cover for the **life insured** is cancelled; or
- the **life insured** loses income protection (or related) coverage under a group insurance policy or scheme.

PPS Mutual will reduce the **waiting period** for the **life insured's** Income Protection Cover to a duration that most closely matches the **waiting period** on the cancelled or lose cover to the lower of:

- the sum insured for the cancelled or lost cover; or
- the Income Protection Cover **sum insured**.

This feature is subject to the following conditions:

- the feature must be exercised within one hundred and eighty (180) days after the cancellation or loss of the applicable cover; and
- the **life insured** must provide evidence satisfactory to **PPS Mutual** to verify the cancellation or loss of the applicable cover.

Limitations

PPS Mutual will not accept a request to reduce the **waiting period** after the **policy anniversary** immediately following the **life insured's** fifty-fifth (55th) birthday or where the **life insured** has:

- previously been deferred an application for Cover with **PPS Mutual**; or
- had their **PPS Mutual** Key Person Protector Cover cancelled or been removed from their group insurance policy or scheme due to non-disclosure or fraud; or
- been diagnosed with a **terminal illness** that reduces their life expectancy to less than twelve (12) months; or
- made a claim under any **PPS Mutual policy**.

If the **life insured's** Income Protection Cover has an age smoothed premium pattern noted on the **policy schedule**, you must convert the Income Protection Cover premium pattern to rate for age in order to utilise this feature. **PPS Mutual** will use the **life insured's** current age at the date the change takes effect to recalculate the Income Protection Cover **premium**.



Exclusions

PPS Mutual will not pay a claim under this Income Protection Cover for a **life insured** as a result of:

- **ordinary and typical** pregnancy, childbirth, or miscarriage unless the disability lasts for more than ninety (90) days after the end of the pregnancy, in which case the **waiting period** will start from the ninety-first (91st) day; or
- the **life insured** causing deliberate injury to themselves or their **dependent child**; or
- the **life insured** participating in a **criminal act**; or
- the **life insured** failing to comply with treatment recommended by their attending treatment providers or refuses to undergo medical examinations which are reasonably necessary to determine whether a claim can be accepted.

If the ***life insured*** is:

- imprisoned; or
- sentenced to home detention; or
- sentenced to community detention,

no claim will be payable during the term of imprisonment, home detention or community detention on conditions that prevents the ***life insured*** from working in their ***usual occupation***.

Appendix A

Optional benefits

This appendix describes optional benefits available under this Income Protection Cover. Only those optional benefits shown in the **policy schedule** for each **life insured** apply to your **policy**.

1.

Optional Retirement Protector Benefit

If the **life insured** receives a Total Disability, Partial Disability, Optional Critical Illness Benefit, or Optional Specific Injury Benefit, then **PPS Mutual** will pay the Optional Retirement Protector Benefit directly to the **life insured's** KiwiSaver scheme provider on behalf of the **life insured**.

The amount of the Optional Retirement Protector Benefit payable each month is the Income Protection **sum insured** multiplied by the percentage shown in the **policy schedule**. The Optional Retirement Protector Benefit is payable for the duration of the Total Disability, Partial Disability, Optional Critical Illness Benefit, or Optional Specific Injury Benefit.

2.

Optional Family Caregiver Benefit

PPS Mutual will pay a Family Caregiver Benefit if:

- the **life insured** ceases work to provide **full-time care** to an **immediate family** member; and/or
- a **spouse** or **dependent child** of the **life insured** is hospitalised for at least five (5) consecutive days.

The amount **PPS Mutual** will pay for the Family Caregiver Benefit is the **daily amount** up to a maximum of \$4,500 per calendar month across all **PPS Mutual policies**.

This Optional Family Caregiver Benefit is payable until the earlier of the following:

- the **life insured** returns to work; or
- the **immediate family** member no longer requires **full-time care**; or
- the **spouse** or **dependent child** of the **life insured** is no longer hospitalised and does not otherwise require **full-time care**; or
- the equivalent of six (6) months of the Family Caregiver Benefit have been made in respect of the **immediate family** member, **spouse**, or **dependent child** for each **condition** or **related condition**.

Limitations

The **immediate family** member or **spouse** must be under the age of seventy (70) at the date of requiring **full-time care** or becoming hospitalised.

PPS Mutual will not pay a claim under the Family Caregiver Benefit in the first one hundred and eighty (180) days following the **application date** for this Optional Benefit unless the claim relates to an **injury** of the **immediate family** member, **spouse**, or **dependent child** that occurred after the **date of commencement** of this Optional Benefit.

PPS Mutual will pay a maximum of six (6) months of the Family Caregiver Benefit in respect of all **related conditions** for an **immediate family** member, **spouse**, or **dependent child**.

3.

Optional Critical Illness Benefit

If the Optional Critical Illness Benefit is shown in the **policy schedule** for a **life insured** then **PPS Mutual** will pay an Optional Critical Illness Benefit if the **life insured** meets the criteria of one (1) of the listed Critical Illness conditions, as defined below.

Stand-down period on cancer, heart and stroke claims

If, within ninety (90) days following an applicable **application date** for the Optional Critical Illness Benefit, the **life insured** is diagnosed with or shows any signs, symptoms or underlying causes of any Cancer **condition** as defined below, then **PPS Mutual** will not pay an Optional Critical Illness Benefit for the **life insured** in respect of such Cancer **condition**.

Similarly, if within thirty (30) days following an applicable **application date** for the Optional Critical Illness Benefit, the **life insured** is diagnosed with or shows any signs, symptoms or underlying causes of any Cardiovascular or Stroke **condition** as defined below, then **PPS Mutual** will not pay an Optional Critical Illness Benefit in respect of such Cardiovascular or Stroke **condition**.

Medical advancements

If the treatment, evidence or diagnostic procedure used to describe a **condition** in this Optional Critical Illness Benefit definitions has been superseded at the **claim event date**, **PPS Mutual** will consider any other generally recognised and appropriate treatment, evidence or diagnostic procedure that conclusively meets or diagnoses the **condition** to the same level of severity.

Survival period

PPS Mutual does not require a **life insured** to satisfy a specific survival period following the diagnosis of an Optional Critical Illness **condition** and will pay the applicable claim provided that there was unequivocal evidence as confirmed by a **specialist** that the **life insured** suffered the covered **condition**, and the diagnosis was made while the **life insured** was alive.

In other words, **PPS Mutual** will not accept a claim for a Critical Illness **condition** where the diagnosis was made posthumously.

What will PPS Mutual pay under the Optional Critical Illness Benefit?

PPS Mutual will pay a lump sum equal to six (6) times the Income Protection Cover **sum insured** on the unequivocal diagnosis by a **specialist** of one (1) of the following listed Critical Illness **conditions**, accompanied with prescribed evidence.

The following criteria will apply to the payment of an Optional Critical Illness Benefit:

- the Optional Critical Illness Benefit is not subject to any **offsets**; and
- the Optional Critical Illness Benefit is payable irrespective of whether the **life insured** meets the definition of being totally disabled or partially disabled.

Limitations

The Optional Critical Illness Benefit is paid in lieu of a Total Disability, Partial Disability, and Bed Confinement Benefit for a period of six (6) months from the **claim event date**.

Thereafter, if the **life insured** remains totally disabled or partially disabled by a Critical Illness **condition** at the end of the six (6) month period and is no longer in the **waiting period**, **PPS Mutual** will commence payment of the Total Disability or Partial Disability Benefit.

Where the **claim payment term** for the **life insured** is two (2) or five (5) years, the **claim payment term** for the **life insured** will be reduced by six (6) months where the Optional Critical Illness Benefit is paid.

The Optional Critical Illness Benefit is subject to the following **related condition** limitations:

- claims for **related conditions** are permanently excluded; and
- **PPS Mutual** will treat all subsequent claims for any Cardiovascular or Stroke **condition** (see below) as a **related condition** of an earlier Cardiovascular or Stroke **condition**; and
- **PPS Mutual** will treat any Cancer **condition** (see below) occurring within twelve (12) months of an earlier Cancer **condition** as a **related condition**.

For the purposes of this Optional Critical Illness Benefit:

- Cardiovascular or Stroke **conditions** comprise the following:
 - angioplasty – triple vessel; and
 - coronary artery bypass surgery; and
 - heart attack (acute myocardial infarction); and
 - heart valve replacement – with specific treatment; and
 - repair to the thoracic or abdominal aorta (excluding its branches) – with specified treatment; and
 - stroke – in the brain resulting in specified impairment.
- Cancer **conditions** comprise **conditions** under “Cancer – malignant tumours excluding specified early-stage cancers”, as set out in the Optional Critical Illness Benefit covered condition definitions below.

Optional Critical Illness Benefit Covered Condition Definitions

The following are claimable **conditions** payable for the Optional Critical Illness Benefit, subject to the above terms and conditions.

Angioplasty – triple vessel

Undergoing of coronary artery angioplasty to correct a narrowing or blockage of at least three (3) different coronary arteries within a period of ninety (90) days. The triple vessel angioplasty must be considered **medically necessary** based on angiographic evidence indicating an obstruction to three (3) or more different coronary arteries.

Repeat procedures to the same coronary artery are not covered.

Burns – major burns of the skin (of specified severity and requiring specified treatment)

Deep partial-thickness burns or full thickness burns to the skin. The burns must involve one (1) of the following:

- twenty percent (20%) of the total body surface area as measured by the Lund-Browder Chart or 'Rule of Nines'; or
- fifty percent (50%) of the total combined area of both hands requiring surgical debridement and skin grafting or flap reconstruction; or
- fifty percent (50%) of the total combined area of both feet requiring surgical debridement and skin grafting or flap reconstruction; or
- twenty-five percent (25%) of the face requiring surgical debridement and skin grafting or flap reconstruction.

Cancer – malignant tumours excluding specified early-stage cancers

The presence of one (1) or more malignant tumours, which are characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue for which **major treatment** or **surgery** is considered **medically necessary** by a **specialist** (whether undertaken or not).

The following tumours are excluded:

- tumours classified as carcinoma in situ or which are histologically described as premalignant or non-invasive except as defined below; and
- all non-melanoma skin cancers, unless there is evidence of metastases or spreading to the bone; and
- prostatic cancers which are histologically described as TNM Classification T1 or Gleason Score of 5 or less unless requiring **radical surgery** or **major treatment**; and
- chronic lymphocytic leukaemia less than Rai Stage I; and

- papillary and follicular carcinoma of the thyroid, histologically diagnosed as TNM Classification T1a (tumour 1.0 cm or less in greatest dimension), unless existence of lymph node and/or distant metastasis.

Chronic kidney (renal) failure – with specified treatment

End stage renal failure presenting as chronic irreversible failure of both kidneys to function and requiring either regular renal dialysis or renal transplantation.

The definition will also be met if, despite the need for regular renal dialysis or a kidney transplant as confirmed by a nephrologist, the **life insured** chooses renal supportive care.

Chronic (decompensated) liver failure – of specified severity

End stage liver failure evidenced by any of the following symptoms:

- permanent jaundice; or
- chronic ascites; or
- hepatic encephalopathy.

Chronic lung failure – of specified severity

Chronic irreversible lung disease that has progressed to an advanced stage with either a PaO₂ consistently less than 55mmHg or requiring long term oxygen therapy of at least fifteen (15) hours per day as certified by an appropriate **specialist**.

Coronary artery bypass surgery

Undergoing of coronary artery bypass graft **surgery**, either through an open-heart operation or through a 'key-hole' surgical technique to correct or treat coronary artery disease.

Heart attack (acute myocardial infarction)

The unequivocal diagnosis of a heart attack (acute myocardial infarction) as confirmed by an appropriate **specialist** and supported by diagnostic rise and/or fall of cardiac biomarkers with at least one (1) value above the 99th percentile of the upper reference limit and at least one (1) of the following:

- symptoms of ischaemia (inadequate blood supply to the heart muscle) consistent with acute myocardial infarction; or
- **ECG** changes indicative of new ischaemia (for example new ST-T changes or new left bundle branch block "LBBB"); or
- development of pathological Q waves in the **ECG**; or
- imaging evidence (including echocardiogram, cardiac **CT**, cardiac **MRI** or cardiac nuclear scan) of new loss of viable myocardium or new regional wall motion abnormality in a pattern consistent with an ischaemic aetiology; or

- identification of a coronary thrombus by angiography.

If the above tests are inconclusive, we will consider other appropriate and medically recognised tests provided in support of the diagnosis.

Myocardial ischaemia may be due to obstructed coronary arteries or non-obstructed coronary arteries (for example in myocardial infarction with non-obstructive coronary arteries “MINOCA”).

The following are excluded:

- a rise in biological markers as a result of an elective percutaneous procedure (such as a coronary stent) for coronary artery disease; and
- other acute coronary syndromes including, but not limited to, angina pectoris; and
- other causes of increased troponin levels in non-obstructive coronary arteries including myocarditis, pulmonary embolism or coronary spasm where there is no evidence of myocardial infarction; and
- any cardiomyopathy including Takotsubo cardiomyopathy (Takotsubo Syndrome).

Heart valve replacement – with specified treatment

The undergoing of heart valve **surgery** performed to replace or repair one (1) or more heart valves that cannot be repaired by intra-arterial procedures.

Major head trauma – with permanent and significant neurological impairment

An accidental head injury with permanent neurological deficit resulting in either:

- a Montreal Cognitive Assessment (MoCA) test with a persistent score of 17 or less, or other standardised cognitive assessment test with an equivalent severity; or
- the total and irreversible inability to perform at least one (1) of the **activities of daily living** without assistance from another person.

For the purpose of this definition ‘accidental head injury’ means a bump, blow, or jolt to the head, or penetrating head injury.

Major organ transplant (or placement on specified organ transplant list)

Undergoing of, or placement on an official New Zealand or Australian Transplant Waiting List for, one (1) or more of the following organs or tissues:

- bone marrow; or
- heart; or
- kidney; or
- liver (including partial liver); or
- lung; or

- pancreas; or
- all or part of the small bowel.

The transplant of all other organs, parts of organs, or any other tissue or cell is excluded.

Multiple sclerosis – of specified severity

The unequivocal diagnosis of multiple sclerosis. There must be more than one (1) episode of well-defined neurological deficit with persisting neurological abnormalities, evidenced by neurological investigations that support the diagnosis, such as lumbar puncture abnormalities, evoked visual responses, evoked auditory responses, and **MRI** showing evidence of lesions in the central nervous system.

Clinically isolated syndromes are excluded.

Repair to the thoracic or abdominal aorta (excluding its branches) – with specified treatment

Undergoing treatment to repair or correct any narrowing, dissection, rupture, obstruction or aneurysm of the thoracic or abdominal aorta (but not any of its branches) either through Endovascular Aneurysm Repair (EVAR) or open thoracic or abdominal **surgery**.

Angioplasty and other non-surgical techniques are excluded.

Stroke – in the brain resulting in specified impairment

A cerebrovascular event producing neurological deficit. This requires clear evidence on **CT, MRI** or similar appropriate scan or investigation that a stroke has occurred. This requires evidence of:

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

The following are excluded:

- transient ischaemic attacks (TIA); and
- cerebral symptoms due to migraine; and
- cerebral injury from trauma or hypoxia; and
- vascular disease affecting the eye, optic nerve or vestibular functions.

4.

Optional Specific Injury Benefit

If the Optional Specific Injury Benefit is shown on the **policy schedule** for a **life insured**, then **PPS Mutual** will pay the Optional Specific Injury Benefit if the **life insured** suffers a specified **injury condition**.

For each Specific Injury, **PPS Mutual** will pay a lump sum amount equal to the specified period of the Income Protection Cover **sum insured** set out in the table below.

The Specific Injury **condition** must be unequivocally confirmed by a **doctor**, accompanied with prescribed evidence.

The following criteria apply to the payment of an Optional Specific Injury Benefit:

- the Optional Specific Injury Benefit is not subject to any **offsets**; and
- the Optional Specific Injury Benefit is payable irrespective of whether the **life insured** meets the definition of being totally disabled or partially disabled.

Specific injuries and lump sums payable

Specific injury	Specified period
Fractures	
Jaw	
Skull	
Forearm	
Collarbone	
Hand (excluding fingers)	One (1) month
Thumb	
Wrist	
Big toe	
Upper arm	
Shoulder	
Elbow	
Vertebrae	
Kneecap	Two (2) months
Ankle	
Heel	
Tibia or Fibula	

Specific injury	Specified period
Femur	Three (3) months
Pelvis	
Hip	
Foot (excluding heel and toes)	
Tears	
Achillies tendon	Two (2) months
Rotator cuff	
Knee	
Bicep	
Surgery	
Surgery in a hospital for any injury requiring general anaesthesia	Three (3) months
Loss	
Finger (excluding Thumb)	One (1) month
Big toe	
Thumb	Five (5) months
The thumb and index finger of the same hand	Six (6) months
A foot or hand	Twelve (12) months
Sight in an eye	
Hearing (both ears)	
A whole leg or arm	
Any combination of hand, foot or sight	Twenty-four (24) months
Both feet	
Both hands	
Sight in both eyes	
Paralysis	
Diplegia, hemiplegia, paraplegia, quadriplegia	Sixty (60) months
Burns	
To nine percent (9%) or more of the body surface area	Three (3) months
To twenty percent (20%) or more of the body surface area	Twelve (12) months
To twenty-five percent (25%) of the face	
To fifty percent (50%) of total combined surface area of both hands	
To fifty percent (50%) of total combined surface area of both feet	

Specific meanings

Fractures

The disruption in continuity of the bone, as confirmed by radiological imaging and certified by a **doctor**.

No radiological imaging is required where a fracture is treated with surgical fixation, immobilisation, or a cast.

All fractures must be the result of an **accident** and certified by an appropriate **specialist** or **doctor** within thirty (30) days of the accident.

Loss

Means the total and permanent:

- loss of the use of the hand from the wrist or the foot from the ankle joint; or
- loss of the use of the arm from the elbow or leg from the knee joint; or
- complete severance of the thumb and/or finger from the first phalangeal joint; or
- loss of the use of the entire thumb and/or finger; or
- loss of an eye or loss of sight in the eye after corrective lenses. Loss of sight means total and irrecoverable loss of sight in an eye, as evidenced by:
 - a. visual acuity of less than 6/36 after correction; or
 - b. field of vision constricted to 20 degrees or less of arc; or
 - c. a combination of irrecoverable visual defects resulting in the same degree of visual impairment as that occurring in (a) or (b).
- profound and irreversible loss of hearing in both ears to the extent that either:
 - a. the hearing loss, with and without the assistance of an external hearing aid, is greater than 80 decibels across 0.5, 1, 2, and 4 kHz frequencies; or
 - b. the hearing loss is greater than 80 decibels across all frequencies and a specialist has recommended the insertion of a cochlear implant.

Paralysis

The total and permanent loss of use of two (2) or more limbs resulting from *injury* of the brain or spinal cord. Limb means the whole arm or leg.

Burns

Means deep partial-thickness burns or full thickness burns to the skin requiring surgical debridement and skin grafting or flap reconstruction.

The burns must be measured by one (1) of the following:

- Lund-Browder Chart; or
- Rule of Nines

Limitations

The Optional Specific Injury Benefit is paid in lieu of a Total Disability, Partial Disability, and Bed Confinement Benefit for the specified period from the **claim event date**.

If the **life insured** remains Totally Disabled or Partially Disabled by a Specific Injury **condition** at the end of the specified period, and is no longer in the **waiting period**, **PPS Mutual** will commence payment of the Total Disability or Partial Disability Benefit. The **claim payment term** for the **life insured** will be reduced by the corresponding multiple (in months) of the **sum insured** paid.

Only one (1) Specific Injury claim will be paid in connection with the same event. If more than one (1) Specific Injury occurs within a 24-hour period, then **PPS Mutual** will deem these to be part of the same event.

If the **life insured** suffers more than one (1) Specific Injury from the same event, **PPS Mutual** will pay the Specific Injury claim that corresponds to the highest payment multiple.

5.

Optional Short Term Booster Benefit

If the Optional Short Term Booster Benefit is shown in the **policy schedule** for the **life insured**, then **PPS Mutual** will pay the Optional Short Term Booster Benefit.

The Optional Short Term Booster Benefit increases the:

- Total Disability Benefit; and
- Partial Disability Benefit,

payable by **PPS Mutual** for the **life insured** for the first six (6) months from the end of the **waiting period** by one-third (1/3rd).

Where the Optional Critical Illness Benefit or Optional Specific Injury Benefit is paid in lieu of the Total Disability Benefit, **PPS Mutual** will increase the lump sum corresponding to the specified period of the applicable Optional Critical Illness Benefit or Optional Specific Injury Benefit by an additional one-third (1/3rd).

Limitations

PPS Mutual will pay the Optional Short Term Booster Benefit for a maximum of six (6) months in connection with all related claims occurring within a twelve (12) month period.

If the Optional Short Term Booster Benefit is being paid, the Partial Disability Booster benefit will not be paid at the same time.

6.

Optional Permanent Disability Income Booster Benefit

If the Optional Permanent Disability Income Booster Benefit is shown in the **policy schedule** for the **life insured**, then **PPS Mutual** will pay either the:

- Total and Permanent Disability Income Booster Benefit; or
- Partial and Permanent Disability Income Booster Benefit,

if the **life insured** meets the relevant criteria detailed below.

Total and Permanent Disability Income Booster Benefit

If the **life insured** has been totally disabled from their **usual occupation** for a continuous period of at least twelve (12) consecutive months and is considered totally and permanently disabled (as described below), **PPS Mutual** will pay the Total and Permanent Disability Income Booster Benefit.

The Total and Permanent Disability Income Booster Benefit is payable while the **life insured** is receiving the Total Disability Benefit or the Optional Specific Injury Benefit.

What will PPS Mutual pay under the Total and Permanent Disability Income Booster Benefit?

The Total and Permanent Disability Income Booster Benefit pays one-third (1/3rd) of the Income Protection **sum insured** for the remaining **claim payment term** of the Income Protection Benefit.

The Total and Permanent Disability Income Booster Benefit is not subject to any **offsets**.

Totally and Permanently disabled means:

The **life insured**:

- has, in **PPS Mutual's** reasonable opinion, following a review of the medical evidence and any other evidence **PPS Mutual** requires, become so incapacitated that they are unlikely to ever be able to work in their **usual occupation** again; or
- is totally and irreversibly unable to perform at least two (2) **activities of daily living** without the assistance of another person; or
- is totally and irreversibly unable to perform three (3) of the **normal domestic duties** without the assistance of another person.

Partial and Permanent Disability Income Booster Benefit

If the **life insured** is considered partially and permanently disabled (as described below), **PPS Mutual** will pay the Partial and Permanent Disability Income Booster Benefit.

The Partial and Permanent Disability Income Booster Benefit is payable while the **life insured** is receiving the Partial Disability Benefit.

What will PPS Mutual pay under the Partial and Permanent Disability Income Booster Benefit?

PPS Mutual will apply the Partial Disability Benefit calculation in Section 2 of the Main Benefits section as follows:

1. the **income** which the **life insured** is receiving during partial disability is deemed to be zero; and
2. the **life insured**'s working hours during partial disability are also deemed to be zero,

for so long as the Partial Disability Benefit is payable and for a maximum period of two (2) years.

On expiry of that period, if the Partial Disability Benefit is still payable it will be calculated based on the actual **income** received or hours worked by the **life insured** during partial disability.

Partially and permanently disabled means:

The **life insured**:

- has, in **PPS Mutual**'s reasonable opinion, following a review of the medical evidence and any other evidence **PPS Mutual** requires, been partially disabled during their **usual occupation** for a continuous period of at least twelve (12) consecutive months; and
- the **life insured** is certified by a **specialist** they are unlikely to ever be able to work **full time** in their **usual occupation** again.

7.

Optional Inflation Adjustment

If the inflation adjustment option is shown on the **policy schedule** for the **life insured** for the Income Protection Cover, and **PPS Mutual** is paying a Total Disability Benefit or Partial Disability Benefit, the claim payment will continue to increase each year on the **policy anniversary** date in line with the inflation adjustment set out in the General Terms and Conditions.

As claims are paid in advance, the claim payment immediately preceding the **policy anniversary** will be proportionately adjusted for the period between your **policy anniversary** and the next claim payment date using the increased Income Protection Cover **sum insured** applicable after the **policy anniversary**.

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