

Life Solutions | Wealth Solutions

# Variation of Standard Terms and Conditions for Commercial Pilots and Flight Engineers

As your occupation is either a Commercial Pilot or Flight Engineer, the terms and conditions of insurance which will be offered to you if your application is accepted will be varied from those set out in the current Asteron Life Insurance Product Disclosure Statement (PDS). This Variation of Standard Terms and Conditions sets out those differences and it should be read in conjunction with the current Asteron Life Insurance PDS containing the application for the Income Protector Policy.

While the PDS also includes information about the Income Advantage policy, this product is not available to Commercial Pilots or Flight Engineers.

Features	Varied Terms			PDS Reference
Age Limits		Entry ages	Expiry ages	
	Stepped	20 – 49	54*	Page 36 of the PDS
	Level	20 – 49	54*	Page 36 of the PDS
	*Cover ends on the policy anniversary when you are 54			
Maximum Monthly Benefit	At policy commencement the maximum is \$12,000. The monthly benefit can increase above \$12,000 through the Automatic Increase Benefit.			Page 37 and 45 of the PDS
Waiting Period	Available periods are 90, 180, 365, and 730 days			Page 37 of the PDS
Benefit Period	Available periods are 2 years, 5 years and to age 55			Page 37 of the PDS
Agreed Value Cover	Not Available - Indemnity Contract will be issued instead.			Page 37 of the PDS
Accidental Injury	Not Available			Page 51 of the PDS
Accidental Injury Plus	Not Available			Page 51 of the PDS

## Eligibility

To apply for the Income Protector policy under this Variation of Standard Terms and Conditions for Commercial Pilots and Flight Engineers, you must be working as a **Commercial Pilot** or **Flight Engineer**.

Your financial adviser will provide you with a copy of our eligibility standard for these occupations and advise if you are eligible to apply.

## Definition of the Severely Disabled Benefit

If you have been qualified and employed as a Commercial Pilot or Flight Engineer for less than 5 years at the time of application, the paragraph headed '10 Hours definition' in the **Severely Disabled Benefit** section of the PDS on page 39, is replaced with:

"We will consider you to be severely disabled if, solely due to sickness or injury:

- » you are unable to perform the important income producing duties of **any occupation for which you are reasonably suited by education, training or experience** for more than 10 hours per week; and
- » you are not working for more than 10 hours per week in any gainful occupation,

as long as you are following the advice of a registered doctor in relation to that sickness or injury."

Once you have been qualified and employed as a Commercial Pilot or Flight Engineer for more than 5 years you may apply to Asteron to have the Severely Disabled Benefit as outlined on page 39 of the PDS applied to your policy.

## Income Update Benefit

The section of the PDS explaining this benefit on page 48 of the PDS is replaced with:

"This benefit, which is only available under the Indemnity Option, gives you the flexibility to help keep your cover in line with your current income.

The Income Update Benefit is available if you are age 49 or under when you apply for the policy.

The benefit allows the policy owner to increase the monthly benefit, each year on the policy anniversary, without needing to provide further financial or medical evidence if you are age 54 or under. An increase can only be made under this benefit if no benefit is payable under the policy and premiums are not being waived.

The maximum increase is the lower of:

- » 10% of the monthly benefit at the policy commencement date;
- » \$1,000 per month; and
- » the difference between the monthly benefit and \$12,000.

The total of all increases in the monthly benefit, under this benefit, cannot exceed the original monthly benefit at the policy commencement date.

This benefit is not available, or ceases to be available, if the monthly benefit is equal to or greater than \$12,000."

## When we will reduce the benefit payable

This section, on page 52 of the PDS, is replaced with:

"There are some circumstances where we will reduce the amount payable under the Severely Disabled or Partially Disabled Benefits on Income Protector.

The amount payable will be recalculated if you or the policy owner receive other payments in relation to the sickness or injury causing your disablement by way of:

- » sick leave entitlements;
- » any compulsory insurance scheme such as Workers' Compensation or Accident Compensation scheme for loss of income;
- » other disability, group, sickness or accident insurance cover, including cover under a mortgage repayment insurance policy or through a superannuation fund;
- » **compensation for temporary incapacity under any loss of licence cover.**

We will recalculate the benefit so that the amount we pay, when added to your monthly income and the other payments above, is no more than the greater of:

- » 75% of your pre-disability income; and
- » the benefit otherwise payable.

If any of the payments listed above (other than sick leave) are received in the form of a lump sum then, if all or part of that

lump sum is a payment in compensation for loss of earnings, we will convert that part of the lump sum which is compensation for loss of earnings to income on the basis of 1% of the loss of earnings component for each month that we pay the benefit, for a maximum of 8 years. The balance of the lump sum, if any, will not be offset. **A lump sum payment for temporary incapacity under any loss of licence cover is deemed to be compensation for loss of earnings."**

If we are paying you the Severely Disabled Benefit under the 10 hours definition and you are working for 10 hours or less per week in a gainful occupation, your income attributable to such work will not be included in your monthly income when we recalculate the benefit having regard to the payments above.

## When we will not pay a benefit

"In addition to the circumstances specified on page 53 of the PDS, a benefit will not be paid, if the event giving rise to the claim was in any way, directly or indirectly, caused by, or contributed to by, a 'terror event', which occurred while you were:

- » at your place of work; or
- » performing the duties of your occupation; or
- » on lay over between flights outside Australia.

For the purposes of this provision, a 'terror event' includes an act (or threatened act) involving force or violence (or your apprehension of force or violence) on the part of an individual or group which, from its nature or context:

- (a) has (or appears to have) as its objective, the intimidation of government, or of a governmental, public, social or religious institution, or economic or social disruption of any kind; or
- (b) is done in connection with political, social, religious, ideological or similar cause or objective, and includes any action taken to control, prevent, suppress or otherwise deal with, or respond to, that act (or threatened act)."

## When does the policy end?

This section, on page 53 of the PDS, is replaced with:

"All cover will end on the earliest of:

- » the date you permanently leave the workforce, other than because of disablement where benefits are still payable under the policy;
- » the date we receive the policy owner's written request to cancel the policy;
- » cancellation of the policy for non-payment of the premiums;
- » the date on which all benefit entitlements under the policy end;
- » the policy anniversary when you are age 54; and
- » your death."

### Important note

The information provided in this brochure is general advice only. It has been prepared without taking account of your individual objectives, financial situation or needs.

We recommend that you refer to the current version of the Asteron Life Insurance Product Disclosure Statement and consider the appropriateness of the product having regard to your individual financial circumstances. The PDS is issued jointly by Asteron Life Limited ABN 64 001 698 228 (AFSL 237903) and Asteron Portfolio Services Limited ABN 61 063 427 958 (AFSL 237905) (RSE Licence No. L0002059). To find out more, talk to your Financial Adviser, or visit the Life website via [www.life.asteron.com.au](http://www.life.asteron.com.au)

### Issuer

Asteron Life Limited  
ABN 64 001 698 228  
AFS Licence No. 237903  
465 Victoria Avenue  
Chatswood NSW 2067

T | 1800 221 727  
F | 02 9978 9999  
W | [www.life.asteron.com.au](http://www.life.asteron.com.au)



AT YOUR FINANCIAL SERVICE®

Issued September 2006



