

# Protection Benefit Sheet

## Income Cover Benefit

### 1. Lives Assured

The lives assured for this income cover benefit are detailed in the **Policy Schedule**. All references to life assured or lives assured in this protection benefit sheet refer only to those people.

### 2. Income Cover Benefit Claims

The income cover benefit is payable, if, during the **Cover Term**, a life assured becomes totally disabled and remains so for at least the **Waiting Period** and **ING Life** has accepted the claim. The amount payable to you will be one of the following depending on the life assured's occupation class either as detailed in the **Policy Schedule**; or, if the life assured has been unemployed for greater than six consecutive months immediately prior to the time of claim then their occupation class will be class 5 irrespective of the occupation class detailed in the **Policy Schedule**:

- **For Occupation Classes 1 – 4**  
The lesser of the monthly income cover benefit detailed in the **Policy Schedule** or 75% of the life assured's pre-disability income. The amount payable will be reduced by any other income (gross of tax) or benefit (gross of tax) being received, or entitled to be received, from any other persons or organisations (including the Accident Compensation Corporation) as a result of the same disability.
- **For Occupation Class 5**  
The lesser of the monthly income cover benefit detailed in the **Policy Schedule** or \$1800.00 per month. The amount payable will be reduced by any other income (gross of tax) or benefit (gross of tax) being received, or entitled to be received, from any other persons or organisations (including Accident Compensation Corporation) as a result of the same disability.

The income cover benefit will be payable monthly in advance until either the life assured is no longer totally disabled, or the end of the **Payment Term** is reached, whichever is the earlier.

#### 2.1 Totally Disabled or Total Disability

For the purposes of this income cover benefit totally disabled or total disability means:

##### **Occupation Classes 1 – 4**

As a result of a disability caused by illness or accident, a life assured is continuously unable to perform at least one of the duties of their pre-disability occupation which are necessary to produce their pre-disability income and is not working in any occupation in any capacity. The life assured must be under the regular care of and following the advice and treatment of an appropriate registered medical practitioner. The diagnosis of the total disability must be made by an appropriate registered medical practitioner, and must confirm, in **ING Life's** opinion, that the life assured meets the definition of totally disabled or total disability.

For the purposes of the above definition, one of the duties of their pre-disability occupation necessary to produce pre-disability income is defined as an income producing duty that generates 20% or more of the life assured's pre-disability monthly income.

#### **Occupation Class 5**

As a result of a disability caused by illness or accident, a life assured is continuously confined, under medical supervision, to a medical institution or home and is unable to carry out at least two of the activities of daily living listed below without the physical assistance of another person. The diagnosis of the disability must be made by an appropriate registered medical practitioner and must confirm, in **ING Life's** opinion, that the life assured meets the definition of totally disabled.

#### **Activities of Daily Living:**

- Dressing and undressing
- Using a toilet for personal hygiene
- Moving from place to place by walking, using a wheelchair or with the assistance of a walking aid
- Eating and drinking
- Showering and bathing

### **3. Partial Disability**

Only lives assured in occupation classes 1-4 may be entitled to the partial disability benefit. The partial disability benefit will be paid, if during the **Cover Term**, a life assured has been totally disabled for at least 2 weeks and then returns to work at a reduced capacity (i.e. their income is less than 75% of their pre-disability income as a result of the disability) and **ING Life** has accepted the claim. To allow **ING Life** to accurately assess the ongoing validity of a partial disability claim, the partial disability benefit will be paid monthly in arrears from the end of the **Waiting Period** until the life assured is no longer partially disabled or the end of the **Payment Term** is reached, whichever is the earlier.

The amount payable under the partial disability benefit will be the lesser of:

- »  $A \times B$

(Where A is the proportion of pre-disability income lost as a result of the disability i.e. pre-disability income less post disability income divided by pre-disability income and B is the monthly income cover benefit); or

- » The monthly income cover benefit.

The amount payable will be reduced by any other income (gross of tax) or benefit (gross of tax) being received, or entitled to be received, from any other persons or organisations (including the Accident Compensation Corporation) as a result of the same disability.

#### **3.1 Pre-Disability Income**

For the purposes of this income cover benefit, pre-disability income means:

- **For Non Self-Employed**  
The greater of:
  - The average monthly income earned over the previous 12 months immediately prior to the life assured becoming totally disabled. This amount includes motor

vehicle allowances and fringe benefits (as that term is defined in section CII of the Income Tax Act 1994); or

- The monthly income earned immediately prior to the life assured becoming totally disabled. This amount includes motor vehicle allowances and fringe benefits (as that term is defined in section CII of the Income Tax Act 1994). Any overtime to be included will be the average monthly amount earned over the previous 12 months immediately prior to the date of disability.
- **For Self-Employed**  
The greater of:
  - The average monthly business income less professional expenses earned over the previous 36 months immediately prior to the date of disability; or
  - The average monthly business income less professional expenses earned over the previous 12 months immediately prior to the date of disability.

#### 4. **Bed Confinement Benefit**

A bed confinement benefit will be paid, if as a result of a total disability during the **Cover Term**, a life assured is admitted to a registered hospital or confined to bed at home under the daily supervision of a registered medical practitioner for a period of 3 nights or more and **ING Life** has accepted the claim. The daily amount payable will be the equivalent of 1/30 of the monthly income cover benefit as detailed in the **Policy Schedule** and will be paid from the fourth night of bed confinement or admittance to a registered hospital until the earlier of:

- The life assured being no longer hospitalised ; or
- Confined to bed at home; or
- The end of the **Waiting Period** is reached.

No benefit is payable for the first three nights of hospitalisation or bed confinement.

#### 5. **Leave Without Pay Benefit**

A leave without pay benefit will be paid, if during the **Cover Term**, a life assured becomes totally disabled and remains so for at least the **Waiting Period** while they are on a period of leave without pay from their usual occupation (which has been approved by their employer) and **ING Life** has accepted the claim. If the total disability occurs while the life assured has been on leave for less than 12 months then the amount payable will be the equivalent of that which would have been paid immediately prior to the life assured going on leave. If the total disability occurs while the life assured has been on leave for more than 12 months, the amount payable will be that applicable for occupation class 5. The leave without pay benefit will be paid monthly in advance from the end of the **Waiting Period** until the life assured is no longer totally disabled or the end of the **Payment Term** is reached, whichever is the earlier.

#### 6. **Vocational Retraining and Rehabilitation Benefit**

If, while claiming an income cover benefit, the life assured believes a particular rehabilitation measure or vocational retraining programme will assist them to regain their pre-disability lifestyle or re-enter the workforce and **ING Life** agrees, then **ING Life** may, at its sole discretion, pay for the rehabilitation measure or the vocational retraining programme up to a maximum total payment of twelve times the monthly income cover benefit detailed in the **Policy Schedule**.

**ING Life** must agree to meet any vocational retraining or rehabilitation costs in writing prior to those costs being incurred before a payment will be made under this benefit.

## 7. Total and Permanent Disability Benefit

A total and permanent disability benefit will be paid, once **ING Life** has accepted the claim, if during the **Cover Term**, a life assured has been totally disabled for at least six uninterrupted months and a diagnosis is made by an appropriate registered medical practitioner which confirms, in **ING Life's** opinion, that the life assured as a result of being totally disabled:

### Occupation Classes 1 – 2

- Becomes so disabled that they are unlikely to ever return to their pre-disability work or engage in any other work that is, in **ING Life's** opinion, the same as their immediate pre-disability work; or
- Completely and permanently loses the use of 2 limbs (limb being an arm, leg, hand or foot), or completely and permanently loses all sight in both eyes or completely and permanently loses the use of one limb and the sight in one eye; or
- Suffered the total and irreversible inability to perform at least 2 of the **Activities of Daily Living** without the assistance of another person:

### Occupation Classes 3 – 4

- Becomes so disabled that they are unlikely to ever return to their pre-disability work or engage in any other work that they are reasonably suited to by way of education, training or experience; or
- Completely and permanently loses the use of 2 limbs (limb being an arm, leg, hand or foot), or completely and permanently loses all sight in both eyes or completely and permanently loses the use of one limb and the sight in one eye; or
- Suffered the total and irreversible inability to perform at least 2 of the **Activities of Daily Living** without the assistance of another person.

### Occupation Class 5

- Completely and permanently loses the use of 2 limbs (limb being an arm, leg, hand or foot), or completely and permanently loses all sight in both eyes or completely and permanently loses the use of one limb and the sight in one eye; or
- Suffered the total and irreversible inability to perform at least 2 of the **Activities of Daily Living** without the assistance of another person.

The amount payable will be a lump sum of 12 times the monthly income cover benefit detailed in the **Policy Schedule**. The amount payable under the total and permanent disability benefit will not affect any ongoing amount payable under the income cover benefit.

## 8. Return To Home Benefit

A return to home benefit will be paid, if, during the **Cover Term**, a life assured has been working outside of New Zealand for more than 3 months and then suffers a total disability, and **ING Life** has accepted the claim. The return to home benefit will pay the lesser of:

- 3 times the monthly income cover benefit as detailed in the **Policy Schedule**; or
- A single standard economy air fare to New Zealand by the most direct route available plus any transport costs to an **ING Life** approved medical facility in New Zealand where necessary.

A return to home benefit can only be paid once in any 12 month period.

## 9. Recurrent Disability Benefit

If, during the **Cover Term**, a life assured suffers a recurrence of an illness or injury causing a total or partial disability within six months of ending a claim for that same illness or injury, then, once **ING Life** has accepted the claim, the **Waiting Period** for the new claim will be waived.

If the **Payment Term** detailed in the **Policy Schedule** is 5 years, or if there are any **Payment Term** restrictions which have been applied to this policy, then any recurrent claim where the **Waiting Period** has been waived will be considered a continuation of the original claim for the purposes of determining the duration of the **Payment Term**.

## 10. Optional Benefit Restriction

If you have chosen an optional benefit restriction as detailed in the **Policy Schedule** and have obtained the corresponding premium discount then if, during the **Cover Term**, a life assured is totally or partially disabled as a direct or indirect result of a mental illness as defined below, then the **Payment Term** for any claim arising out of this disability will be one year from the end of the **Waiting Period**, irrespective of the **Payment Term** detailed in the **Policy Schedule**.

Mental illness is defined as any of the following as diagnosed by an appropriate registered medical practitioner:

- Depression
- Anxiety
- Stress related disorders
- Phobias

## 11. Claim Proofs

**ING Life** has no obligation to pay any claim under this income cover benefit until it has received all the information it requires to assess the claim and is satisfied that the life assured fulfils the relevant criteria.

**ING Life** will need to assess the ongoing validity of any claim made before any monthly instalment of a claim can be paid. To allow this process to be completed **ING Life** will require the documentation listed below and any other information **ING Life** deems necessary:

- A letter or certificate from an appropriate registered medical practitioner that the life assured satisfies, in **ING Life's** opinion, the definition of totally or partially disabled; and
- Proof which, in **ING Life's** opinion, confirms a loss of income resulting directly from the disability; and
- Proof of identity and age of the life assured unless this had previously been provided to and recorded by **ING Life**; and
- Ongoing medical certification, which confirms, in **ING Life's** opinion, that the life assured remains totally or partially disabled and is complying with prescribed treatment and advice; and
- Details of any other income or benefit being received, or entitled to be received, from any other persons or organisations (including the Accident Compensation Corporation) as a result of the same disability.

Depending on the individual circumstances surrounding each claim, **ING Life** may also request any other additional proof that it determines, at its sole discretion, is necessary to complete its assessment of the claim. In the event that **ING Life** does not approve of a specialist or medical practitioner from whom you have obtained your diagnosis of the condition on which your claim is based, **ING Life** can require that you obtain a second diagnosis from a specialist or medical practitioner approved by **ING Life**.

## 12. Exclusions

**ING Life** will not pay any claim if a life assured becomes totally disabled as a direct or indirect result of:

- Self-inflicted harm including attempted suicide, alcohol or drug abuse; or
- Pregnancy or complications arising from the pregnancy unless the disability lasts more than 90 days after the end of the pregnancy; or
- Participating in a criminal act.

**ING Life** will also not continue to pay a claim if a life assured does not comply with the treatment recommended by their attending treatment providers.

## 13. Self- Employed Restriction

If a life assured has been self-employed for a period of less than three years immediately prior to the policy **Commencement Date** and becomes totally or partially disabled as a result of a mental illness as defined below, then the **Payment Term** for any claim arising out of this disability will be one year from the end of the waiting period, irrespective of the **Payment Term** detailed in the **Policy Schedule**.

This restriction will no longer apply once the life assured has been self-employed for a continuous period greater than three years inclusive of the period immediately prior to the policy **Commencement Date**.

Mental illness is defined as any of the following as diagnosed by an appropriate registered medical practitioner:

- Depression
- Anxiety
- Stress related disorders
- Phobias