

State Term Life Cover policy Living Cover benefit

This benefit will pay a lump sum amount if the life assured suffers one of the *conditions* listed in section 2.

The sum assured, the name of the life assured and other details specific to your Living Cover benefit are shown in the schedule.

The terms and conditions of your State Term Life Cover policy document also apply to this benefit.

1. When we will pay this benefit

We will pay this benefit in the circumstances set out below, subject to the other terms of your State Term Life Cover policy.

We will pay a Living Cover benefit if a life assured suffers one of the *conditions* and survives for at least 14 days.

We will only pay one claim under this benefit (except if you make a claim for angioplasty).

After we have paid your claim:

- the Living Cover benefit will end (except if the claim was for angioplasty); and
- the Life Cover *sum assured* will decrease by the amount of the claim paid.

If we pay a claim for angioplasty, your benefit will continue for all other *conditions*, but you cannot make another claim for angioplasty. The Life Cover and Living Cover *sum(s) assured* will be reduced by the amount of the angioplasty claim, and your premium will reduce accordingly.

2. *Conditions* covered by this benefit

The following *conditions* are covered by your Living Cover benefit. You will find a definition for each *condition* in section 7.

- angioplasty[#]
- cancer[#]
- coronary artery bypass surgery[#]
- heart attack[#]
- stroke[#]
- chronic renal failure
- major transplant surgery
- paraplegia
- quadriplegia

Conditions marked #: If the life assured suffers one of these *conditions* within 90 days of:

- the *risk commencement date*, we will **not** pay a benefit;
- the date any increase in your Living Cover *sum assured* becomes effective, we will pay the original Living Cover *sum assured*, but **not** the increase.

3. What we will pay

Under the Living Cover benefit we will pay the Living Cover *sum assured* shown in the *schedule*, except for angioplasty.

For angioplasty claims we will pay:

- 10% of the *sum assured*; or
- \$25,000,

whichever amount is lower.

4. Children's benefit

Sovereign will pay a children's benefit if a natural or legally adopted child of a life assured for the living assurance benefit, suffers for the first time and after the *risk commencement date* shown in *the schedule* one of the *conditions* described in section 2.

The benefit is payable only if the child is aged between three years and 18 years at the time he or she first suffers from the *condition*, and the child survives for at least 14 days thereafter.

- The amount of the benefit is either \$20,000 or 50% of the living assurance benefit payable for the life assured, whichever is the lesser.
- Sovereign will pay only one children's benefit for each child.

This benefit will not affect the amount of any living assurance benefit which may be claimed for the relevant life assured.

5. Making a claim

You will find general information on making a claim in section 3 of your State Term Life Cover policy document under the heading "How to claim a benefit".

To make a claim on your Living Cover benefit, we will need proof of the *condition* for which you are making the claim, such as medical evidence or reports or any other information we may ask for.

Before we accept your claim, the life assured must be examined by a *registered medical practitioner*, and undergo any examinations we request.

6. Exclusions (when we won't pay this benefit)

We will **not** pay a Living Cover benefit if any of the following directly or indirectly causes or contributes to your claim:

- the life assured (or the child in the case of a children's benefit) deliberately injuring himself or herself or trying to do so;
- the life assured (or the child in the case of a children's benefit) taking part in a criminal act.

We will **not** pay a Living Cover benefit for any *condition* that existed before the *risk commencement date* unless:

- we are satisfied that the life assured could not have known before the *risk commencement date* that the *condition* existed; or
- the life assured declared the *condition* on your application and we accepted it.

If you have increased your Living Cover *sum assured*, we will **not** pay the amount of the increase for any *condition* that existed before the effective date of the increase unless:

- we are satisfied that the life assured could not have known before the effective date of the increase that the *condition* existed; or
- the life assured declared the *condition* on your application for the increase and we accepted it.

We will not pay a children's benefit if a congenital defect directly or indirectly causes or contributes to the claim.

We will not pay a children's benefit for the relevant condition if the condition directly or indirectly arises from an injury caused by you, the child's parents or guardians.

7. Definitions of *conditions*

We have done our best to make the following definitions as simple as possible. If you want to make a claim and are unsure about any of these definitions, please speak to your GP or specialist.

Angioplasty	The actual undergoing of coronary artery balloon angioplasty, considered medically necessary by a consultant cardiologist, to correct a narrowing or blockage of one or more coronary arteries.
Cancer	<p>The presence of one or more malignant tumours, characterised by uncontrolled growth and spread of malignant cells, with the invasion and destruction of normal tissue for which major interventionist treatment or surgery is considered medically necessary.</p> <p>The following tumours are included:</p> <ul style="list-style-type: none">• Intra-ductal carcinoma of the breast if it results in removal of the entire breast to arrest spread of malignancy;• Malignant melanoma, if it is at least Clark level 3, or greater than 1.5 mm thickness as measured using the Breslow histological classification. <p>The following tumours are excluded:</p> <ul style="list-style-type: none">• Tumours classified as carcinoma in situ (including intraepithelial neoplasia);• Prostate tumours with a Gleason score of less than 6. (If the Gleason score is unavailable, we will use the TNM classification and tumours classified as T1 or its equivalent will be excluded);• All skin cancers unless there is evidence of metastases;• Papillary micro-carcinoma of thyroid or bladder;• Chronic Lymphocytic Leukaemia less than RAI Stage 3.
Chronic renal failure	The kidneys of the life assured have reached the end stage of renal disease resulting in chronic irreversible failure of the kidneys to function, as a result of which regular renal dialysis is instituted or transplantation performed.
Coronary artery bypass surgery	The life assured has suffered or undergone open heart bypass surgery to correct or treat coronary artery disease.

Heart attack

The death of a portion of the heart muscle arising from the inadequate blood supply to the relevant area. The diagnosis shall be based on the following criteria being present and consistent with a heart attack:

- Clinical Features (including but not limited to chest pain, nausea and dizziness);
- Confirmatory new electrocardiogram (ECG) changes; and
- A diagnostic rise and fall (other than as a result of cardiac or coronary intervention) in either Troponin I in excess of 2 microgram or Troponin T in excess of 0.6 microgram or cardiac enzyme CK-MB.

If any of the above criteria are not met then we will consider a claim based on evidence that the event produced a permanent reduction in the Ejection Fraction to 50% or less (as measured one year after the event).

Major transplant surgery

The life assured has had one or more of the following human organs or substances completely transplanted from a human into that life assured's body:

- Kidney;
- Heart;
- Lung;
- Liver;
- Pancreas;
- Bone marrow;
- Intestine.

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

Paraplegia

The life assured suffers total and permanent loss of function of both legs due to injury or disease of the spinal cord.

Quadriplegia

The life assured suffers total and permanent loss of function of both upper and lower limbs due to injury or disease of the spinal cord.

Stroke

A cerebrovascular incident producing neurological sequelae and causing at least 25% continuous impairment of *whole person functioning*, as measured at 6 months after diagnosis. This requires evidence of:

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

Excluded from this definition are transient ischaemic attacks (TIA), reversible ischaemic neurological deficit (RIND), cerebral symptoms due to migraine, cerebral injury from trauma or systemic hypoxia and vascular disease affecting the eye or optic nerve.

8. Other definitions

Under State Term Life Cover, words in italics have specific meanings. For definitions of these words see section 10 'Definitions' of your State Term Life Cover policy document, or for words that are specific to this benefit, see below.

condition(s)

Any treatment, diagnosed illness, surgical procedure or event listed in Section 2.

whole person functioning

As defined in the American Medical Association's "Guides to the Evaluation of Permanent Impairment – 4th Edition" or any subsequent editions.