



**PPS Mutual
Professionals' Choice**

Key Person Protector Cover

Cover terms

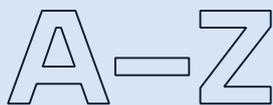


Introduction

This Key Person Protector 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 Key Person Protector 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 Key Person Protector 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 Key Person Protector 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 a Key Person Protector 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.



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 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?

The Total Disability Benefit is calculated as follows:

- **sum insured – insurance offsets**

What does totally disabled mean?

A **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**.

Limitations

PPS Mutual will not pay the Total Disability Benefit if the **life insured** was not working **full time** (other than during any periods of approved short term leave) in their **usual occupation** for twelve (12) consecutive months or longer prior to the commencement of the total disability.



Additional Benefits

Your Key Person Protector Cover comes with the following additional built-in benefits that are paid in addition to the Key Person Protector 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.

Functional Equipment Benefit

If **PPS Mutual** is paying a Total Disability Benefit or Optional Partial Disability Benefit for a **life insured**, **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 return to work in their **usual occupation**.

Specialised equipment may include (but 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 Key Person Protector 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.

3.

Workplace Support Benefit

If **PPS Mutual** is paying a Total Disability Benefit or Optional Partial Disability Benefit for a **life insured**, **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 workplace equipment and/or making workplace modifications to enable the **life insured** to regain function and return to work in their **usual occupation**.

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

- ergonomic chair; or
- adjustable height desk; or
- specialised keyboard.

Workplace modifications may include (but not limited to):

- ramps; or
- chair lifts; or
- assessable toilets.

PPS Mutual will reimburse the reasonable costs of workplace equipment and/or workplace modification costs to the lesser of:

- the actual and reasonable modification costs; or
- \$15,000; or
- three (3) times the Key Person Protector Cover **sum insured**,

per **life insured** across all **PPS Mutual policies**.

To claim the Workplace Support Benefit, you must request approval from **PPS Mutual** and provide sufficient evidence of purchase. We encourage you to seek prior approval from **PPS Mutual** first wherever possible.

Limitations

Amounts paid under the Workplace Support 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 Workplace Support Benefit will be offset by any costs reimbursed from other sources.

4.

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 not limited to):

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

5.

Recruitment Support Benefit

If **PPS Mutual** is paying a Total Disability Benefit or Optional Partial Disability Benefit for a **life insured** for at least one (1) month and the **life insured** is unlikely to return to the **business** in a **full time** capacity for at least a further two (2) months, **PPS Mutual** will reimburse you reasonable **recruitment costs** to substitute the **life insured** in the **business** to the lesser of:

- reasonable **recruitment costs**; or
- \$15,000; or
- three (3) times the Key Person Protection Cover **sum insured**,

per **life insured** across all **PPS Mutual policies**.

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

Limitations

Amounts paid under the Recruitment Support Benefit will be aggregated for each related period of disability, including recurrent claims under the Recurring Claim Fast-track feature.

PPS Mutual will only pay either the Recruitment Support Benefit or Relocation Support Benefit for each related period of disability, including recurrent claims under the Recurring Claim Fast-Track Feature.

6.

Relocation Support Benefit

If **PPS Mutual** is paying a Total Disability Benefit or Optional Partial Disability Benefit for a **life insured** for at least one (1) month and the **business** could relocate the **life insured's** place of work to enable them to return to work in their **usual occupation full time**, **PPS Mutual** will reimburse you reasonable **relocation costs** to the lesser of:

- reasonable **relocation costs**; or
- \$15,000; or
- three (3) times the Key Person Protector Cover **sum insured**,

per **life insured** across all **PPS Mutual policies**.

To claim the Relocation Support Benefit, you must request approval from **PPS Mutual** and provide evidence of the **relocation costs**. We encourage you to seek prior approval from **PPS Mutual** first wherever possible.

Limitations

Amounts paid under the Relocation Support Benefit will be aggregated for each related period of disability, including recurrent claims under the Recurring Claim Fast-track feature.

PPS Mutual will only pay either the Relocation Support Benefit or Recruitment Support Benefit for each related period of disability, including recurrent claims under the Recurring Claim Fast-Track Feature.

7.

Transportation To Work Support Benefit

If **PPS Mutual** is paying a Total Disability Benefit or Optional Partial Disability Benefit for a **life insured**, **PPS Mutual** will, on the recommendation of a **specialist** or an occupational therapist, reimburse you for the reasonable additional transportation costs to enable the **life insured** to return to work.

The amount paid under the Transportation To Work Support Benefit will be the actual additional transportation costs incurred by the **life insured** up to a maximum of \$3,000.

To claim the Transportation To Work Support Benefit, you must provide sufficient evidence of the additional transportation costs. We encourage you to seek prior approval from **PPS Mutual** first wherever possible.

Limitations

Amounts paid under the Transportation to Work Support 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 Transportation To Work Support Benefit will be offset by any costs reimbursed from other sources.



Permanent Loss of Key Person Benefit

If a **life insured** dies, or is **medically retired** from the **business**, **PPS Mutual** will pay three (3) times the Key Person Protector Cover **sum insured**.



Additional features

Your Key Person Protector 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 Optional Partial Disability claim within the prior twelve (12) months, **PPS Mutual** will waive the **waiting period** for a recurrent Total Disability or Optional 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 Optional Partial Disability claim ended; and
- returned to **full time** work for at least six (6) continuous months after the original Total Disability or Optional 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.

Cover Conversion Feature

If the **claim payment term** for the **life insured** is two (2) or three (3) years for the Key Person Protector Cover and they are insured for the Optional Partial Disability Benefit, you can convert this Key Person Protector Cover to a new Income Protection Cover with a **claim payment term** of two (2) years and an equivalent (or longer) **waiting period**.

The **acceptance terms** which applied to this Key Person Protector Cover for the **life insured** will apply to the new Income Protection Cover.

The **claim payment term** on the new Income Protection Cover will be reduced by any related claim payments under this Key Person Protector Cover until the Related Claim Payment Reset Feature applies to those related claim payments.

PPS Mutual will financially underwrite the **life insured** to determine the new maximum **sum insured** for the Income Protection Cover, provided that the maximum **sum insured** that **PPS Mutual** can offer will be the **sum insured** that applied under this Key Person Protector Cover.

Premiums for the Income Protection Cover will be based on **PPS Mutual's** current premium rates for the **life insured's** age at the date of conversion.

Limitations

PPS Mutual may not accept a request to exercise a conversion under this feature unless the **life insured** has been in **full time** work and continuously performing all the key income-producing duties of their **usual occupation** for at least six (6) months (inclusive of any periods of approved leave) immediately prior to the request.



Exclusions

PPS Mutual will not pay a claim under this Key Person Protector 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
- 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 Key Person Protector Cover. Only those optional benefits shown in the **policy schedule** for each **life insured** apply to your **policy**.

1.

Optional Partial Disability Benefit

When will PPS Mutual pay the Optional Partial Disability Benefit?

PPS Mutual will pay the Optional 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.

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 Optional Partial Disability Benefit?

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

- the **life insured** is no longer 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 Optional 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 amount PPS Mutual pays under the Optional Partial Disability Benefit calculated?

The amount of the Optional Partial Disability Benefit payable will be the **sum insured** multiplied by the reduced hours of work percentage, calculated as follows:

(**pre-disability working hours** (C) less the working hours during partial disability (D)) divided by **pre-disability working hours** (C)

less **insurance offsets**.

In other words, **PPS Mutual** would pay:

sum insured × ((C - D) / C) – **insurance offsets**

What does partially disabled or partial disability 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**.

Limitations

PPS Mutual will not pay the Optional Partial Disability Benefit if the **life insured** was not working **full time** (other than during any periods of approved short-term leave) in their **usual occupation** for twelve (12) consecutive months or longer prior to the commencement of the partial disability.

2.

Optional Quarterly Peak Season Booster Benefit

If the Optional Quarterly Peak Season Booster Benefit is shown in the **policy schedule** for a **life insured** and the **life insured** is receiving a Total Disability or Optional Partial Disability Benefit for any time during the Quarterly Peak Season months shown on the **policy schedule**, then **PPS Mutual** will increase the Total Disability Benefit or Optional Partial Disability Benefit payable during the Quarterly Peak Season Months by the percentage shown in the **policy schedule**.

3.

Optional Inflation Adjustment

If the inflation adjustment option is shown on the **policy schedule** for the **life insured** for the Key Person Protector Cover, and **PPS Mutual** is paying a Total Disability Benefit or Optional 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 Key Person Protector Cover **sum insured** applicable after the **policy anniversary**.

Appendix B

Optional features

This appendix describes optional features available under Key Person Protector Cover. Only those optional features shown in the **policy schedule** for each **life insured** apply to your **policy**.



Optional Business Insurability Feature

The Optional Business Insurability Feature may be used to increase the **life insured's** Key Person Protector Cover **sum insured** if the **business** gross profit has increased.

To use this feature, you must provide **PPS Mutual** with appropriate **business** 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 **sum insured** for a **life insured** following increases made under this feature is limited to the maximum allowable **sum insured** for this feature as shown in the **policy schedule**.

Limitations

The following limitations apply to increases under this feature:

- the feature will expire on the **policy anniversary** following the **life insured's** sixtieth (60th) birthday; and
- you cannot exercise an increase under this feature if a claim has been paid for the **life insured** under this **PPS Mutual** Key Person Protector Cover; and
- the **acceptance terms** which applied to this Key Person Protector Cover for the **life insured** will apply to increases under this feature.

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