

# BT Protection Plans

Policy Enhancements Guide

Prepare for the best.



# We've enhanced the insurance cover available to you

▶ **At BT, we're committed to continually reviewing and enhancing our life insurance solutions, ensuring the protection available to you is comprehensive with up to date terms.**

We have enhanced some of the insurance benefits of your BT Protection Plans Policy to assist you and your loved ones, if you need to make a claim.

We're also proud to let you know that BT Protection Plans was awarded Life Insurance Product of the Year at the 2014 Australian Banking and Finance Insurance Awards.

This Policy Enhancements Guide (Guide) sets out the terms and conditions of the most recent enhancements, which we made to BT Protection Plans on 19 May 2014.

Please refer to your BT Protection Plans Product Disclosure Statement and Policy Document (PDS), as well as your *policy schedule*, or *membership certificate* or *renewal summary* for full details of the benefits and features provided under your Policy.

If you have any questions, or would like to discuss your cover, please contact your financial adviser or our Customer Relations Team on 1300 553 764, who will be able to help.

# What's changed?

- ▶ **The following pages contain the detailed terms and conditions of the most recent enhancements we made to BT Protection Plans on 19 May 2014.**

If you ever need to submit a claim on your BT Protection Plans Policy, we'll assess your *sickness* or *injury* against the most favourable terms available, from the day your Policy commenced to the date of the *sickness* or *injury*. We won't assess your claim under the new terms and conditions outlined in this Guide if the *sickness* first became apparent, or the *injury* was sustained before we introduced these changes on 19 May 2014.

# Understanding this Guide and the fine print...

When you read this Guide, this is what we mean:

**'We', 'us' and 'our'** means the *Insurer*.

**'Policy Owner'** means the person (or entity) to whom the benefit is paid. For Policies held inside *superannuation*, the Policy Owner is the trustee of the superannuation fund. The name of the Policy Owner is set out in the *policy schedule* or *membership certificate*.

**'Insured Person'** means the person whose life is insured, or the life to be insured. The name of each Insured Person is set out in the *policy schedule* or *membership certificate*.

**'You' and 'your'** means the Insured Person for all Policies paid through a *Super Fund*, and for all other Policies means the Policy Owner.

**'Policy'** means for policies held inside *superannuation*, the cover as provided under the contract of insurance between us and the trustee of the superannuation fund; and for all other cover, the contract of insurance with us.

You will notice that some words are in *italics*. These words have a particular meaning that can be found in the PDS. If you would like an updated version of the PDS containing the terms and conditions for the enhancements in this Guide, you can find this on our website at any time at [bt.com.au](http://bt.com.au).

The following colour icons will help you understand which terms and conditions apply to you. To find out which of the following types of cover are applicable to your BT Protection Plans Policy, please check your *policy schedule*, *membership certificate* or *renewal summary*.

<b>LI</b>	<b>Standalone Living Insurance</b>
<b>+LI</b>	<b>Living Benefit</b> (as an additional benefit to a Term Life or Term Life as Superannuation Policy)
<b>CB</b>	<b>Children's Benefit</b>
<b>IP</b> Own	<b>Income Protection</b> with the <i>own occupation IP</i> definition
<b>IPP</b> Own	<b>Income Protection Plus</b> with the <i>own occupation IP</i> definition
<b>IPP</b> Home	<b>Income Protection Plus</b> with the <i>home duties IP</i> definition
<b>IPS</b> Own	<b>Income Protection as Superannuation</b> with the <i>own occupation IP</i> definition
<b>BOH</b>	<b>Business Overheads</b>

# Medical definition enhancements

## ‘Severe burns’ definition



For the Living Benefit, Children’s Benefit and Crisis Benefit, the definition of ‘severe burns’ has been updated to include coverage for third degree burns to the feet.

### Severe burns

Tissue *injury* caused by thermal, electrical or chemical agents causing third degree burns to:

- at least 20% of the body surface area as measured by the ‘rule of 9’ or the Lund & Browder Body Surface Chart (or equivalent classification); or
- at least 50% of both hands, requiring surgical debridement and/or grafting; or
- at least 50% of both feet, requiring surgical debridement and/or grafting; or
- the face, requiring surgical debridement and/or grafting.

## ‘Angioplasty – triple vessel’ definition



For the Living Benefit and Crisis Benefit, the definition of ‘Angioplasty – triple vessel’ has been updated in line with medical practice to include a triple vessel angioplasty performed over two procedures no more than two months apart.

### Angioplasty – triple vessel

Undergoing for the first time either angioplasty, cardiac keyhole surgery or stent insertion on 3 or more coronary arteries within a single procedure, or in two procedures no more than two months apart, as considered necessary by a cardiologist to treat coronary artery disease. Angiographic evidence is required to confirm the need for this procedure.

# Income Protection enhancements

## Total Disability Benefit



If the Insured Person is eligible for the Total Disability Benefit, we may make an advanced partial payment of the first monthly benefit to provide financial support earlier during the claims process.

### Advanced partial payment

For Income Protection, Income Protection as Superannuation and Income Protection Plus Policies, we may make an advanced partial payment for your first monthly benefit. The advanced partial payment is payable a fortnight after the *waiting period* ends, and is payable in arrears. The amount of the advanced partial payment is calculated on a pro-rata basis based on a 30 day month. If we have made an advanced partial payment on your Policy, the remainder of your monthly benefit will be payable at the end of the month. The amount payable will be your Total Disability Benefit, less the amount of the advanced partial payment.

## Future Insurability Benefit



The Future Insurability Benefit now allows increases to the *insured monthly benefit* every 12 months in line with the Insured Person's income.

### Future Insurability Benefit

You can apply to increase the *insured monthly benefit* by up to 15% once in every 12 months if the Insured Person's *monthly earnings* have increased without needing to provide medical evidence.

The *income ratio* which applies to your *insured monthly benefit* after the increase must not be greater than the *income ratio* at the commencement of your Policy, or since the most recent increase in the monthly benefit that you have applied for under the Policy.

You may only apply for an increase in writing within 30 days of the *review date* and we will require financial evidence to support the increase in the *insured monthly benefit*. Your premium will increase to reflect any increase in the *insured monthly benefit*. The increase in your *insured monthly benefit* does not apply until we have confirmed it in writing.

The *insured monthly benefit* after the increase must not be greater than an amount which is equal to the sum of:

- ▶ 75% of \$320,000 of annualised *monthly earnings*;
- ▶ 50% of the next \$240,000 of annualised *monthly earnings*; and
- ▶ 20% of the remainder of annualised *monthly earnings*.

If the Superannuation Contribution Option is selected, the *insured monthly benefit* after the increase must not be greater than an amount which is equal to the sum of:

- ▶ 80% of the first \$320,000 of annualised *monthly earnings*;
- ▶ 55% of the next \$190,000 of annualised *monthly earnings*; and
- ▶ 20% of the remainder of annualised *monthly earnings*.

The total increase over the life of the Policy cannot exceed the *insured monthly benefit* at the commencement of this Policy (including any increases in the *insured monthly benefit* which we have underwritten and accepted). The maximum benefit limits for Income Protection, Income Protection as Superannuation and Income Protection Plus Policy applies to the total amount of the *insured monthly benefit* after the increase under Future Insurability Benefit.

You cannot apply for a Future Insurability Benefit increase for an Insured Person under this insurance cover:

- ▶ after the *review date* on or immediately following the Insured Person's 55th birthday;
- ▶ if you have had an increase under this benefit within the previous 12 months;
- ▶ if any person has made, or is eligible to make, a claim in relation to the Insured Person for any benefit under any insurance cover issued by us; or
- ▶ if we accepted the Insured Person with a loading.

Any exclusions which apply to the Insured Person's Income Protection, Income Protection as Superannuation and Income Protection Plus Policy will also apply to an increase in the *insured monthly benefit*.



## Waiting period definition



The definition of waiting period has been updated to provide greater flexibility if the Insured Person decides to return to work during the waiting period.

The Insured Person can return to work for up to 5 days during the waiting period at full capacity, if the waiting period is 30 days (or up to 10 days if the waiting period is 90 days or more). In these circumstances we will no longer extend the waiting period by the days worked.

### Waiting period

Waiting period means the minimum period of time which must elapse before any benefit entitlement under an Income Protection, Income Protection as Superannuation, Income Protection Plus, Business Overheads or Key Person Income may accrue. Your *waiting period* is shown in the *policy schedule* or *membership certificate*.

For occupation categories AA, A, P, S, BB, B, or C:

- ▶ the Insured Person must be continuously *totally disabled* or *partially disabled* throughout the *waiting period* in order to keep it running. Except as otherwise stated, if the Insured Person ceases to be *totally disabled* or *partially disabled* at any time, the *waiting period* stops running. The *waiting period* will not start to run again unless the Insured Person again becomes *totally disabled* or *partially disabled*, and then it will do so from the beginning. The *waiting period* does not stop running if the Insured Person returns to work at full capacity for up to a total of 5 days during the *waiting period* (if the *waiting period* is 30 days) or up to a total of 10 days (if the *waiting period* is 90 days or more).

For occupation category E:

- ▶ Total Disability Benefit: the Insured Person must be *totally disabled* throughout the *waiting period* in order to keep it running. If they cease to be *totally disabled* at any time, the *waiting period* stops running. Except as otherwise stated, the *waiting period* will not start to run again unless the Insured Person again becomes *totally disabled*, and then it will do so from the beginning. The *waiting period* does not stop running if the Insured Person returns to work at full capacity for a total of 10 days (if the *waiting period* is 90 days or more) during the *waiting period*.
- ▶ Partial Disability Benefit: the Insured Person must be *totally disabled* for at least 14 of the first 19 days of the *waiting period* and *totally disabled* or *partially disabled* for the balance of the *waiting period*. If the Insured Person returns to work for 10 consecutive days or less and the *waiting period* is 90 days or more, the *waiting period* does not stop running.

For the Severe Disability Benefit, the Insured Person must be *severely disabled* throughout the *waiting period* in order to keep it running. If they cease to be *severely disabled* at any time, the *waiting period* stops running. Except as otherwise stated, the *waiting period* will not start to run again unless the Insured Person again becomes *severely disabled*, and then it will do so from the beginning.

## New Child Care Benefit

### IPP

#### Own

We have introduced the Child Care Benefit to assist with additional childcare expenses incurred while the Insured Person is *totally disabled*.

#### Child Care Benefit

If the Insured Person is *totally disabled*, and requires additional childcare assistance solely as a result of their *total disability*, we will reimburse you the additional child care fees which cannot be recovered from another source.

This benefit is payable for a maximum of 6 months over the life of the Policy. The amount we will reimburse per month is the lesser of:

- ▶ 5% of the Total Disability Benefit;
- ▶ \$500 per month; and
- ▶ the actual additional child care cost incurred, less amounts reimbursed from other sources.

The following conditions apply to the Child Care Benefit:

- ▶ Each child must be under the age of 14 at the time when child care costs are incurred, unless the child has special needs which require additional assistance.
- ▶ The additional child care must be provided by a licensed external child care provider.
- ▶ The additional child care arrangement must be approved by us before the costs are incurred, and evidence of the additional child care costs incurred must be provided to us each month.

# Additional information

## Will these enhancements impact my premiums?

The enhancements set out in this Guide are part of the 'guaranteed upgrades' feature of your Policy. They will not impact your premium.

Your premiums may be adjusted each year as result of an increase to your cover (to protect it against the effects of inflation) and the age of the Insured Person. We will send you a Renewal Summary prior to your next Policy anniversary with details of the premium amount for the following year.

## Do these enhancements change what I am covered for?

You are still covered under the terms in the PDS that was issued to you when you took out your Policy. Some of the benefits have been enhanced, which means that you now have more comprehensive cover.

Importantly, if you ever need to claim we will always give you the best definition available under BT Protection Plans from the time you took out your Policy, to the date of the *sickness* or *injury*.

## Flexible cover to suit all your life stages

Having the right cover in place to help protect you and the people you love is important. Your BT Protection Plans Policy has been designed to be flexible to suit your changing life stages and circumstances, allowing you to increase or decrease the cover to suit your needs. That's why we recommend you review your insurance regularly to make sure that it is keeping up with the changes in your life.

To find out more, talk to your financial adviser or call our Customer Relations Team on 1300 553 764.

# Award winning life insurance solutions

You can be confident that your life insurance cover is with an award winning insurer.

## 2014 Money Management Adviser Choice Risk Awards



**Winner:** Risk Company of the Year

**Winner:** Super Risk Term & TPD Rider Product

**Winner:** Super Risk Disability Income Product



**Silver:** Risk Business Overheads Products



**Bronze:** Risk Trauma Products

## 2014 Australian Banking + Finance Insurance Awards



Life Company of the Year



Life Insurance Product of the Year

## AFA/Plan for Life Awards 2014



**Winner:** Risk Product Innovation Award



**Finalist:** Life Company of the Year Award



**Finalist:** Income Protection Insurance Award

## A\* rating for our Claims Services team







**C-MAP Mark of Excellence**

A\* Rating Claims Customer Experience, 2011–2015



## For more information

-  **Chat** ▶ to your financial adviser
-  **Call** ▶ 1300 553 764  
Monday to Friday  
8.00am – 6.30pm (Sydney time)
-  **Mail** ▶ GPO Box 5467  
Sydney NSW 2001
-  **Visit** ▶ [bt.com.au](http://bt.com.au)

This information is current at 15 April 2015 but is subject to change.

The Insurer of BT Protection Plans is Westpac Life Insurance Services Limited ABN 31 003 149 157, AFSL Number 233728 ('the Insurer').

BT Protection Plans is issued by the Insurer except for Term Life as Superannuation and Income Protection as Superannuation (part of the *Westpac MasterTrust* ABN 81 236 903 448, SFN 281 412 940, SPIN WFS0341AU, RSE Registration R1003970 (*Westpac MasterTrust*)), which are issued by Westpac Securities Administration Limited ABN 77 000 049 472, AFSL Number 233731, RSE Licence Number L0001083 ('WSAL'). WSAL is the trustee of the *Westpac MasterTrust* ABN 81 236 903 448. The Insurer and WSAL are wholly owned subsidiaries of Westpac Banking Corporation ABN 33 007 457 141 AFSL Number 233714, ('the Bank'). None of the BT Protection Plans, an interest in the *Westpac MasterTrust* or another *Super Fund*, nor an investment in Wrap, are an investment in, deposit with or other liability of the Bank. Neither the Bank, nor any member of the Westpac Group (other than the Insurer) guarantees the benefits payable in relation to BT Protection Plans.

This information has been prepared without taking into consideration your personal needs and financial circumstances. You should consider the appropriateness of this information with regard to your objectives, financial situation and needs. Before making a decision in relation to BT Protection Plans, you should consider the BT Protection Plans Product Disclosure Statement and Policy Document ('PDS') and consider whether the product is right for you. The PDS explains conditions, terms, limits and exclusions and is available from your financial adviser, by calling 1300 553 764, or by visiting [bt.com.au](http://bt.com.au).

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