



# **Love is. Reaching for the stars.**

## **Westpac Protection Plans Customer Enhancements Guide**

Effective: 15 November 2010

# The best cover yet

We're excited about the changes we've made to Westpac Protection Plans – they're all about you. We hope you will be excited too!

We have reviewed our definitions and introduced some new benefits so that your policy gives you the best life insurance cover available.

These changes have taken Westpac Protection Plans to the top of the charts. You can be confident that you and your loved ones are protected with a comprehensive and competitively priced insurance solution that is now ranked in the 'top quartile' by an independent insurance ratings company\*.

## More for you

When you took out your policy with Westpac, it included a commitment from us that we would automatically upgrade your Policy whenever we improve and add benefits (that don't increase your premium). This booklet will tell you all about them. It may seem like a lot of fine print and jargon, but in the event you need to claim, it can make all the difference.

Importantly, if you ever need to make a claim, and you find for some reason that the definition in your original Westpac Protections Plans policy is more appropriate for the sickness or injury for which you are claiming, we will honour that definition.








We have also included details on some additional cost features and benefits that you may be interested in attaching to your policy. These are on page 8.

This Guide provides a summary of the changes. If you would like all the nitty gritty details, please either:

- download a copy of the Westpac Protection Plans Product Disclosure Statement and Policy Document (PDS) from [www.westpac.com.au](http://www.westpac.com.au) ; or
- call us on 131 817 (8am to 6.30pm, Monday to Friday, Sydney time) and ask for a copy to be mailed to you.

### Reading this guide.

Check your Policy Schedule (which is included with your renewal letter) to find out which of these cover types is included on your policy. Match your cover types to the icons below. These icons are used throughout the guide so you can easily find the changes that affect you.

Key	Cover type	Tick the covers you have
 TL	Westpac Term Life	
 TLS	Westpac Term Life as Superannuation	
 TPD	Westpac Standalone Total and Permanent Disablement	
 LI	Westpac Standalone Living Insurance	
 IP	Westpac Income Protection	
 IPP	Westpac Income Protection Plus	
 BOH	Westpac Business Overheads	

# Life. Living. Total & Permanent Disability (TPD).

We have given some of your existing benefits and definitions a makeover. They were good before, but now they are great!

Enhanced benefits	TL	TLS	LI	TPD
<p><b>Living Benefit Plus</b></p> <p>If you hold a 'Westpac Protection Plans Living Benefit', we have upgraded this to a 'Westpac Protection Plans Living Benefit Plus', which includes all of your existing Living Insurance benefits as well as the Living Insurance benefit enhancements mentioned in this guide.</p>	✓ (LB)	✗	✓	✗
<p><b>Advancement Benefit for Angioplasty – single or double vessel</b></p> <p>You can now make multiple partial benefit claims, as long as there is at least 6 months between the surgeries.</p>	✓ (LB)	✗	✓	✗
<p><b>Prostate Cancer – major treatment</b></p> <p>We have added an enhanced Prostate Cancer definition for TNM T1 requiring major treatment for which we will pay the full Living Benefit. This is in addition to the current prostate cancer definition for which we pay the Advancement Benefit of up to 25% of the Living Benefit up to a maximum of \$100,000.</p>	✓ (LB)	✗	✓	✗
<p><b>Motor Neurone Disease and Muscular Dystrophy</b></p> <p>We have removed the requirement for 25% impairment of whole person function, and will now pay for these conditions on diagnosis.</p>	✓ (LB)	✗	✓	✗
<p><b>Improved Future Insurability Benefit</b></p> <ul style="list-style-type: none"> <li>We have introduced a new 'periodic increase' event, allowing you to increase the sum insured if you have not exercised the Future Insurability Benefit for any reason, and you have not had any increase, for 3 consecutive years.</li> <li>We are now allowing increases in the TPD Benefit and Living Benefit in addition to the Death Benefit. We have increased the maximum from \$200,000 per event to \$250,000 for Personal Events.</li> </ul>	✓	✓	✗	✗
<p><b>New definitions for any/own occupation TPD</b></p> <p>The requirement to be unable to work in <b>any</b> occupation during the 3 month waiting period has been improved. We now only require that you are unable to work in your <b>own</b> occupation during the waiting period.</p>	✓ (TPD)	✓ (TPD)	✗	✓
<p><b>Stroke</b></p> <p>We have simplified the definition by removing some exclusions.</p>	✓ (LB)	✗	✓	✗
<p><b>Blindness</b></p> <p>We are now offering an Advancement Benefit for loss of sight in one eye, and we have removed the exclusion relating to blindness resulting from alcohol or drug abuse.</p>	✓ (LB)	✗	✓	✗

<b>Enhanced benefits (cont.)</b>	<b>TL</b>	<b>TLS</b>	<b>LI</b>	<b>TPD</b>
<p><b>Cardiomyopathy</b></p> <p>We have removed the exclusion relating to cardiomyopathy resulting from alcohol or drug abuse.</p>	✓ (LB)	✗	✓	✗
<p><b>Chronic Liver Disease</b></p> <p>We now only require two specified symptoms for a Living Benefit under this condition. We have removed the exclusion relating to chronic liver disease resulting from alcohol or drug abuse.</p>	✓ (LB)	✗	✓	✗
<p><b>Coma</b></p> <p>We have improved and simplified the definition and we have removed the exclusion relating to coma resulting from alcohol or drug abuse.</p>	✓ (LB)	✗	✓	✗
<p><b>Major Organ Transplant</b></p> <p>We have removed the requirement for you to be on the waiting list for 6 months to receive a benefit.</p>	✓ (LB)	✗	✓	✗
<p><b>Encephalitis</b></p> <p>We have introduced a new benefit covering this severe inflammatory disease.</p>	✓ (LB)	✗	✓	✗
<p><b>Living Buy Back Benefit and Living Reinstatement Benefit</b></p> <p>You can now reinstate the Death Benefit under the Living Buy Back Benefit and the Living Benefit under the Living Reinstatement Benefit, after either the later of:</p> <ul style="list-style-type: none"> <li>• 12 months from you suffering a specified medical condition, injury or surgery; and</li> <li>• the date you submit a Living Benefit claim.</li> </ul> <p>Previously the Death Benefit was reinstated a year from date of claim payment.</p>	✓ (LB)	✗	✓	✗
<p><b>TPD Buy Back Benefit</b></p> <p>You can now reinstate the Death Benefit immediately after the later of you becoming totally and permanently disabled and the date you submit a claim (provided you survive for 14 days), by the amount of the TPD Benefit that was paid.</p> <p>Previously the Death Benefit was reinstated 14 days from date of claim payment.</p>	✓ (TPD)	✓ (TPD)	✗	✗

**LB** = Living Benefit

**TPD** = Total and Permanent Disablement Benefit

Don't stop here. You will find more enhancements that affect these cover types on page 8.

**Note:** Please refer to the Product Disclosure Statement and Policy Document (PDS) for further information about these enhancements. You can download these from [www.westpac.com.au](http://www.westpac.com.au) or give us a call on 131 817 and ask for a copy to be mailed to you.

# Income Protection & Business Overhead products.

New & Enhanced benefits	IP	IPP	BOH
<p><b>Definition of Total Disability</b></p> <p>We have improved this definition so that you can now be assessed in one of three different ways at claim time:</p> <ul style="list-style-type: none"> <li>• hours</li> <li>• earnings</li> <li>• the existing one duty definition, ie. unable to perform one or more of the important income producing duties of your usual occupation.</li> </ul>	✓	✓	✓
<p><b>Transport within Australia Benefit</b></p> <p>This new benefit will pay you a sum if you are totally disabled and are confined to bed, and you require transportation over 100km within Australia directly related to your sickness or injury.</p>	✗	✓	✗
<p><b>Waiver of IP Premium Benefit</b></p> <p>This new benefit refunds the premiums paid during the waiting period if you receive a Total Disability Benefit.</p>	✗	✓	✗
<p><b>Respite Care Benefit</b></p> <p>Our claims team will now be able to assist family carers of long-term claimants with a benefit that reimburses the cost of respite care for up to 2 weeks per year – allowing the carer to have up to a two week break each year.</p>	✗	✓	✗
<p><b>IP Offsets for Indemnity Policies</b></p> <p>We have improved our benefit offsets.</p> <p>If your occupational category is AA, we will now only reduce your benefit by payments from:</p> <ul style="list-style-type: none"> <li>• an existing superannuation fund or insurance policy if that policy was not disclosed to us.</li> </ul> <p>If your occupational category is A, we will now only reduce your benefit by payments from:</p> <ul style="list-style-type: none"> <li>• workers’ or motor accident compensation or under common law relating to sickness or injury</li> <li>• an existing superannuation fund or insurance policy if that policy was not disclosed to us.</li> </ul> <p>If your occupational category is BB, B, C or E we will only reduce your benefit by payments from:</p> <ul style="list-style-type: none"> <li>• payments from workers’ or motor accident compensation or under common law relating to sickness or injury</li> <li>• payments from an existing superannuation fund or insurance policy if that policy was not disclosed to us</li> <li>• the Insured Person’s employer, partnership or business.</li> </ul>	✓	✓	✗

<b>New &amp; Enhanced benefits (cont.)</b>	<b>IP</b>	<b>IPP</b>	<b>BOH</b>
<p><b>Medical Professionals only</b></p> <p>If you are a medical professional who performs invasive surgical procedures and you are diagnosed with HIV, Hep B or C, we will consider you totally disabled if as a consequence, you are restricted as a regulatory requirement from performing your usual occupation.</p>	✓	✓	✓
<p><b>Business Overheads Benefit Offsets</b></p> <p>Business earnings not generated by the Insured Person's personal exertion are no longer offset.</p>	✗	✗	✓
<p><b>Allowable Business Expenses</b></p> <p>We have included mobile phone costs as an allowable business expense.</p>	✗	✗	✓

Don't stop here. You will find more enhancements that affect these cover types on page 10.

**Note:** Please refer to the Product Disclosure Statement and Policy Document (PDS) for further information about these enhancements. You can download these from [www.westpac.com.au](http://www.westpac.com.au) or give us a call on 131 817 and ask for a copy to be mailed to you.

# All cover types

These brand new benefits and enhanced features are available across the spectrum of cover types (as indicated).

New benefits	TL	TLS	LI	TPD	IP	IPP	BOH
<p><b>Premium Holiday Benefit</b></p> <p>You can now suspend your Policy for a maximum of 12 months in total. During this period you will not have to pay premiums, however, you will not be eligible to claim for any sickness, injury, or any other event that happens in the period that the premiums were not being paid. You must show evidence of financial hardship acceptable to us.</p>	✓	✓	✓	✓	✓	✓	✓
<p><b>Counselling Benefit</b></p> <p>The new Counselling Benefit reimburses the cost of up to 10 counselling sessions for you or an immediate family member.</p>	✓	✗	✓	✓	✗	✓	✗
Enhanced features	TL	TLS	LI	TPD	IP	IPP	BOH
<p><b>Expiry ages</b></p> <p>All benefit expiry ages have now been extended by a year. The expiry dates are now on the review date after (instead of before) the relevant birthday, giving you up to an extra year of cover.</p>	✓	✓	✓	✓	✓	✓	✓

**Note:** Please refer to the Product Disclosure Statement and Policy Document (PDS) for further information about these enhancements. You can download these from [www.westpac.com.au](http://www.westpac.com.au) or give us a call on 131 817 and ask for a copy to be mailed to you.



# But wait – there’s more....

On top of the changes that will automatically apply to your policy, we’ve also introduced a number of additional ‘cost’ options that can be applied for and added to your Policy.



## 1. Stepped and level premiums

There are now two different ways you can choose to structure your premiums, depending on your needs.

You can choose ‘stepped’ or ‘level’ premiums:

- ‘Stepped’ premium means that your premium will increase each year as you get older.
- ‘Level’ premium means that your premium will stay the same for a specified period of time (except for policy fee increases, sum insured increases, and changes to the premium).

The specified period of time can either be:

- to age 55 for the ‘Level 55’ premium option (not available in some circumstances on income policies)
- to age 65 for the ‘Level 65’ premium option.

**Note:** When the specified period of time has elapsed, the premiums will revert to a stepped structure.

## 2. Needlestick Benefit

This is a new type of cover that is available to certain medical professionals only. The Needlestick Benefit pays a lump sum benefit in the event of you contracting HIV or Hepatitis B or C whilst performing the duties of your usual occupation. This Policy is available when you hold another Westpac Protection Plans Policy.

## 1. Double TPD Benefit and Double Living Benefit

This extra cost option will allow the immediate buy-back of the Death Benefit following a TPD Benefit or Living Benefit claim. The following rules apply:

- Double TPD is an optional benefit on Term Life and Term Life as Superannuation allowing immediate buy-back of the Death Benefit following a TPD Benefit claim.
- Double Living is an optional benefit on Term Life allowing immediate buy-back of the Death Benefit following a Living Benefit claim.
- The premiums payable on the reinstated portion of the Death Benefit will be waived for the life of the Policy.

## 2. Business Cover Benefit

This extra cost option allows you larger increases on policies taken out for business purposes without the need for medical underwriting in the future. The key features are:

- It allows increases to your Death, TPD and Living Benefits.
- It allows maximum increases to \$2 million for the Death, TPD and Living Benefits for each event.
- The overall maximum increase is up to \$10 million for the Death Benefit, \$3 million for the TPD Benefit and \$2 million for the Living Benefit.

## 3. Structuring your cover inside and outside superannuation – Flexible Linking Plus

### Flexible Living Benefit

Flexible Linking Plus allows you to take out a Policy with the Death Benefit held and paid for through your superannuation fund and the 'rider' Living Benefit held and paid for outside superannuation. Rider rates for the Flexible Living Benefit mean that the premiums are normally less expensive than Standalone Living Insurance, but as with a Death Benefit and 'rider' Living Benefit outside super, the Flexible Living Benefit will reduce the Death Benefit in the event of a Flexible Living Benefit claim.

### Super Plus TPD

The 'any' occupation TPD portion of the Policy can be held and paid for through your superannuation fund, and the other 'own' occupation TPD portion of the Policy can be held and paid for outside of superannuation. For some people, especially those in a highly skilled profession, this may give extra comfort that, in the event of a claim, should they not meet the 'any' occupation definition, they will be assessed on an 'own' occupation basis.



## 1. Superannuation Contribution Option

Usually an Income Protection Policy will only provide insurance cover for up to 75% of your monthly earnings, but with this option you can now insure up to 80%, currently available to Income Protection Plus and now also available to Income Protection customers.

## 2. Structuring your cover inside and outside superannuation – Income Linking Plus

Super Plus IP Benefit – The Total Disability Benefit, Partial Disability Benefit and other benefits meeting a condition of release portion of the Policy, can be held and paid for through your superannuation, and the other portion of the Policy, being benefits that don't meet a condition of release, can now be held and paid for outside of superannuation. This means that customers who have income protection through their superannuation fund can now apply to have access to all of the fantastic extra benefits of Income Protection Plus, such as the Crisis Benefit, Specified Injury Benefit, Change of Waiting Period Benefit and many more.

To apply for any of these new options contact your Financial Planner, or give us a call on 131 817 and ask for an Application for Additional Benefits form to be mailed to you.

We recommend that you review your insurance regularly to make sure it is keeping up with your lifestyle. Now may be a good time to meet with your Financial Planner to reassess your personal situation and discuss how these enhancements and new insurance options can further protect your financial goals. If you don't have a Financial Planner, please call us on 131 817 (8am to 6.30pm, Monday to Friday, Sydney time).

# Love is. Knowing help is never far away.

If there's anything you can't work out, please get in touch.  
We'll be happy to help.

**Ask** your financial planner

**Call** us on 131 817 Monday to Friday 8.00am – 6.30pm EST  
to obtain a copy of the Westpac Protection Plans  
Product Disclosure Statement (PDS) and Policy Document.

**Mail** us at GPO Box 524, Sydney NSW 2001.

**Visit** [westpac.com.au](http://westpac.com.au)

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