



fidelity life

Personal

For advisers only.

## Total and permanent disability (TPD) cover overview.

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**Total and permanent disability (TPD) cover** provides financial support by providing a lump sum payment to help cover costs such as bills, medical care, or home alterations if the insured person becomes totally and permanently disabled and is unable to work or undertake home duties.

### Key features.

- The cover can be taken out by individuals aged 16-64 (inclusive).
- Coverage ends at age 100.
- The maximum sum assured available is \$5,000,000.
- The insured person's total and permanent disability can be assessed against their own occupation or any occupation depending on their occupation class.
- If someone ceases paid employment after cover commences for the purposes of managing a household then they may be eligible to be assessed under the Home duties definition.
- Premiums can be for a fixed period (level premium) or premiums that increase each year (age-rated).
- Premium payment options include fortnightly, monthly, quarterly, half-yearly, or yearly.

## 1. TPD definitions.

### Total and permanent disability (TPD) before age 65.

- **Own occupation:** Due to sickness or injury, the insured person is unable to work in their occupation at the time of claim for at least three months, and it's unlikely they'll ever work in that occupation again in any capacity.
- **Any occupation:** Due to sickness or injury, the insured person is unable to work in any occupation they are suited to by way of education, training and experience, for at least three months, and it's unlikely they'll ever work in any suitable occupation again.
- **Home duties:** At the date the insured person becomes disabled they were undertaking full-time home duties as defined in the cover wording, and after three months can no longer do those home duties or leave the house without assistance, and are unlikely to ever do normal home duties again.
- **Activities of daily living:** The insured person is unable to perform at least two activities of daily living without adult assistance due to sickness or injury.
- **Loss of sight or limbs:** The insured person has suffered the total and permanent loss of:
  - sight in both eyes, or
  - use of two limbs, or
  - sight in one eye and use of one hand or foot.
- **Cognitive impairment:** The insured person suffers a permanent and irreversible loss of cognitive function requiring full-time care for their safety. The cognitive loss must be confirmed by clinical evidence and standardised tests.

### TPD from age 65 to 70.

If the insured person was working at least 25 hours a week after turning 65 without sickness or injury limitations, claims made before their 70th birthday will be assessed using the same criteria as TPD before age 65. If there were limitations, claims are assessed using criteria for age 70 and above.

### Home duties from age 65.

If the insured person was not employed due to them undertaking full-time home duties before becoming disabled, claims will be assessed under the same definition as TPD from age 70.

### TPD from age 70.

The insured person is considered totally and permanently disabled after their 70th birthday if the insured person:

- Suffers the total and permanent loss of sight in both eyes, or use of two limbs, or sight in one eye and use of one hand or foot, confirmed by a specialist medical practitioner, or
- Is unable to perform at least two activities of daily living without adult assistance due to sickness or injury, or
- Suffers a permanent and irreversible loss of cognitive function requiring full-time care for their safety, confirmed by clinical evidence and standardised tests.

### Partial benefit.

Fidelity Life will pay a partial benefit if the insured person suffers the total and permanent loss of one hand, one foot or the sight of one eye. The loss of sight in an eye must be confirmed by a specialist medical practitioner and meet certain criteria.

### TPD claims definition matrix.

TPD claim happens:	Claims definition: TPD before age 65	Claims definition: TPD from age 70
Before age 65	X	
From age 65-70 – working without limitations	X	
From age 65-70 – working with limitations		X
From age 65 – undertaking Home duties		X
From age 70		X

For full details on the definitions, please refer to the cover wording.

## 2. Built-in benefits.

### How much do we pay?

- **Sum insured:** Fidelity Life will pay either the sum insured, or if it is a partial benefit, 25% of the sum insured up to \$75,000. Fidelity Life will reduce its payment to ensure the total payment by Fidelity Life and any other insurer does not exceed \$5,000,000.

- **Total and permanent disability cover – accelerated:** If the insured person's total and permanent disability is due to one of the 11 listed conditions, Fidelity Life will waive the requirement to be absent from employment or unable to do full-time home duties for an uninterrupted period of three months. Refer to the cover wording for the list of conditions.

#### **Total and permanent disability early payment.**

If the insured person's total and permanent disability is due to one of the 11 listed conditions, Fidelity Life will waive the requirement to be absent from employment or unable to do full-time home duties for an uninterrupted period of three months. Refer to the cover wording for the list of conditions.

#### **Grief counselling benefit.**

If a lump sum benefit is paid to a policy owner, Fidelity Life will reimburse up to \$2,500 towards the actual cost of grief counselling for the insured person, their partner or child, from an accredited counsellor, psychologist, or psychiatrist.

#### **Financial planning and legal advice benefit.**

Fidelity Life will reimburse up to \$2,500 towards the actual cost of a fully documented financial plan, or legal advice received from a lawyer in relation to the payment. This benefit must be claimed within 12 months of receiving the lump sum benefit.

#### **Special events.**

The insured person's sum insured can be increased once in any 12-month period before their 55th birthday without providing additional health information when certain events occur. These events include, but are not limited to:

- getting married, civil union, or divorced, or
- either pregnancy at 28 weeks gestation or birth of a child, or
- adopting a child, or
- dependent child starting secondary school, or
- financially supporting a dependent child through a first course of full-time tertiary education, or
- reaching ages 25, 30, 35, 40 or 45, or
- either the terminal illness or death of a spouse, partner or child, or
- stopping work to take full time physical care of a dependent relative, or
- increasing the mortgage on their own home or taking out a mortgage for their own home, or

- having a salary increase of at least \$5,000 or 10%.

#### **Business events (Platinum Plus only).**

The insured person's sum insured can be increased once in any 12-month period before their 55th birthday without providing additional health information when certain business circumstances occur. These circumstances include:

- They are a key person whose value to the business has increased over the previous three years. The sum insured can be increased by the same proportion as the increase in their value to the business averaged over the previous three years.
- They are a partner in a firm or a shareholder in the company and they have increased their financial interest over the previous three years.
- Cover has been taken out for the insured person for loan guarantees. The sum insured can be increased by the same proportion as the increase in the loan that relates to the business.

#### **Premium holiday option (Mortgage Protector and Platinum Plus only).**

The insured person's Total and permanent disability cover and premiums can be suspended for up to 12 consecutive months. This option is only available for the following reasons: redundancy, bankruptcy, tertiary studies, or overseas travel. The maximum sum insured under the Premium holiday option is \$500,000.

Some exclusions and limitations may apply to these benefits (refer to the cover wording for more information).

## **3. Additional options.**

#### **CPI option (Mortgage Protector and Platinum Plus only).**

The CPI option will be applied on each policy anniversary by the greater of 2%, or an amount determined by Fidelity Life based on the CPI. The last increase under the CPI option for an insured person under the total and permanent disability cover will be applied on the earliest of:

- The policy anniversary before their 65th birthday, or
- The total sum insured for all total and permanent disability type cover/s for the life insured with Fidelity Life and any other insurer reaches \$5,000,000.

#### **Indexation option: (Platinum Plus Level Term only).**

Fidelity Life will automatically increase the sum insured by 2% at each policy anniversary. The level premium does not change as a result of the sum insured increasing. The last increase under the Indexation option for an insured person under the total and permanent disability cover will be applied on the earliest of:

- the policy anniversary before their 65th birthday, or
- the total sum insured for all total and permanent disability type cover/s for the life insured with Fidelity Life and any other insurer reaches \$5,000,000.

#### **Buy back option.**

If a payment for the full sum insured has been paid under the Total and permanent disability cover – accelerated, the policy owner(s) may after 12 months buy back the Life cover without providing additional health information.

#### **Business future insurability option (Platinum Plus only).**

The insured person's sum insured can be increased by the increase factor before their 60th birthday without providing additional health information if certain circumstances occur. These circumstances are the same as the Business events.

- **Continuation option (Platinum Plus Level Term only):** Allows the policy to continue with the same level of cover on an age-rated basis at expiry of policy term or to take up another level term policy. The Continuation option ends on the insured person's 64th birthday.

## **4. Claims.**

As an Adviser, it's important to notify Fidelity Life of a potential claim right away. Fidelity Life will notify the policy owner(s) of any requirements needed to assess the claim. No claim will be paid until all requirements are received and Fidelity Life confirm that the life insured meets the definition of total and permanent disability.

## **5. Exclusions.**

Fidelity Life will not pay a claim in connection to an intentional self-inflicted act or injury.

## **6. When this cover ends.**

The cover ends on the earliest of:

- the cancellation of the Total and permanent disability cover, or
- the policy ends, or
- Fidelity Life pays the sum insured for the insured person, or
- the life insured dies, or
- the life insured's 100th birthday.

# Total and permanent disability cover factsheet: At a glance.

## Key features.

<b>Entry ages:</b> 16-64.	<b>Expiry age:</b> 100.
<b>Maximum cover:</b> \$5,000,000.	TPD can be assessed either as own occupation or any occupation.
If a client stops working to undertake household duties, they may still get cover.	<b>Premium payment options:</b> fortnightly, monthly, quarterly, half-yearly, or yearly.
Premiums can be fixed (level premium) or increase each year (age-rated).	-

Criteria	Criteria definition	Amount paid / Benefit	Conditions & Exclusions
<b>TPD before age 65 – Own occupation.</b>	The client is unable to work in their usual occupation for at least three months and are unlikely to work in that occupation again.	<b>Sum insured.</b>	<ul style="list-style-type: none"> <li>All medical evidence and other relevant evidence will be considered in determining if the client can work in their occupation again.</li> </ul>
<b>TPD before age 65 – Any occupation.</b>	The client is unable to work in any occupation based on their education, training and experience, for at least three months and are unlikely to work in any suitable occupation again.	<b>Sum insured.</b>	<ul style="list-style-type: none"> <li>All medical evidence and other relevant evidence will be considered in determining if the client can work in any occupation again.</li> </ul>
<b>TPD before age 65 – Home duties.</b>	The client was undertaking full-time home duties when they became disabled.	<b>Sum insured.</b>	<ul style="list-style-type: none"> <li>The client after three uninterrupted months: <ul style="list-style-type: none"> <li>Has been under medical supervision and not been to perform home duties, and</li> <li>Unable to leave home without assistance, and</li> <li>Are unlikely to ever perform home duties again.</li> </ul> </li> </ul>



Criteria	Criteria definition	Amount paid / Benefit	Conditions & Exclusions
<b>TPD before age 65 – 2 activities of daily living.</b>	The client is unable to perform at least two activities of daily living without assistance.	<b>Sum insured.</b>	<ul style="list-style-type: none"> <li>Activities of daily living include bathing or showering, dressing or undressing, eating and drinking, using a toilet, moving from one place to another either by walking or with a walking aid such as a wheelchair.</li> </ul>
<b>TPD before age 65 – Loss of sight and limbs.</b>	The client has suffered the total and permanent loss of the sight in both eyes, or the use of two limbs, or loss of sight in one eye and use of one hand or foot.	<b>Sum insured.</b>	<ul style="list-style-type: none"> <li>Loss of sight must be confirmed by an ophthalmologist.</li> </ul>
<b>TPD before age 65 – Cognitive impairment.</b>	The client suffers a permanent and irreversible loss of cognitive function.	<b>Sum insured.</b>	<ul style="list-style-type: none"> <li>The client needs to be under continuous full-time care for their safety.</li> <li>The cognitive loss needs to be measured by clinical evidence and standardised tests.</li> </ul>
<b>TPD from ages 65 to 70.</b>	Determines whether the client will be assessed under the applicable TPD before age 65 criteria or TPD from age 70 criteria.	<b>Sum insured.</b>	<ul style="list-style-type: none"> <li>For TPD before 65 - The client must have worked at least 25 hours a week without any restriction or limitation after turning 65 and make a claim before their 70th birthday.</li> <li>If there any restrictions or limitations, then the TPD from age 70 definition will apply.</li> </ul>
<b>Home duties from age 65.</b>	If the client was undertaking full-time home duties when they became disabled after their 65th birthday, their claim will be assessed based on TPD from age 70 criteria.	<b>Sum insured.</b>	<ul style="list-style-type: none"> <li>The event that caused the TPD needs to have occurred after the client's 65th birthday.</li> </ul>

Criteria	Criteria definition	Amount paid / Benefit	Conditions & Exclusions
<b>TPD from age 70.</b>	The client suffers an event that makes them totally and permanently disabled after their 70th birthday.	<b>Sum insured.</b>	<ul style="list-style-type: none"> <li>● The conditions for TPD from age 70 are the same as: <ul style="list-style-type: none"> <li>● TPD before age 65 – Loss of sight and limbs, or</li> <li>● TPD before age 65 – 2 activities of daily living, or</li> <li>● TPD before age 65 – Cognitive impairment</li> </ul> </li> </ul>
<b>Partial benefit.</b>	If the client suffers the total and permanent loss of one hand, one foot or the sight in one eye.	<b>Up to \$75,000.</b>	<ul style="list-style-type: none"> <li>● Loss of sight must be confirmed by a specialist medical practitioner.</li> </ul>

TPD claim happens.	Claims definition: TPD before age 65.	Claims definition: TPD from age 70.
<b>Before age 65.</b>	X	
<b>From ages 65-70 – working without limitations.</b>	X	
<b>From ages 65-70 – working with limitations.</b>		X
<b>From age 65 – undertaking Home duties.</b>		X
<b>From age 70.</b>		X

Built-in benefit.	Benefit description.	Amount paid/benefit.	Conditions & Exclusions.
<b>Total and permanent disability early payment.</b>	If the client's TPD is due to a certain condition, then the 3-month requirement to be absent from employment or unable to do home duties will be waived.		<ul style="list-style-type: none"> <li>The conditions are Alzheimer's disease, Cardiomyopathy, Chronic lung disease, Dementia, Major head trauma, Motor neurone disease, Multiple sclerosis, Muscular dystrophy, Parkinson's disease, Systemic sclerosis, Terminal illness.</li> </ul>
<b>Grief counselling benefit.</b>	Reimbursement for grief counselling from an accredited professional.	<b>Up to \$2,500.</b>	<ul style="list-style-type: none"> <li>Must be claimed within 12 months of receiving the lump sum.</li> </ul>
<b>Financial planning and legal advice benefit.</b>	Reimbursement for financial planning and/or legal advice in relation to the lump sum payment.	<b>Up to \$2,500.</b>	<ul style="list-style-type: none"> <li>Must be claimed with 12 months of receiving the lump sum.</li> </ul>
<b>Special events.</b>	<p>The client can increase their sum insured without providing health information if certain events occur. These events include:</p> <ul style="list-style-type: none"> <li>Marriage, civil union, or divorce, or</li> <li>pregnancy at 28 weeks, or birth of the same child, or</li> <li>adoption, or</li> <li>child starting secondary school, or</li> <li>paying for child's first course in full-time tertiary education, or</li> <li>reaching ages 25, 30, 35, 40 or 45, or</li> <li>terminal illness or death of a spouse, partner or child, or</li> <li>stopping work to take full time physical care of a dependent relative, or</li> <li>taking out or increasing a mortgage on their own home, or</li> <li>salary increase of at least \$5,000 or 10%.</li> </ul>	<b>Up to \$250,000.</b>	<ul style="list-style-type: none"> <li>Only available before the client's 55th birthday.</li> <li>The increase must be exercised within 6 months of the event or 30 days following a policy anniversary.</li> </ul>

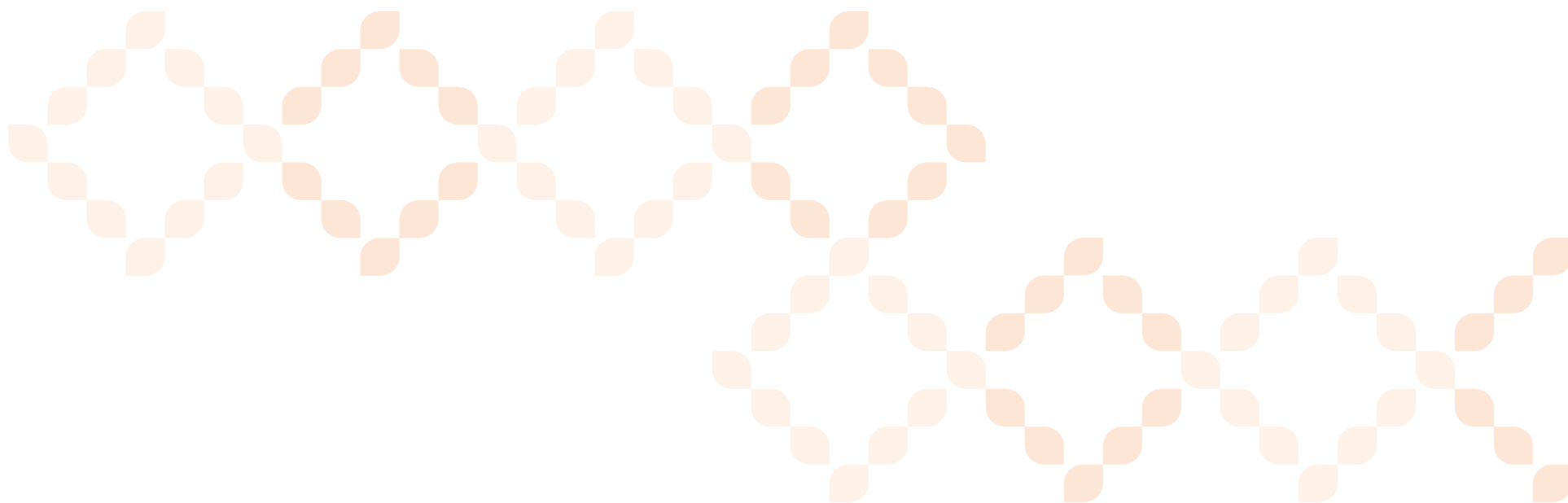


Built-in benefit.	Benefit description.	Amount paid/benefit.	Conditions & Exclusions.
<b>Business events.</b>	<p>The client can increase their sum insured without providing health information if certain business events occur. These events include:</p> <ul style="list-style-type: none"> <li>● Be a key person whose value to the business has increased over 3 years.</li> <li>● Are a partner in a firm or a shareholder in the company and they've increased their financial interest averaged over 3 years.</li> <li>● Cover has been taken out for the insured person for loan guarantees.</li> </ul>	<b>Up to \$250,000.</b>	<ul style="list-style-type: none"> <li>● The increase is proportional to the increase in value of the key person, financial holding, or loan guarantees.</li> <li>● The increase must be exercised within 6 months of the business event.</li> <li>● Can only be exercised once in any 12-month period, before the client's 55th birthday.</li> </ul>
<b>Premium holiday option.</b>	The client can suspend their Life cover and premiums for up to 12 consecutive months.	<b>Up to \$500,000.</b>	<ul style="list-style-type: none"> <li>● Reasons to suspend cover are limited to redundancy, bankruptcy, tertiary studies, or overseas travel.</li> </ul>

Optional benefit.	Benefit description.	Amount paid/benefit.	Conditions & Exclusions.
<b>CPI option.</b>	Increases the monthly benefit based on CPI data on each policy anniversary.	<b>Greater of 2% increase or CPI.</b>	<ul style="list-style-type: none"> <li>● This option expires on the policy anniversary before the client's 65th birthday.</li> </ul>
<b>Indexation option.</b>	Increases the monthly benefit on each policy anniversary.	<b>2% increase.</b>	<ul style="list-style-type: none"> <li>● This option expires on the policy anniversary before the client's 65th birthday.</li> </ul>
<b>Buy back option.</b>	If the full sum insured for TPD cover – accelerated is paid, the client can buy back the Life cover after 12 months without providing health information.	<b>Buyback 100% of TPD accelerated paid.</b>	<ul style="list-style-type: none"> <li>● This option can only be exercised once and before the client's 65th birthday.</li> </ul>
<b>Business future insurability option.</b>	The client can increase their sum insured without providing health information if certain business events occur. These events are the same as the Business events above.	<b>0.5-5 times the sum insured.</b>	<ul style="list-style-type: none"> <li>● The increase must be exercised within 6 months of the business event.</li> <li>● Must be exercised before the client's 60th birthday.</li> </ul>

Optional benefit.	Benefit description.	Amount paid/benefit.	Conditions & Exclusions.
<b>Terminal illness booster cover.</b>	Payable if the client is diagnosed with a terminal illness and survives 30 days without life support.	<b>Up to \$500,000.</b>	<ul style="list-style-type: none"> <li>The Terminal illness booster cover ends if the Life cover it is attached to ends.</li> </ul>
<b>Continuation option.</b>	Allows a choice to continue a level policy at expiry, on the same amount of cover on an age-rated basis, or take out another level term policy.	<b>Choose continuation on age-rated or level basis.</b>	<ul style="list-style-type: none"> <li>This option expires on the client's 64th birthday.</li> </ul>

Exclusions.	Limitations.
<b>Any claim in connection to an intentional self-inflicted act or injury.</b>	-



## Fidelity Life Assurance Company Limited.



\*Fidelity Life has an A- (Excellent) financial strength rating from A.M. Best. The rating scale that this rating forms part of is available for inspection at our offices. For more information please visit Fidelity Life's [financial strength page](#).

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