

OPTIONAL BENEFIT APPENDIX

Mortgage and Income Protection Benefit

This *appendix* only applies if cover under *the schedule* includes the Mortgage and Income Protection Benefit. This *appendix* forms part of and is incorporated into the TotalCareMax policy, the terms of which apply to this *appendix*.

This is a Mortgage and Income Protection Benefit. Details of the benefit and the names of the people insured for the benefit (called the life or lives assured) are shown in *the schedule*.

1. When will Sovereign pay a Total Disability Income Benefit?

Sovereign will pay a Total Disability Income Benefit if in Sovereign's opinion, at any time during the *benefit term*, the life assured:

- > has been *totally disabled* or partially disabled during the *waiting period*; and
- > is *totally disabled* at the end of the *waiting period*.

We will pay *you* the monthly benefit less offsets monthly in advance from the end of the *waiting period* until the earliest of:

- > the life assured is no longer *totally disabled*, or
- > the *benefit term* ends, or
- > the cover ends.

Any payment for a period of less than one month is calculated on a pro-rata basis.

Where the life assured has a *waiting period* of 8 weeks or less, is *totally disabled* due to injury and the nature of the injury is such that the life assured is expected to recover within a set period of time, Sovereign may choose to make a lump sum payment of up to 3 monthly benefit payments (after the *waiting period* and any offsets have been taken into account) and close the claim. This payment may be made during the *waiting period*.

If the life assured is still *totally disabled* or partially disabled at the end of the expected recovery period corresponding with the lump sum payment, then Sovereign will reopen the claim and pay either the Total Disability Income Benefit or a Partial Disability Income Benefit in accordance with this *appendix*.

2. What amount will Sovereign pay for a Total Disability Income Benefit?

The amount that Sovereign will pay monthly is 1/12th of the benefit amount shown in *the schedule* less offsets shown below.

Offsets:

Any mortgage or income protection benefits that *you* or *your* mortgage provider receive or are entitled to receive in relation to the life assured and in respect of the same or a related disability. This excludes Accident Compensation Corporation (ACC) benefits received or entitled to be received. Sovereign will not seek to apply offsets under this

clause in respect of mortgage or income protection benefits held with other providers which were accurately disclosed in *your* application, and provided that *your* or the life assured's circumstances have not changed.

3. What does *totally disabled* mean?

The definition of *totally disabled* that applies for a life assured depends on the life assured's occupation class. The occupation class for each life assured is shown in *the schedule*. However, if a life assured has been on leave without pay for more than 12 months or was *unemployed* for three months or more immediately before becoming *totally disabled*, that life assured is automatically classed as occupation class five. For each occupation class, the degree of incapacity which constitutes *total disablement* is as follows:

For occupation classes other than occupation class five:

In Sovereign's opinion, the life assured is *totally disabled*, if as a direct result of sickness or injury, he or she is:

- > under the regular and personal care of a *registered medical practitioner*; and
- > unable to:
 - perform at least one important income producing duty of the role they were involved in immediately before the *disablement date* and is not working in that role; or
 - engage in the occupation they were involved in immediately before the *disablement date* for more than 10 hours per week; and
- > not working or engaged in any other occupation or business.

For occupation class five:

In Sovereign's opinion, the life assured is:

- > disabled to such an extent that necessitates confinement to the home under medical supervision or to a recognised medical institution and necessitates receiving regular medical care, or
- > as a result of sickness or injury, he or she is unable to perform at least two of the activities of daily living without the assistance of an adult; and
- > not working in any gainful occupation or engaged in voluntary work.

4. When will Sovereign pay a Partial Disability Income Benefit?

If the life assured has been *totally disabled* or partially disabled then a Partial Disability Income Benefit may apply. The following conditions must be satisfied:

- > the reduction in work capacity results from the continuation of the disability; and
- > because of the reduction in work capacity, the life assured is working less than 75% of *pre-disability working hours*; and
- > the *waiting period* is over; and
- > the life assured is in an occupation class other than occupation class five at the time of becoming *totally disabled* or partially disabled; and
- > if applicable, the period in respect of which a Total Disability Income Benefit has been paid in advance has expired.

The Partial Disability Income Benefit will be paid monthly in arrears until, in Sovereign's opinion, after considering the advice of a *registered medical practitioner* and other relevant information, the disability is no longer preventing the life assured from working at least 75% of their *pre-disability working hours*, or until the end of the *benefit payment period*, whichever is the earlier.

A Partial Disability Bridging Benefit (as set out in Section 6) will also be paid if *you* have been receiving a Total Disability Income Benefit under this *appendix* before *you* commence receiving a Partial Disability Income Benefit.

5. What is the amount of the Partial Disability Income Benefit?

The amount that Sovereign will pay monthly is calculated in the following way:

$$1/12^{\text{th}} \text{ of the benefit amount shown in } \textit{the schedule} \times \frac{(\textit{pre-disability working hours} - \textit{post-disability working hours})}{\textit{pre-disability working hours}}$$

less offsets shown below.

If the life assured was on parental leave for 12 months or less or on a *work sabbatical* when the life assured became *totally disabled*, then *pre-disability working hours* will be based on the working hours immediately before the life assured went on leave, as set out in Section 25 "Key Terms".

Offsets:

Any mortgage or income protection benefits that *you* or *your* mortgage provider receive or are entitled to receive in relation to the life assured and in relation to the same or a related disability. This excludes ACC benefits received or entitled to be received. Sovereign will not seek to apply offsets under this clause in respect of mortgage or income protection benefits held with other providers which were accurately disclosed in *your* application, and provided that *your* or the life assured's circumstances have not changed.

For example:

pre-disability working hours	37.5 hours
post-disability working hours	15 hours
Benefit amount shown in the schedule	\$72,000 per annum (\$6,000 per month)
Offsets	Nil in this example

Calculation:

$$\begin{aligned} & 1/12^{\text{th}} \times \$72,000 \times \frac{(37.5 - 15)}{37.5} \\ &= \$6,000 \times 0.6 \\ &= \$3,600 \text{ per month } (\$43,200 \text{ per annum}) \end{aligned}$$

6. What is the Partial Disability Bridging Benefit and when will Sovereign pay it?

Sovereign will pay *you* a Partial Disability Bridging Benefit if:

- > *you* have been receiving a Total Disability Income Benefit under this *appendix*; and
- > the life assured is no longer *totally disabled*; and
- > based on the information provided to, and requested by Sovereign, we reasonably expect that a Partial Disability Income Benefit (as set out in Section 4) will be payable for that life assured for the first month after the life assured ceased to be *totally disabled*.

The Partial Disability Bridging Benefit is a lump-sum payment equivalent to 1/3rd (33.3%) of the final monthly Total Disability Income Benefit paid before the life assured ceased to be *totally disabled*.

The Partial Disability Bridging Benefit is paid at the end of the final month in respect of which a Total Disability Income Benefit was paid for the life assured.

Payment of the Partial Disability Bridging Benefit does not affect the amount of the Partial Disability Income Benefit (as set out in Section 5).

The Partial Disability Bridging Benefit is payable once for all claims resulting from the same or a related injury or illness.

The Partial Disability Bridging Benefit is not payable where a lump sum payment has been made in lieu of monthly benefit payments, as set out in Section 1.

7. What is the Recurrent Disablement Benefit?

The *waiting period* will be waived if in Sovereign's opinion, after considering the advice of a *registered medical*

practitioner and other relevant information, the life assured becomes *totally disabled* again and this is caused by the same or a related illness or injury as the original period of *total disablement*, not later than 12 months after benefit payments related to the original claim ceased. The provisions of Sections 1, 2, 3, 4 and 5 of this *appendix* will apply to any benefit claimed.

If the *benefit payment period* is two or five years, all claims resulting from the same or a related illness or injury will be considered to be the same claim in respect of the *benefit payment period*.

8. What is the Vocational Retraining Benefit and when will Sovereign pay it?

Sovereign may agree to pay *you* a Vocational Retraining Benefit. The benefit payable will be the cost of a programme of vocational training for the life assured provided:

- > the programme is approved in advance by Sovereign, and reviewed regularly; and
- > the sole purpose for the programme is to assist the life assured to return to gainful employment at an earlier date than would otherwise have been possible; and
- > the life assured actively participates and complies with the programme; and
- > the cost of the programme is limited to the fee charged by the institution providing the programme and does not include the cost of text books, equipment and stationery, accommodation and transport costs; and
- > the total amount which Sovereign will pay as a Vocational Retraining Benefit is limited to 12 times the monthly benefit amount as calculated in Section 2, except if the *benefit payment period* is two or five years, where the total amount is limited to 6 times the monthly benefit amount as calculated in Section 2; and
- > vocational retraining must take place within New Zealand, or the country in which the life assured was residing for 6 months before becoming disabled; and
- > the life assured is receiving the Total Disability Income Benefit when the programme begins.

Any benefit which Sovereign may agree to pay is to be reduced by any programme costs *you* or the life assured recover or are entitled to recover from any other source.

9. What is the Home Modification or Equipment Expenses Benefit and when will Sovereign pay it?

Sovereign may agree to pay *you* an additional lump sum payment of up to 6 times the monthly benefit amount calculated in Section 2. This payment is to cover the cost of buying specialised equipment or completing home alterations that, because of the life assured's *total disablement*, have become necessary, in Sovereign's opinion after considering the recommendation of an occupational therapist or an appropriate specialist approved

by Sovereign. *You* must apply in writing to Sovereign before incurring these costs. Any benefit that Sovereign may agree to pay for the specialised equipment or home alterations will be reduced by any costs of buying specialised equipment or completing home alterations *you* or the life assured recover, or are entitled to recover from any other source.

10. What is the Property Special Event Facility?

The Mortgage and Income Protection Benefit sum assured for the life assured may be increased if one of the following property special events has occurred for the life assured:

- > an increase to an existing mortgage;
- > the purchase of a new home;
- > the purchase of a holiday home; or
- > the purchase of a bare block of land zoned as residential.

You do not need to produce any medical evidence regarding the life assured when *you* request this increase, but any property special event increase is subject to the following conditions:

- > *You* must make the request in writing and provide Sovereign with suitable evidence of the occurrence of the property special event.
- > *You* must make the request within 6 months of the relevant property special event occurring.
- > The increase to the Mortgage and Income Protection Benefit sum assured for the life assured cannot exceed 115% of the increase in the mortgage repayment or \$750 per month, whichever is the lower.
- > The total maximum benefit amount payable for *your* Mortgage and Income Protection Benefit, including all increases, cannot exceed \$6,000 per month across all Sovereign mortgage protection benefits.
- > Sovereign may not accept an application or pay a claim on the increase under this Property Special Event Facility to increase cover for a life assured if *you* are entitled to or are receiving payment of a claim for a disability that the life assured suffered on or before the date of the application.
- > After a property special events increase has been made, Sovereign will not pay the increased benefit amount if within six months of the increase, the life assured is entitled to or receives payment of a claim.
- > A life assured over the age of 55 is not eligible for any Property Special Event Facility increases.
- > Only one increase can occur every 3 years.
- > Sovereign will increase the Mortgage and Income Protection Benefit sum assured for a life assured from the date we accept *your* request.
- > Any increase under the Property Special Event Facility will require an increase in *premium*.

- > The *premium* increase will be based on Sovereign's *premium* rates applicable at the time the Property Special Event Facility is exercised.
- > Any loadings, exclusions or special terms on the original sum assured will be applied to the increased amount.

11. What is the Bed Confinement Benefit and when will Sovereign pay it?

If, at any time during the *waiting period*, the life assured is confined to bed under *full-time care* for more than three days and is in an occupation class other than five, then Sovereign will pay a Bed Confinement Benefit for each complete 24 hour period after the first 72 hours of bed confinement.

This benefit will be a daily benefit equivalent to 1/365th of the benefit amount shown in *the schedule*, which *you* would be entitled to if the life assured was *totally disabled* and the *waiting period* was over. Sovereign will continue to pay the benefit until the *waiting period* is over, or until the life assured is no longer confined to bed under *full-time care*, whichever is the earlier.

12. When can you suspend cover and when will Sovereign reinstate cover?

If a life assured goes on parental leave, or goes on leave without pay for any reason, *you* may suspend cover under this Mortgage and Income Protection Benefit for the life assured provided that:

- > *you* notify Sovereign within three months from the commencement of leave and provide evidence to Sovereign of the parental leave or leave without pay; and
- > Sovereign acknowledges in writing receipt of that notification.

Cover for the life assured will be suspended from the date set out in Sovereign's written acknowledgment.

No *premium* will be payable during the period that the cover is suspended.

No claim under the Mortgage and Income Protection Benefit will be payable during, or for any disability that occurs during, the period that the cover is suspended.

Cover under this Mortgage and Income Protection Benefit may be reinstated after it has been suspended in accordance with this Section without the need to provide further medical evidence, provided that:

- > the benefit has been suspended for no longer than 12 months from commencing the leave; and
- > *you* notify to reinstate the benefit.

If Sovereign does not receive notification to reinstate the suspended benefit before the end of 12 months of suspension, the benefit will be automatically reinstated for that life assured.

Cover for the life assured will be reinstated from the date set out in Sovereign's written acknowledgment.

The *premium* payable for the reinstated benefit will be based on Sovereign's *premium* rates at the time of the reinstatement.

If the life assured becomes entitled to a Partial Disability Income Benefit within 12 months following the reinstatement of cover under this Mortgage and Income Protection Benefit, then the amount of benefit payable will be calculated using Section 5 of this *appendix*, provided that the 12 month period used for calculating the life assured's *pre-disability income* will be a combination of:

- > the period from the date of reinstatement to the *date of disablement*; and
- > the period immediately prior to the commencement of the parental leave or leave without pay, that is needed to make up the balance of the 12 month period.

13. What is the Pregnancy Premium Waiver?

Sovereign will waive the *premium* for this Mortgage and Income Protection Benefit for six consecutive months at any stage between the second trimester and six months after the life assured's pregnancy finishes if the life assured becomes pregnant while this Mortgage and Income Protection Benefit is in force provided:

- > the life assured provides Sovereign with a confirmation of pregnancy from an appropriate *registered medical practitioner*; and
- > the life assured did not become pregnant within nine months of:
 - the *risk commencement date*; or
 - the most recent reinstatement of this Mortgage and Income Protection Benefit; and
- > the life assured is on maternity leave.

You must notify Sovereign in writing when the *premium* is to be waived.

This Pregnancy Premium Waiver will cease when six consecutive months *premium* have been waived.

14. What is the Return to Home Benefit?

If the life assured is outside of New Zealand and suffers, for the first time a total disability, upon acceptance of the claim we will pay the lesser of:

- > three times the monthly benefit specified in *the schedule*; or
- > a single standard economy flight back to New Zealand for the life assured and one support person.

In total the maximum Sovereign will pay over the life of the Policy under the Return Home Benefit is \$10,000.

No payment will be made if the life assured is covered for the same event with a travel insurance provider.

15. What is the Childcare Support Benefit?

Sovereign will pay a Childcare Support Benefit in the following circumstances:

- > the life assured is *totally disabled* or partially disabled and is receiving a monthly benefit; and
- > as a direct result of the life assured's *total disability* or partial disability, additional childcare costs are incurred over and above any childcare arrangements which existed prior to the life assured becoming *totally disabled* or partially disabled, in respect of any dependent child who is under the age of 14 years old; and
- > the additional childcare services are not being provided by *you* or an immediate family member, in Sovereign's sole opinion.

The amount Sovereign will reimburse under the Childcare Support Benefit is the lesser of:

- > the actual additional childcare costs; or
- > \$800 per month per dependent child under the age of 14 years old.

This Childcare Support Benefit is payable until the earlier of:

- > the life assured no longer being *totally disabled* or partially disabled; or
- > six monthly Childcare Support Benefit payments have been made; or
- > the end of the *benefit payment period* is reached; or
- > the end of the *benefit term* is reached.

You will need to provide evidence satisfactory to Sovereign each month of the additional childcare fees that have been paid before Sovereign will make a payment under the Childcare Support Benefit.

This payment is in addition to the monthly benefit.

16. What is the Waiting Period Reduction Benefit?

If this Mortgage and Income Protection Benefit has a *waiting period* of 26, 52 or 104 weeks the life assured can reduce this *waiting period*, without providing any further medical evidence, if the life assured's Business Overheads, Business Continuity, Rural Continuity or Locum Cover is cancelled due to the life assured no longer being *actively involved* in the business or the business is sold or the business is no longer *actively trading*.

The *waiting period* for this Mortgage and Income Protection Benefit will reduce to align with the *waiting period* on the cancelled Benefit. The reduced *waiting period* on this Mortgage and Income Protection Benefit will apply to the lesser of:

- > the monthly benefit for the Business Overheads, Business Continuity, Rural Continuity or Locum Cover at the time it was cancelled; or
- > the monthly benefit for this Mortgage and Income

Protection Benefit.

For example:

A life assured has the following:

- > Mortgage and Income Protection with a \$2,500 per month benefit and a 52 week *waiting period*; and
- > Business Continuity with a \$1,000 per month benefit with a 13 week *waiting period*.

When Business Continuity is cancelled the Mortgage and Income Protection Benefit *waiting period* would be reduced to a:

- > 13 week *waiting period* with a \$1,000 per month benefit; and
- > 52 week *waiting period* with a \$1,500 per month benefit.

The following conditions apply:

- > Within 60 days of the cancellation of cover the life assured must notify Sovereign in writing with supporting evidence that the life assured is no longer *actively involved* in the business or the business has been sold or the business is no longer *actively trading*;
- > the life assured must be no longer *actively involved* in the business due to reasons other than retirement, redundancy, ill health or incapacity;
- > the life assured must be under the age of 60;
- > if the life assured has had a claim paid or is entitled to be paid a claim under any policy with us or any other insurance company the request will be referred to a Sovereign underwriter and full underwriting terms and conditions may apply;
- > the payment *premiums* must be up to date and are not being waived for any reason.

If Sovereign agrees to reduce the *waiting period*, the following applies:

- > *premiums* will increase with any reduction in *waiting period*;
- > only one reduction in *waiting period* under this benefit is allowed without evidence of health;
- > any loadings, exclusions or special terms on the cancelled policy will be applied to the reduced *waiting period* benefit.

17. What is the Concurrent Waiting Period Benefit?

If the life assured is disabled and able to receive a Mortgage and Income Protection Benefit under this policy, and they also hold a Business Overheads, Business Continuity, Rural Continuity or Locum Cover policy, then the *waiting periods* applicable to the life assured under each policy will be served concurrently from the *disablement date*.

If during the *waiting period* under this policy, the life assured is able to claim the Recurrent Disablement Benefit under a

Business Overheads, Business Continuity, Rural Continuity or Locum Cover policy, the portion of their *waiting period* for their Mortgage and Income Protection under this policy will be considered to have been continuous and only the remaining period will apply.

18. What is the Optional Claim Indexation Benefit?

The Optional Claim Indexation Benefit applies only if “CPI Linked” is specified in *the schedule*.

Where the Optional Claim Indexation Benefit is selected, the Mortgage and Income Protection Benefit sum assured shown in *the schedule* will increase on each *anniversary date*, by the same percentage as the percentage increase in the *consumer price index* for the preceding year ending 30 September.

If the *consumer price index* falls in any year, the Mortgage and Income Protection Benefit sum assured will not decrease.

Any increase as a result of an increase in the *consumer price index* will be subject to the maximum benefit amounts allowable under this benefit.

19. What is the Optional Mental Health Limitation?

The Optional Mental Health Limitation applies only if it is shown in *the schedule* and if no mental health exclusion applies for this *appendix*.

If the Optional Mental Health Limitation applies, Sovereign will only pay a claim due to a *mental health disorder* for a maximum of two years throughout the life of this benefit. The Optional Mental Health Limitation payment period will commence if in Sovereign’s opinion, after considering the advice of a *registered medical practitioner* and other relevant information, the life assured is deemed to be *totally disabled* or partially disabled as a result of a *mental health disorder*.

20. How to make a claim

To make a claim, the relevant procedures in the section of *your TotalCareMax* policy entitled ‘How to make a claim’ must be followed.

In addition, for a Mortgage and Income Protection Benefit claim, Sovereign will require:

- > the life assured to be examined by a *registered medical practitioner* acceptable to Sovereign, before accepting liability for a claim; and
- > a Sovereign claims form completed by the life assured and a *registered medical practitioner* (at *your expense*); and
- > other information which Sovereign may reasonably request to help assess the claim, which may include evidence of monthly earnings, taxable income, business

accounts, ACC details or similar; and

- > the life assured to undergo medical and/or surgical treatment (including any operation or vocational, medical and/or social rehabilitation programme) at *your expense* which the life assured’s *registered medical practitioner* or a *registered medical practitioner* approved by Sovereign considers necessary; and
- > any other information that Sovereign may deem relevant to the assessment of the claim (this may include evidence of the life assured’s mortgage amount).

21. Ongoing claims requirements

For ongoing claims Sovereign will require:

- > Completion of a monthly medical certificate by a *registered medical practitioner* (at *your expense*) in a form from time to time approved by Sovereign for the purposes of determining ongoing entitlement to payment of a Mortgage and Income Protection Benefit.
- > Completion of a monthly individual declaration by the life assured in a form from time to time approved by Sovereign, which may include completion of daily activity logs detailing the life assured’s functional activities for the purposes of determining ongoing entitlement to payment of a Mortgage and Income Protection Benefit.
- > Proof of any remunerated or non-remunerated work completed during the claim period.

Any other information that Sovereign may deem relevant to the ongoing assessment of the claim.

22. When will Sovereign cease paying a benefit?

Sovereign will cease paying a benefit if:

- (a) The life assured fails to undergo and complete:
 - any surgical operation; and/or
 - any medical rehabilitation programme; and/or
 - any social rehabilitation programme; and/or
 - any vocational rehabilitation programme,which a *registered medical practitioner* approved by Sovereign considers reasonably necessary.
- (b) The life assured fails to undertake any medical examinations that Sovereign requires the life assured to have, at our expense.
- (c) The life assured fails to comply with the requirements of Section 21 above.
- (d) Sovereign determines that the life assured is no longer *totally disabled* or partially disabled.
- (e) The *benefit payment period* expires in relation to the life assured.
- (f) The life assured or anyone acting on behalf of the life

assured makes a false or fraudulent statement in respect of a claim or supports any claim with false evidence.

- (g) The life assured is in prison for any reason.
- (h) The life assured dies.

If Sovereign ceases paying a benefit in accordance with paragraphs (a), (b) or (c) and the life assured subsequently complies with the relevant requirement(s), then:

- > The date that the life assured complied with the relevant requirement(s) will, subject to the provisions of this *appendix*, be treated as the *disablement date* for a new claim.
- > The *waiting period* will be waived for the new claim.
- > If the *benefit payment period* is two or five years, the original claim and the new claim will be considered to be the same claim in respect of the *benefit payment period*.
- > No monthly benefit payments will be payable retrospectively for any period of time before the date that the life assured subsequently complies with the relevant requirement(s).

23. When will this *appendix* terminate for a life assured?

This *appendix* will terminate and eligibility for the Mortgage and Income Protection Benefit will cease for a life assured:

- > At the expiry of the *benefit term* as shown in *the schedule*.
- > When the life assured dies.
- > When the benefit is cancelled.

24. Exclusions – when Sovereign won't pay a benefit

Sovereign will not pay any of the benefits listed in this *appendix* where any of the following directly or indirectly cause or contribute to the disability:

- > The life assured deliberately injures himself or herself or attempts to do so.
- > The life assured engages in or is part of any conduct that is criminal.
- > Pregnancy of, or childbirth by, the life assured, unless the disability lasts for more than 90 days after the end of pregnancy, in which case the *waiting period* will start from the 91st day.
- > The life assured does not comply with the treatment recommended by the attending treatment providers.

If the life assured is imprisoned for any reason, no monthly benefit will be payable during the term of imprisonment.

25. Key terms

actively involved

Working an average of more than 30 hours per week in the six months prior to cancellation of Business Overheads, Business Continuity, Rural Continuity or Locum Cover.

actively trading

Undertaking any activity carried on for the production of income from selling goods or performing services.

benefit term

The term for which the life assured is insured for the Mortgage and Income Protection Benefit as stated in *the schedule*.

benefit payment period

The maximum term for which the Mortgage and Income Protection Benefit is payable as stated in *the schedule*.

For benefit payment periods of two or five years:

- (a) the benefit payment period commences at the end of the *waiting period* and ceases either two years or five years (whichever is stated in *the schedule*) later or when the life assured turns 65, whichever is earlier; and
- (b) the two year or five year period (whichever is stated in *the schedule*) is the total period for which benefits will be payable for all claims arising from the same or a related illness or injury.

disablement date

The date the life assured became *totally disabled*.

full-time care

Care for 16 hours per day or more, provided by a nursing service approved by Sovereign whose profession it is to provide nursing services or provided by a *registered medical practitioner*.

mental health disorder A mental health disorder including but not limited to anxiety disorders, chronic fatigue syndrome, depression, stress, fatigue, exhaustion, psychiatric complications of physical disorders, behavioural or any other mental or functional nervous disorder and/or the treatment or complications of that disorder.

post-disability working hours The number of hours per week that the life assured is able to work while disabled, as determined by Sovereign on the basis of medical certification or demonstrated ability.

pre-disability working hours The average number of hours per week that the life assured worked in the three months immediately prior to becoming *totally disabled*.

However, if the life assured becomes *totally disabled* when the life assured has been on parental leave for 12 months or less or on a *work sabbatical*, then the pre-disability working hours is the average number of hours per week that the life assured worked in the three months immediately before the life assured went on leave.

totally disabled / total disablement See Section 3 of this *appendix* for the meanings of these key terms.

unemployed A person who is not engaged in remunerated work or business activities, for 10 hours or more a week.

This definition does not include a person on leave without pay, parental, study, long service or sabbatical leave.

waiting period The period stated as such in *the schedule* for which no Total Disability Income Benefit or Partial Disability Income Benefit is payable.

work sabbatical Voluntary leave without pay, approved by the employer, and where the life assured has the employer's agreement to return to the same role within 12 months or less.

you/your The 'Policy Owner' named in *the schedule*.