

Encompass Protection product and pricing changes

Effective from 6 July 2023

We've made some improvements and other changes that may apply to your policy.

The improvements were effective from 6 July 2023. They won't apply to past or existing claims, or claims arising from health conditions or events that started or took place before the effective date.

What improvements and changes are we making?

The key improvements and changes are outlined in the tables below.

Improvements

Income
Protection
Cover

Maximum entry age

The policy wording has been improved to increase the maximum entry age on Income Protection Cover from age 55 to 60. This means that you can now apply for increases to your sum insured up to age 60.

Maximum sum insured

The policy wording has been changed so that persons earning over \$240,000 can be insured for higher amounts. If this applies to you, you can increase your sum insured (including under the Future Increase Benefit) to a higher amount.

New calculation	Previous calculation
<p>Maximum sum insured is the lesser of:</p> <ul style="list-style-type: none"> • \$20,000 per month and • A percentage of your earnings as follows: <ul style="list-style-type: none"> ○ 70% of the first \$20,000 per month; plus ○ 50% of any earnings greater than \$20,000 per month. 	<p>Maximum sum insured is the lesser of:</p> <ul style="list-style-type: none"> • \$20,000 per month and • A percentage of your earnings as follows: <ul style="list-style-type: none"> ○ 70% of the first \$20,000 per month; plus ○ 40% of any earnings between \$20,001 and \$28,333 per month; plus ○ 20% of any earnings greater than \$28,333 per month.

Definition of total disability and partial disability

If you have a benefit period of five years (as shown on your policy schedule), the policy wording has been improved for the Total Disability Benefit and Partial Disability Benefit.

Now, for the entirety of the claim, whether for Total Disability or Partial Disability, you will continue to be assessed against the capacity to work in your own occupation, rather than changing after 24 months to being assessed against any occupation to which you are suited.

Definition of earnings or potential earnings after disability

For the purposes of the Partial Disability Benefit, the definition of 'earnings or potential earnings after disability' has also been updated to remove the change of definition after 24 months.

TPD Cover	<p><u>Maximum entry age</u></p> <p>The policy wording has been improved to increase the maximum entry age on TPD Cover from age 55 to 60. This means that you can now apply for increases to your sum insured up to age 60.</p> <p><u>Maximum sum insured</u></p> <p>The policy wording has been improved to allow a maximum sum insured from \$2 million to \$3 million on TPD Cover. This means that you can increase your sum insured up to this amount, subject to underwriting criteria.</p>
Critical Illness Cover	<p><u>Maximum entry age</u></p> <p>The policy wording has been improved to increase the maximum entry age on Critical Illness Cover from age 55 to 60. This means that you can now apply for increases to your sum insured up to age 60.</p>

Other changes and clarifications

Following a recent review, we have improved some medical definitions. In the unlikely event that you are disadvantaged by the change, we will apply the prior definition, provided it has not become obsolete (because it is no longer in use or is incapable of being applied in Australian health practice).

We have also clarified some definitions (such as changing the name of a condition).

The changes will only apply to you if you have Critical Illness Cover.

The updated definitions apply to future claims only. They don't apply to claims that are caused by health conditions or events that occurred before 6 July 2023, the effective date of the update.

Critical Illness Event definition changes

Chronic lung failure – of specified severity	<p>We have improved the definition with reference to current medical diagnostic techniques. The new definition is:</p> <p>The final stage of lung disease, needing permanent oxygen therapy with a consistent pulmonary function test result of:</p> <ul style="list-style-type: none"> - FEV1 less than 40% predicted; or - a DLCO less than 40% predicted.
Coronary artery angioplasty – three or more different coronary arteries (previously named 'Coronary artery angioplasty – triple vessel')	<p>We have changed the name of the event only. The definition itself remains the same as follows:</p> <p>The actual undergoing of an operation to correct narrowing or obstruction of three or more different coronary arteries when considered the necessary and appropriate treatment.</p> <p>This procedure can be completed in one procedure or via multiple procedures within a two-month period.</p>
Encephalitis – of specified severity	<p>We have improved the definition with reference to current medical diagnostic techniques. The new definition is:</p> <p>Severe inflammation of brain substance which results in the insured</p>

person suffering either:

- permanent loss of at least 25% of the *whole person function*, or
- permanent loss of the ability to perform one or more *activities of daily living* (ADL) without physical help from someone else, or
- permanent *severe cognitive impairment*.

The permanent loss or impairment described above must have existed continuously for at least six months.

Encephalitis as a result of HIV infection is excluded.

<p>Loss, or loss of use, of one foot or one hand – total and Irrecoverable (previously named 'Loss of one foot or one hand – total and irrecoverable')</p>	<p>The definition is the same, just restructured so it is clear you can claim for either the loss, or loss of use of the hand or foot:</p> <p>The total and irrecoverable:</p> <ul style="list-style-type: none"> - loss, or - loss of use of one foot or one hand.
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<p>Major brain injury – of specified severity</p>	<p>We have improved the definition with reference to current medical diagnostic techniques. The new definition is:</p> <p>Physical head injury that results in the insured person suffering either:</p> <ul style="list-style-type: none"> - a permanent loss of at least 25% of <i>whole person function</i>, - permanent loss of the ability to perform one or more <i>activities of daily living</i> (ADL) without physical help from someone else, or - permanent <i>severe cognitive impairment</i>. <p>The permanent loss or impairment described above must have existed continuously for at least six months.</p>
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For full terms and conditions, please refer to the Encompass Protection Product Disclosure Statement and Policy Document (PDS) available at encompassprotect.com.au/pds. You should also refer to your Policy Schedule to see which types of cover apply to you.

What do you need to do?

You don't need to do anything to receive the upgrades on your policy, where relevant. However, we recommend you read the information included in this email, so you understand the new terms and conditions, and file this information with your policy documents.

Should you need to make a claim, our claims team will have details of all the policy conditions relevant to your cover.

If any upgrade or clarified terms disadvantage you, we will apply the prior, more favourable term.

Questions?

If you have any questions or need more information about your policy, please contact your financial adviser.

If you don't have an adviser, you can contact us directly at encompassprotect.com.au or on the below details:

Customer service

Phone: 1300 476 030

Email: customer@encompassprotect.com.au

Claims

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