# ANZ CREDITCOVER PLUS

ANZ

Thank you for continuing to insure with us. We are pleased to announce a premium rate reduction and update to your ANZ CreditCover Plus policy.

This document updates your ANZ CreditCover Plus policy terms.

Your policy will not be worse off as a result of this upgrade. If you are inadvertently disadvantaged in any way then previous benefit wording will stand.

## HOW TO READ THIS UPGRADE ANNOUNCEMENT

You should read this document together with your policy contract, which is the:

- ANZ CreditCover Plus Product Disclosure Statement and Policy document dated 28 February 2011 (PDS);
- "A reminder about your credit card insurance" document;
- "ANZ CreditCover Plus, Upgrade Announcement, February 2016" document;
- your policy schedule; and
- any endorsements or any other notice we have given you in writing.

Terms in this document have the same meaning as in the PDS, unless we state otherwise in this document.

## FROM WHEN THE PRICE REDUCTION AND IMPROVEMENTS APPLY

The premium rate reduction and improvements set out in this document are effective on and from 19 November 2016.

The improvements apply only to claims where the relevant claim event first occurs, on or after 19 November 2016.

The improvements do not apply to past or current claims or any claims arising from claim events which first occurred or were first diagnosed, or for which symptoms first became reasonably apparent, before 19 November 2016.

## PURPOSE OF THIS SIGNIFICANT EVENT NOTICE (SEN)

The purpose of this SEN is to:

1. Reduce the premium rate

2. Increase the amount paid under the Life Benefit

3. Increase the amount paid under the Disability Benefit

4. Increase the amount paid under the Involuntary Unemployment Benefit

5. Extend the Total and Permanent Disability Benefit and the Disability Benefit to policyholders who are not employed at the time of claim event

6. Replace the definition of Heart Attack.

## KEEP THIS DOCUMENT IN A SAFE PLACE

You do not need to do anything to take advantage of this automatic upgrade. However, we recommend that you keep this document in a safe place with your ANZ CreditCover Plus PDS and other insurance records, including those documents referred to in the 'How to read this upgrade announcement' above.

## QUESTIONS?

If you have any questions about the improvements set out in this upgrade announcement, or require more information about your policy, please contact Customer Services on 13 13 14.

# ABOUT THE INSURERS

ANZ CreditCover Plus is issued by **OnePath Life Limited** (OnePath Life) (ABN 33 009 657 176, AFSL 238341) and **OnePath General Insurance Pty Limited** (OnePath General) (ABN 56 072 892 365, AFSL 288160).

OnePath Life and OnePath General are wholly owned subsidiaries of Australia and New Zealand Banking Group Limited (ANZ) (ABN 11 005 357 522). ANZ is an authorised deposit taking institution (Bank) under the *Banking Act 1959* (Cth). OnePath Life and OnePath General are the issuers of the product but are not Banks. This product is not a deposit or other liability of ANZ or its related group companies and none of them stands behind or guarantees the issuers.

# NEW TERMS TO APPLY

| Item | New wording to apply |
|---|---|
| Premium Rate | 1. Delete the first paragraph under the heading 'How is the monthly premium calculated?' and replace with the following: |
| | "The monthly premium rate is 60 cents per $100 of the closing balance of your **nominated credit card account** statement each month (up to a maximum credit card balance of $50,000). |
| | If your closing balance for a particular month is greater than $50,000, the premium for any such month is capped at $300." |
| | 2. Delete the example in the box under the heading 'How is the monthly premium calculated?' and replace with: |
| | "**Example 1.** This example is shown for illustrative purposes only. |
| | Statement period: 25 October – 23 November |
| | Closing balance (as at 23 November):$1,500 |
| | Due date for payment: 9 December |
| | Premium calculation: $1,500 \div 100 \times .60 = $9 |
| | **Example 2.** This example is shown for illustrative purposes only. |
| | Statement period: 25 October – 23 November |
| | Closing balance (as at 23 November): $0 |
| | Due date for payment: 9 December |
| | Premium calculation: $0 \div 100 \times .60 = $0" |

| Item | New wording to apply |
|------|---------------------|
| Premium Rate (continued) | **Example 3.** This example is shown for illustrative purposes only.<br><br>Statement period: 25 October – 23 November<br><br>Closing balance (as at 23 November): $52,000<br><br>Due date for payment: 9 December<br><br>Premium calculation: $52,000 ÷ 100 × .60 = $312<br><br>However the maximum payable is $300." |
| Life Benefit | 1. Under the heading 'What is ANZ CreditCover Plus?', delete the first bullet point and replace it with the following:<br><br>"pay a lump sum if you are diagnosed with a critical illness, become totally and permanently disabled, or die"<br><br>2. In the section 'Benefits under ANZ CreditCover Plus' under the column 'Nature of benefit' for the Life Benefit delete the first and second paragraph and replace it with the following:<br><br>"We will pay the Life Benefit if you die after the **policy commencement date** and the death is not an **accidental death**.<br><br>A one-off payment is made to your **nominated credit card account.** If the amount payable is greater than the **total amount outstanding** of your **nominated credit card account,** then the excess is paid to your estate or to any person we are permitted to pay under the *Life Insurance Act, 1995*."<br><br>3. In the section 'Benefits under ANZ CreditCover Plus' under the column 'Maximum amount paid' for the Life Benefit delete the sentence and replace it with the following:<br><br>"Pays up to two times the **total amount outstanding** of the **nominated credit card account** at the date of death, to a maximum of $50,000." |

| Item | New wording to apply |
|---|---|
| Life Benefit (continued) | 4. In the section 'Once the policy starts' under 'Claim Examples' delete Example 1 and replace it with the following: |
| | "Example 1 – Life Benefit |
| | This example is shown for illustrative purposes only. |
| | Bill passes away due to illness. The **total amount outstanding** on Bill's **nominated credit card account** is $17,000 at the date of his death. |
| | We pay two times the **total amount outstanding** which amounts to $34,000. |
| | We pay $17,000 directly to the **nominated credit card account.** We then pay the remaining $17,000 to Bill's estate. The **policy** is then cancelled." |
| Accidental Death Benefit | 1. In the section 'Benefits under ANZ CreditCover Plus', under the column 'Nature of benefit' for the Accidental Death Benefit delete the third paragraph and replace it with the following: |
| | "An additional and equal payment to the **total amount outstanding** is paid to your estate or to any person we are permitted to pay under the *Life Insurance Act, 1995*." |
| Total and Permanent Disability | 1. In the section 'Benefits under ANZ CreditCover Plus', under the column 'What does it cover' for the Total and Permanent Disability Benefit delete all the text and replace it with the following: |
| | "**Total and permanent disability** has the meaning of: |
| | • If you are **employed** on the **claim event date** – you are unlikely ever again to be **employed** in any occupation for which you are suited by training, skill or experience; or |
| | • If you are not **employed** on the **claim event date** – you have suffered a total and permanent **loss of independent existence** or a total and permanent **cognitive loss.** |

| Item | New wording to apply |
|---|---|
| Total and Permanent Disability (continued) | 2. In the section 'Benefits under ANZ CreditCover Plus', under the column 'Nature of Benefit' for the Total and Permanent Disability Benefit delete the first paragraph and replace it with the following: |
| | "Pays the **total amount outstanding** of the **nominated credit card account** as at the date you become **totally and permanent disabled.** |
| | 3. In the section 'Once the policy starts' under 'Claim Examples' delete Example 3 and replace it with the following: |
| | "Example 3 – Total and Permanent Disability Benefit |
| | This example is shown for illustrative purposes only. |
| | Tony suffers an **injury** one year after the **policy commencement date** and we have received medical evidence that he will be unable to be **employed** ever again at any occupation for which he is suited by training, skill or experience. |
| | The **total amount outstanding** on Tony's **nominated credit card account** is $7,800 as at the date he became **totally and permanently disabled.** |
| | We pay the **total amount outstanding** of $7,800 directly to the **nominated credit card account.** |
| | The **policy** is then cancelled." |

| Item | New wording to apply |
|---|---|
| Disability Benefit | 1. Under the heading 'Risks of purchasing ANZ CreditCover Plus' replace the sentence 'There is no cover for either the Disability or Involuntary Unemployment Benefits if you are:' with |
| | 'There is no cover for the Involuntary Unemployment Benefits if you are:' |
| | 2. In the section 'Benefits under ANZ CreditCover Plus' under the column 'What does it cover' for the Disability Benefit delete all the text and replace with the following: |
| | "The definition of **disability** that is applied depends on your employment status at the **claim event date.** |
| | If you meet our definition of **employed,** then **disability** means being unable to perform the duties of your **usual occupation** because of **illness** or **injury**, and |
| | • you are not engaged in your **usual occupation,** and |
| | • you are following the advice of a **medical practitioner** in relation to the **disability** for which you are claiming. |
| | If you do not meet our definition of **employed,** then **disability** means you are confirmed by a **medical practitioner** as either suffering a **'loss of independent existence'** or suffering **'cognitive loss'.** |
| | **Waiting Period** |
| | There is a 5 consecutive day waiting period prior to claim." |
| | 3. In the section 'Benefits under ANZ CreditCover Plus' under the column 'Nature of benefit' for the Disability Benefit delete all the text and replace with the following: |
| | "Pays a monthly benefit directly to your **nominated credit card account** while you are **disabled.** |
| | Disability Benefit payments will be paid until |
| | • you are no longer **disabled**; |
| | • your **total amount outstanding** as at the **claim event** date is paid in full, or |

| Item | New wording to apply |
|------|----------------------|
| Disability Benefit (continued) | • after receiving the Disability Benefit for 150 days, at which time the difference between the total Disability Benefit payments received by you and the **total amount outstanding** as at the **claim event date** will be paid. |

Recurring Claims

If you are no longer **disabled** after being entitled to the Disability Benefit, and within 6 months of no longer being **disabled,** you become **disabled** again from the same or a related cause, the original **disability** will be treated as continuing and the 5 day waiting period will not apply.

We will not pay another Disability Benefit claim for the same or related **disability** within six months of your **total amount outstanding** being paid in full."

4. In the section '**Benefits under ANZ CreditCover Plus'** under the column 'Maximum amount paid' for the Disability Benefit delete the first and second paragraphs and replace it with the following:

"The monthly benefit is calculated at 20% of the **total amount outstanding** of the **nominated credit card account** as at the date you become **disabled.** If the monthly benefit so calculated is less than $10, we will pay $10 for that month.

The benefit period starts at the end of the waiting period. No benefit is payable during the waiting period.

The first benefit will be paid 1 month after the waiting period ends. We will pay subsequent benefit payments on the monthly anniversary of the first benefit payment.

Where a payment period is less than 1 month, we pay 1/30th of the monthly benefit for each day of the period."

The maximum amount payable is the **total amount outstanding** of the **nominated credit card account** as at the date you became **disabled** or $50,000, whichever is the lesser.

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| Item | New wording to apply |
|---|---|
| Disability Benefit (continued) | 5. Under the heading 'What's Not Covered' remove the cross under the column 'Disability' for the event or circumstances of: |

- You are employed on a permanent full time or permanent part time capacity involving less than 10 hours per week; and
- You are self-employed or employed on a casual, contract, seasonal or temporary capacity for less than 10 hours per week (calculated as an average over 90 days prior to the claim event date) and where you have not been in the same occupation on a continuous basis for 90 days.

6. In the section 'Once the policy starts' under 'Claim Examples' delete Example 5 and replace it with the following:

Example 5a – Disability Benefit

This example is shown for illustrative purposes only.

Helen is **disabled** and is unable to perform the duties of her usual occupation. The **total amount outstanding** on Helen's **nominated credit card account** is $3,500 as at the date she becomes **disabled**. Helen is unable to work for 130 days. Helen is **disabled** on the 18th of May. The waiting period ends on the 22nd of May (5 days later).

We make the following payments into Helen's **nominated credit card account**:

| Date of Payment | Amount |
|---|---|
| 22 June | $700 |
| 22 July | $700 |
| 22 August | $700 |
| 22 September | $700 |
| 22 October | $116 (prorated for 5 days) |
| TOTAL | $2,916 over the 125 days (130 – 5 days waiting period) |

| Item | New wording to apply |
|---|---|
| Disability Benefit (continued) | 7. In the section 'Once the policy starts' under 'Claim Examples' insert the following new example: |

**Example 5b – Disability benefit – Loss of independent existence**

This example is shown for illustrative purposes only.

Lyndal is a homemaker. Through **illness**, Lyndal is unable to dress, shower or walk around without the assistance of her husband for 80 days.

Lyndal is confirmed by a **medical practitioner** as having suffered a **loss of independent existence** for this period.

The **total amount outstanding** on Lyndal's **nominated credit card account** is $6,000 as at the date she becomes **disabled.**

Lyndal is **disabled** on the 2nd November. The waiting period ends on the 6th November (5 days after).

| Date of Payment | Amount |
|---|---|
| 6 December | $1,200 |
| 6 January | $1,200 |
| 6 February | $600 (prorated for 15 days) |
| TOTAL | $3,000 over the 75 days (80 – 5 days waiting period) |

| Item | New wording to apply |
|---|---|
| Involuntary Unemployment | 1. In the section 'Benefits under ANZ CreditCover Plus' under the column 'What does it cover?' for Involuntary Unemployment delete the second dot point under the heading 'To Claim' and replace with: |

" • be registered with Centrelink, another equivalent government authority or a recognised recruitment agency, and are **actively seeking employment.**"

2. In the section 'Benefits under ANZ CreditCover Plus' under the column 'Nature of benefit' for the Involuntary Unemployment Benefit delete the first paragraph and replace with:

"Pays a monthly benefit directly to your **nominated credit card account**.

| Item | New wording to apply |
|---|---|
| Involuntary Unemployment (continued) | Involuntary Unemployment Benefit payments will be paid until the earliest of the following: |

- you are no longer **unemployed**;
- your **total outstanding balance** as at the **claim event date** is paid in full, or
- after receiving the Involuntary Unemployment Benefit for 150 days, at which time the difference between the total Involuntary Unemployment Benefit payments received by you and the **total amount outstanding** as at the **claim event date** will be paid."

3. In the section 'Benefits under ANZ CreditCover Plus' under the column 'Maximum amount paid' for the Involuntary Unemployment Benefit delete the entire text and replace with the following:

"The monthly benefit is calculated at 20% of the **total amount outstanding** of the **nominated credit card account** as at the date you become **involuntarily unemployed**. If the monthly benefit so calculated is less than $10, we will pay $10 for that month.

The benefit period starts at the end of the waiting period. No benefit is payable during the waiting period.

The first benefit will be paid 1 month after the waiting period ends. We will pay subsequent benefit payments on the monthly anniversary of the first benefit payment.

Where a payment period is less than 1 month, we pay 1/30th of the monthly benefit for each day of the period."

The maximum amount payable is the **total amount outstanding** of the **nominated credit card account** as at the date you became **involuntarily unemployed** or $50,000, whichever is the lesser.

| Item | New wording to apply |
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| Involuntary Unemployment (continued) | 4. In the section 'Once the policy starts' under 'Claim Examples' delete Example 6 and replace with the following: |

"Example 6 – Involuntary Unemployment Benefit

This example is shown for illustrative purposes only.

Sue is retrenched, has commenced looking for a new role, and is registered with Centrelink. The total amount outstanding on Sue's nominated credit card account is \$2,000 as at the date she became involuntarily unemployed. Sue has been unemployed for 120 days. Sue became involuntarily unemployed on the 11th of August. The waiting period ends on the 24th of August (14 days after).

We make the following payments into Sue's nominated credit card account:

| Date of Payment | Amount |
|-----------------|--------|
| 24 September | \$400 |
| 24 October | \$400 |
| 24 November | \$400 |
| 24 December | \$213 (prorated for 16 days) |
| TOTAL | \$1,413 over the 106 days (120 – 14 days waiting period) |

| Item | New wording to apply |
|------|----------------------|
| When does the policy end? | 1. In the section 'Once the policy starts' under "When does the policy end?" replace the first dot point with the below: |

" • a credit card issued under the nominated credit card account is withdrawn or cancelled, unless:

- the cancelled credit card is for an additional cardholder; or
- the credit card was cancelled because the card was stolen or because fraud occurred on the nominated credit card account."

| Item | New wording to apply |
|------|---------------------|
| Definitions | 1. In the section **"Definitions"** include a new definition called "Actively seeking employment" after the definition "Accidental Death": |
| | "**Actively seeking employment** means submission of at least one job application, including applications through an online job search engine, or attendance or attendance of at least one interview, per week for the period of **Involuntary Unemployment**." |
| | 2. In the section **"Definitions",** include a new definition called "Cognitive loss" after the definition "Claim event date": |
| | "**Cognitive loss** means you are confirmed by a **medical practitioner** as suffering from a deterioration or loss of intellectual capacity that requires you to be under the continuous care of and supervision by another **adult** person." |
| | 3. In the section **"Definitions",** delete the definition for Heart Attack and replace it with the following: |
| | "**Heart attack (diagnosed)** means the death of a portion of heart muscle arising from inadequate blood supply to the relevant area. The diagnosis must be supported by the following being present and consistent with acute myocardial infarction (and not due to medical intervention): |
| | • rise and/or fall of cardiac biomarkers (such as Troponins or cardiac enzyme CK-MB) with at least one value above the 99th percentile of the upper reference range of laboratory normal; and |
| | • one of the following: |
| | – new cardiac symptoms and signs consistent with myocardial infarction |
| | – new ST elevation |
| | – new T wave changes |
| | – new Left bundle branch block (LBBB) |
| | – new pathological Q waves. |

| Item | New wording to apply |
|---|---|
| Definitions (continued) | If the above test results are inconclusive, not undertaken or the tests are superseded due to technical advances, we will consider other appropriate and medically recognised tests that unequivocally diagnose myocardial infarction of the same degree of severity, or greater, as outlined above. |

The following are not covered under this definition:

- other acute coronary syndromes including but not limited to angina pectoris, myocardial infarctions arising from elective percutaneous coronary interventions or coronary bypass grafting that do not satisfy the requirements of the ESC/ACCF/AHA/WHF 3rd Edition of the 'universal definition of myocardial infarction'; and

- elevations of troponins in the absence of overt ischaemic disease (for example but not limited to, myocarditis, apical ballooning, cardiac contusion, pulmonary embolism or drug toxicity)."

4. In the section "Definitions", include a new definition called 'Loss of Independent Existence' after the definition for 'Involuntary Unemployment':

"Loss of independent existence means you are confirmed by a medical practitioner as unable to perform at least two of the following five activities of daily living, without the assistance of another adult person:

- bathing and/or showering;

- dressing and undressing;

- eating and drinking;

- using a toilet to maintain personal hygiene; or

- getting in and out of bed, a chair or a wheelchair, or moving from place to place by walking, wheelchair or with the assistance of a walking aid.

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