

ANZ CREDIT CARD INSURANCE

PREMIUM RATE REDUCTION AND
UPGRADE ANNOUNCEMENT
NOVEMBER 2016



PREMIUM RATE REDUCTION AND UPGRADE ANNOUNCEMENT

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

This document updates your ANZ Credit Card Insurance 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 Credit Card Insurance Product Disclosure Statement (PDS) and policy document dated 1 April 2012, including the Supplementary Product Disclosure Statement (SPDS) dated 10 March 2014 (if we have provided you with this);
- "A reminder about your credit card insurance" document (if we have provided you with this);
- ANZ Credit Card Insurance Price Reduction and Upgrade Announcement dated February 2016;
- you policy schedule; and
- any endorsement 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 Significant Event Notice (SEN) is to:

1. Reduce the premium rate
2. Increase the amount paid under the Life Benefit
3. Increase the amount paid under the Accidental Death Benefit
4. Decouple the Accidental Death Benefit from the Life Benefit
5. Increase the amount paid under the Disability Benefit
6. Increase the amount paid under the Involuntary Unemployment Benefit
7. Replace the definition of Heart Attack
8. Replace the definition of Pre-Existing Condition.

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 Credit Card Insurance PDS and other insurance records.

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 Credit Card Insurance 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.

IMPROVEMENTS TO YOUR POLICY

The PDS is amended by the items below:

Item	New wording to apply
Premium Rate	<ol style="list-style-type: none">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 examples 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 Example 3. This example is shown for illustrative purposes only. Statement period: 25 October – 23 November Closing balance (as at 23 November): \$52,000 Due date for payment: 9 December Premium calculation: $\\$52,000 \div 100 \times .60 = \\312 However the maximum premium payable is \$300."

Item	New wording to apply
Life Benefit	<ol style="list-style-type: none"> <li data-bbox="303 231 947 469">1. Under the heading "WHAT IS ANZ CREDIT CARD INSURANCE?", delete the first bullet point and replace it with the following: <p style="margin-left: 40px;">"pay a lump sum if you are diagnosed with a critical illness, become totally and permanently disabled, or die,"</p> <li data-bbox="303 480 947 895">2. In the table in the 'BENEFIT PAYMENTS' section, under the column 'Definition and amount payable' for the Life Benefit, delete the first and second paragraph and replace it with the following: <p style="margin-left: 40px;">"We will pay the Life Benefit if you die after the policy commencement date and the death is not an accidental death. Pays up to two times the total amount outstanding of the nominated credit card account at the date of your death, to a maximum of \$50,000."</p> <li data-bbox="303 906 947 1321">3. In the table, in the 'BENEFIT PAYMENTS' section, under the column 'Payment' for the Life Benefit, delete the sentence and replace it with the following: <p style="margin-left: 40px;">"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 <i>Life Insurance Act, 1995</i>."</p> <li data-bbox="303 1332 947 2044">4. Under the heading 'CLAIM EXAMPLES' delete Example 1 and replace it with the following: <p style="margin-left: 40px;">Example 1 – Life Benefit 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. Previously Bill had received \$20,000 in benefit payments for the Disability Benefit under his policy. We pay two times the total amount outstanding which amounts to \$34,000. However as the combined maximum benefit amount is \$50,000, the Life Benefit amount payable is reduced by \$4,000 to \$30,000 to ensure that the combined maximum benefit amount is not exceeded. We pay \$17,000 directly to the nominated credit card account. We then pay the remaining \$13,000 to Bill's estate. The policy is then cancelled."</p>

Item	New wording to apply
<p>Accidental Death Benefit</p>	<ol style="list-style-type: none"> <li data-bbox="311 220 943 679"> <p>1. Under the heading 'MAXIMUM BENEFIT PAYMENT LIMITS UNDER THE POLICY', delete the third paragraph and replace with the following:</p> <p>"The combined maximum benefit amount which may be payable for the Accidental Death Benefit is \$100,000. If the amount payable under the Accidental Death Benefit, combined with the total amount paid on a prior claim or claims under your policy will exceed \$100,000, the Accidental Death Benefit will be reduced so that the total amount paid for all claims does not exceed \$100,000."</p> <li data-bbox="311 679 943 1465"> <p>2. Under the heading 'MAXIMUM BENEFIT PAYMENT LIMITS UNDER THE POLICY', delete the Example and replace it with the following:</p> <p>"This example is shown for illustrative purposes only.</p> <p>Dianne is involved in a fatal car accident. The total amount outstanding on Dianne's nominated credit card account is \$45,000 as at the date of her death.</p> <p>Previously Dianne had received \$20,000 in benefit payments for the Disability Benefit.</p> <p>As Dianne's death is accidental, the combined total amount payable for all claims under the policy cannot exceed \$100,000. The Accidental Death Benefit is reduced by \$10,000 to ensure the combined maximum amount payable is not exceeded.</p> <p>We pay \$45,000 to Dianne's nominated credit card account and \$35,000 to her daughter. The policy is then cancelled."</p> <li data-bbox="311 1465 943 1821"> <p>3. In the table in the 'BENEFITS PAYMENTS' section, under the column 'Definition and amount payable' for the Accidental Death Benefit, delete the third and fourth paragraphs and replace it with the following:</p> <p>"We will pay two times the total amount outstanding of the nominated credit card account as at the date of death, to a maximum of \$100 000."</p>

Item	New wording to apply
<p>Accidental Death Benefit (continued)</p>	<p>4. In the table in the 'BENEFITS PAYMENTS' section, under the column 'Payment' for the Accidental Death Benefit, delete the sentence and replace it with the following:</p> <p>"A one-off payment equal to the total amount outstanding is made directly 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 <i>Life Insurance Act, 1995</i>."</p> <p>5. Under the heading 'CLAIM EXAMPLES' delete Example 2 and replace it with the following:</p> <p>Example 2 – Accidental Death Benefit</p> <p>Alan is involved in a fatal car accident. The total amount outstanding on Alan's nominated credit card account is \$18,000 as at the date of his death.</p> <p>We pay two times the total amount outstanding which amounts to \$36,000. We pay \$18,000 directly to the nominated credit card account, plus a further \$18,000 to Alan's estate. The policy is then cancelled."</p>
<p>Disability Benefit</p>	<p>1. In the table in the 'BENEFITS PAYMENTS' section, under the column 'Definition and amount payable' for the Disability Benefit delete the last paragraph and replace it with the following:</p> <p>"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 in that month.</p> <p>The benefit period starts at the end of the waiting period. No benefit is payable during the waiting period.</p> <p>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.</p> <p>Where a payment period is less than 1 month, we pay 1/30th of the monthly benefit for each day of the period."</p>

Item	New wording to apply
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Disability Benefit
(continued)

2. In the table in the 'BENEFITS PAYMENTS' section, under the column 'Payment' for the Disability Benefit, delete the last dot point and replace it with the following:

- "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,"

3. Under the heading 'CLAIM EXAMPLES' delete Examples 5 and 6, and replace it with the following:

Example 5 – Disability Benefit

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	\$2916 over the 125 days (130 – 5 days waiting period)

Example 6 – Disability benefit – Loss of independent existence

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**.

Item	New wording to apply
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Disability Benefit (continued)

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

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

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 days – 5 day waiting period)"

Involuntary Unemployment

1. In the table in the 'BENEFITS PAYMENTS' section, under the column 'Definition and amount payable' for the Involuntary Unemployment Benefit delete the last paragraph 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."

2. In the table in the 'BENEFITS PAYMENTS' section, under, under the column 'Payment' for the Involuntary Unemployment Benefit, delete the last dot point and replace it with the following:

"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,"

Item	New wording to apply
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Involuntary Unemployment (continued)	<p>3. Under the heading 'CLAIM EXAMPLES', delete Example 7 and replace with the following:</p> <p>“Example 7 – Involuntary Unemployment Benefit</p> <p>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.</p> <p>Sue becomes involuntarily unemployed on the 11th of August. The waiting period ends on the 24th of August (14 days after).</p> <p>We make the following payments into Helen’s nominated credit card account:</p> <table border="1"> <thead> <tr> <th>Date of Payment</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>24 September</td> <td>\$400</td> </tr> <tr> <td>24 October</td> <td>\$400</td> </tr> <tr> <td>24 November</td> <td>\$400</td> </tr> <tr> <td>24 December</td> <td>\$213 (prorated for 16 days)</td> </tr> <tr> <td>TOTAL</td> <td>\$1,413 over the 106 days (120 days – 14 days waiting period).</td> </tr> </tbody> </table>	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 days – 14 days waiting period).
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 days – 14 days waiting period).												

Definitions	<p>1. Under the heading 'DEFINITIONS', delete the definition for 'Heart Attack' and replace it with the following:</p> <p>“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):</p> <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> – 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.
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Item	New wording to apply
<p>Definitions (continued)</p>	<p>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.</p> <p>The following are not covered under this definition:</p> <ul style="list-style-type: none"> • 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).” <p>2. Under ‘Risks of purchasing ANZ Credit Card Insurance’, delete the third bullet point and replace it with:</p> <ul style="list-style-type: none"> • Pre-existing condition: we will not pay a claim for the Life Benefit, Accidental Death Benefit, Total and Permanent Disability Benefit, Critical Illness Benefit or the Disability benefit which arises from any illness, injury or condition that: <ul style="list-style-type: none"> – in the 6 months immediately before the policy commencement date, is the subject of a medical consultation, and – leads directly or indirectly to disablement, total and permanent disablement, critical illness or death in the first 6 months immediately following the policy commencement date.” <p>3. Under the heading “What’s not covered”, delete the definition for ‘Pre-existing condition’ and replace it with the following:</p> <p>“Pre-Existing Condition: any illness, injury or condition that is the subject of a medical consultation during the 6 months immediately before the policy commencement date and leads directly or indirectly to disablement, total and permanent disablement, critical illness or death in the first 6 months immediately following the policy commencement date.”</p>



Talk to staff at any ANZ branch



Call 13 16 14 weekdays 8am to 8pm (AEST)



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Australia and New Zealand Banking Group Limited (ANZ) ABN 11 005 357 522. 353874_A4630/1216

