PRODUCT INFORMATION UPDATE

OneCare

13 April 2019

KEEPING YOU UP-TO-DATE WITH THE LATEST CHANGES TO INCOME SECURE BASIC COVER

We're making some changes to the policy wording for OneCare. This Product Information Update (Update) shows you what's changing and what Covers these changes apply to. We recommend you read this Update together with the original policy wording and keep a copy for future reference.

The changes to the policy wording for Income Secure Basic and Income Secure Basic SuperLink include:

1. Clarification of the way we determine benefits under the Accident Options
2. Clarification of the way we pay the Total Disability Benefit in place of the Partial Disability Benefit
3. Availability of the Rehabilitation and Retraining Expenses Benefit.

Why are some words in bold?

The words and expressions in bold throughout this Update have special meanings, which are defined in the Product Disclosure Statement and Policy Terms. Please refer to those documents for details.

Is the cost of my Cover changing?

No. These changes do not result in any changes to premium rates for your Income Secure Cover.

What do I need to do?

The changes explained in this Update are designed to better align the terms of the super policy with the requirements of superannuation law.

Where you are the trustee of a self-managed super fund who holds Income Secure SuperLink, you may confirm your acceptance of the change to the policy terms at the time you make a claim. We recommend you seek advice before making a decision about the changes.

Where you are the owner of the Basic SuperLink Cover, you may confirm your acceptance of the change to the policy terms at the time you make a claim.

What if I have questions?

If you have any questions about the changes outlined in this Update, or you need more information about your policy, please contact your financial adviser or call Customer Services on 133 667.

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1. CLARIFICATION OF THE WAY WE DETERMINE BENEFITS UNDER THE ACCIDENT OPTIONS

The Accident Option and the Premier Accident Option (together, the 'Accident Options') are available with Basic Cover and Basic SuperLink Cover. Each of the Accident Options provide for the payment of a benefit (equivalent to the Total Disability Benefit) during the waiting period, where **total disability** is due to an **injury**. Your Policy Schedule will indicate whether either of the Accident Options applies to your policy.

Updated policy wording

As set out below, we have updated the section of your policy titled '**Income Secure Basic SuperLink**'. This clarifies the rules that apply to Total and Partial Disability Benefits under Basic SuperLink Cover, also apply to benefits paid under the Accident Options.

Replace this existing policy wording:	With this new wording:
Assessment of claims for a Partial or Total disability Benefit Your employment status at the time of **illness** or **injury** will determine under which policy we will assess your claim for a **Partial** or **Total Disability Benefit**. If you were: • **unemployed** at the time of the **illness** or **injury** – we will assess a claim for a **Total** or **Partial Disability Benefit** under your Income Secure Basic SuperLink policy (outside super). If you do not meet the requirements for payment of a **Total** or **Partial Disability Benefit** under this policy, we will not subsequently consider your claim under your Basic policy (inside super). • not **unemployed** at the time of the **illness** or **injury** – we will assess a claim for a **Total** or **Partial Disability Benefit** under your Basic policy (through super). Any amount payable will be paid to the trustee of the super fund for you. If you do not meet the requirements for payment of a **Total** or **Partial Disability Benefit** under the Basic policy, we will not subsequently consider your claim under the Income Secure Basic SuperLink policy (outside super). We will only ever pay a monthly benefit under the Income Secure Basic SuperLink policy (outside super) if you are **unemployed** at the time of **illness** or **injury** or for the Specific Injury benefit. We will only pay a **Total** or **Partial Disability Benefit** (as applicable) under one policy at one time.	**Assessment of claims for a Partial or Total Disability Benefit** Your employment status at the time of **illness** or **injury** will determine under which policy we will assess your claim for a **Partial** or **Total Disability Benefit**, or a benefit under the Accident Option or the Premier Accident Option (if applicable). If you were: • **unemployed** at the time of the **illness** or **injury** – we will assess a claim for a **Total** or **Partial Disability Benefit** under your Income Secure Basic SuperLink policy (outside super). If you do not meet the requirements for payment of a **Total** or **Partial Disability Benefit**, or a benefit under the Accident Option or the Premier Accident Option (if applicable), under this policy, we will not subsequently consider your claim under your Basic policy (inside super). • not **unemployed** at the time of the **illness** or **injury** – we will assess a claim for a **Total** or **Partial Disability Benefit**, or a benefit under the Accident Option or the Premier Accident Option (if applicable), under your Basic policy (through super). Any amount payable will be paid to the trustee of the super fund for you. If you do not meet the requirements for payment of a **Total** or **Partial Disability Benefit**, or a benefit under the Accident Option or the Premier Accident Option (if applicable), under the Basic policy, we will not subsequently consider your claim under the Income Secure Basic SuperLink policy (outside super). We will only ever pay a monthly benefit under the Income Secure Basic SuperLink policy (outside super) if you are **unemployed** at the time of **illness** or **injury** or for the Specific Injury Benefit. We will only pay a **Total** or **Partial Disability Benefit**, or a benefit under the Accident Option or the Premier Accident Option (as applicable) under one policy at one time.

2. CLARIFICATION OF THE WAY WE PAY THE TOTAL DISABILITY BENEFIT IN PLACE OF THE PARTIAL DISABILITY BENEFIT

Under Basic Cover, where you are entitled to a Partial Disability Benefit, we may instead pay a Total Disability Benefit for up to six months if the life insured's **monthly earnings** are no more than 20% of their **pre-claim earnings**.

Updated policy wording

As set out below, we have updated the section of your policy titled '**We may pay the Total Disability Benefit instead of the Partial Disability Benefit**' under '**Key benefit – Partial Disability Benefit**' to clarify when we will pay the Total Disability Benefit instead of the Partial Disability Benefit by replacing the expression '20% or less than 'A'' with '20% of 'A' or less' (where 'A' is the life insured's **pre-claim earnings**). This change does not materially alter the circumstances in which we pay the Total Disability Benefit rather than the Partial Disability Benefit.

Replace this existing policy wording:	With this new wording:
For Basic Cover, if the life insured is entitled to a **Partial Disability Benefit**, we will pay the **Total Disability Benefit** instead for up to the first six months if the life insured both: • has been **totally disabled** for seven out of 12 consecutive days during the waiting period • then returns to work part-time, resulting in 'B' above being 20% or less than 'A'.	For Basic Cover, if the life insured is entitled to a **Partial Disability Benefit**, we will pay the **Total Disability Benefit** instead for up to the first six months if the life insured both: • has been **totally disable**d for seven out of 12 consecutive days during the waiting period • then returns to work part-time, resulting in 'B' being 20% of 'A' or less.

3. AVAILABILITY OF THE REHABILITATION AND RETRAINING EXPENSES BENEFIT

If you are **on claim** for Total or Partial Disability, we may assist with the life insured's return to work by paying a Rehabilitation and Retraining Expenses Benefit. We have made changes to the way the Rehabilitation and Retraining Expenses Benefit operates when Income Secure Cover is held in super.

If you have a Basic SuperLink arrangement, the Rehabilitation and Retraining Expenses Benefit is now held under the Basic SuperLink Cover, rather than the Basic Cover (see table below).

Income Secure Cover type	Current availability	New availability
Basic Cover (Super)	Yes	No
Basic SuperLink (Non Super)	No	Yes

Updated policy wording

As set out below, we have updated the section of your policy titled '**Rehabilitation and Retraining Expenses Benefit**' under '**Additional benefits**'.

Replace this existing policy wording:	With this new wording:
Rehabilitation and Retraining Expenses Benefit Does not apply to Basic SuperLink or Income Secure SuperLink (Non Super) If we are paying **Total** or **Partial Disability Benefits** for a life insured, we will also reimburse expenses related to an **approved rehabilitation program** for the life insured.	**Rehabilitation and Retraining Expenses Benefit** Does not apply to Basic Cover or Income Secure SuperLink (Super) If we are paying **Total** or **Partial Disability Benefits** for a life insured, we will also reimburse expenses related to an **approved rehabilitation program** for the life insured. We will reimburse up to 12 times the life insured's **monthly amount insured payable**, in total, over the life of their Income Secure Cover. We pay this benefit as well as any **Total Disability Benefit** or **Partial Disability Benefit** payable. We must agree in writing before the life insured starts the **approved rehabilitation program**. We do not reimburse expenses which the: • law does not allow us to reimburse • *National Health Act 1953* (Cth) or the *Private Health Insurance Act 2007* (Cth) regulate • life insured or the policy owner are entitled to have reimbursed from another source. This benefit does not apply if you have Basic Cover without a linked Basic SuperLink policy. If you have Basic SuperLink, we pay this benefit under the Income Secure Basic SuperLink (Non Super) policy, whether we are paying the **Total** or **Partial Disability Benefit** under that policy or under Basic Cover. If you have Income Secure SuperLink, we pay this benefit under the Income Secure SuperLink (Non Super) policy, whether we are paying the **Total** or **Partial Disability Benefi**t under the Income Secure SuperLink (Super) policy or the Income Secure SuperLink (Non Super) policy. We do not pay this benefit during the waiting period.

OnePath Life Limited ABN 33 009 657 176 AFSL 238341 (OnePath Life) issues OneCare. This includes OneCare SMSF.

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