

# ONECARE AND ONECARE SUPER SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT

30 November 2019

**This Supplementary Product Disclosure Statement (SPDS) supplements the OneCare Product Disclosure Statement and Policy Terms dated 13 April 2019 (PDS) which includes OneCare and OneCare Super, and is to be read together with the PDS. Terms defined in the PDS have the same meaning in this SPDS. This SPDS updates the terms and conditions of your policy.**

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

OnePath Custodians Pty Limited ABN 12 008 508 496 AFSL 238346 (OnePath Custodians) issues OneCare Super. OneCare Super is a superannuation product issued by OnePath Custodians, as trustee of the Retirement Portfolio Service (Fund). OnePath Life is the insurer for OneCare Super. When you join OneCare Super, OnePath Custodians contracts with OnePath Life to provide the insured benefits. OnePath Custodians has appointed OnePath Life to act as administrator of OneCare Super.

OnePath Life and OnePath Custodians are the issuers of this SPDS. Both OnePath Life and OnePath Custodians are responsible for the contents of this SPDS. However, an issuer is not responsible for the products issued by the other issuer.

OnePath Life is a company within the Zurich Financial Services Australia Group. OnePath Custodians is a wholly owned subsidiary of Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (ANZ).

OnePath Life and OnePath Custodians are not related bodies corporate.

The purpose of this SPDS is to update the PDS to:

- update 'Who issues OneCare and OneCare Super?';
- update 'About OnePath';
- update the eligibility for Extended Terminal Medical Condition under Life Cover held outside super;
- update taxation and superannuation law information.

## Update to 'Who issues OneCare and OneCare Super?'

The 'Who issues OneCare and OneCare Super?' section on page 5 of the PDS, is updated such that the last four paragraphs in this section are deleted and replaced with the following:

OnePath Custodians is a wholly owned subsidiary of Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (ANZ). ANZ is an authorised deposit taking institution (Bank) under the *Banking Act 1959* (Cth).

OnePath Custodians is owned by ANZ, but is not a Bank. Except as described in this PDS, the products referred to in this PDS are not a deposit or other liability of ANZ or its related group companies, and none of them stands behind or guarantees the issuers or the relevant products.

OnePath Life is a company within the Zurich Financial Services Australia Group. OnePath Life and OnePath Custodians are not related bodies corporate.

## Update 'About OnePath'

The 'About OnePath' section on page 5 of the PDS, is updated such that the second paragraph is deleted and replaced with the following:

OnePath life insurance solutions are provided by OnePath Life, which is a company within the Zurich Financial Services Australia Group.

## Update to the eligibility for Extended Terminal Medical Condition under Life Cover held outside super

We have updated the eligibility for the Extended Terminal Medical Condition standard feature under Life Cover to be available to policies held outside super. This standard feature is in addition to the Terminal Illness Benefit.

The 'Extended Terminal Medical Condition' section on page 25 of the PDS, is updated such that this section is deleted and replaced with the following:

## Extended Terminal Medical Condition



### When we pay

We pay the Extended Terminal Medical Condition benefit if the life insured suffers an Extended Terminal Medical Condition.

We will pay either the Extended Terminal Medical Condition benefit or the Terminal Illness Benefit (whichever we pay first) but not both. On payment of the Extended Terminal Medical Condition benefit, the Terminal Illness Benefit ceases, and vice versa.

Extended Terminal Medical Condition means two registered **medical practitioners** approved by us have certified, jointly or separately, by providing supporting medical evidence, that the life insured suffers from an **illness**, or has incurred an **injury**, that:

- is likely to result in the life insured's death within 24 months of the date of certification, and
- the **illness** or **injury** has progressed to a point where the standard medical treatment protocols for that condition are not expected to extend the life insured's life expectancy beyond 24 months from the date of certification.

For each of the certificates, the certification period for the terminal medical condition has not ended and at least one of the **medical practitioners** must be a specialist practising in an area related to the life insured's **illness** or **injury**.

### The amount we pay

The amount of the Extended Terminal Medical Condition Benefit we pay is your Life Cover amount insured on the date the entitlement to the Extended Terminal Medical Condition Benefit arises.

We pay the Extended Terminal Medical Condition Benefit by the applicable benefit payment type. Please see below for more details.

### The amount insured and benefit payment type

If the lump sum benefit type applies, the Life Cover amount insured is the amount for which we agreed to cover the life insured, reduced by certain payments. Please see below for more details. On a successful claim, we pay this amount as a single lump sum payment.

If an instalment benefit type applies, the Life Cover amount insured is the instalment amount for which we agreed to cover the life insured, reduced by certain payments. Please see below for more details. On a successful claim, we pay this amount monthly in arrears from the date the entitlement to the relevant benefit arises until the chosen instalment term ends. The instalment term is set out in the Policy Schedule.

### Your amount insured can decrease

The Life Cover amount insured will decrease by any amount we pay or begin to pay for:

- the Advance Assistance Benefit under this policy
- TPD Cover and/or Trauma Cover attached to Life Cover under this policy
- TPD Cover and/or Trauma Cover under another **linked policy**.

## Update to taxation and superannuation law information

The 'Caps on concessional contributions' section on page 138 of the PDS, is updated such that the first and second paragraphs in this section are deleted and replaced with the following:

An annual cap on concessional contributions applies on a financial year basis. The cap for the 2019/20 financial year is \$25,000.

You may be able to make 'carry-forward' concessional super contributions if you have a total superannuation balance of less than \$500,000 as at 30 June of the previous financial year and have unused cap amounts.

The 'Non-concessional contributions' section on page 138 of the PDS, is updated such that the second, third, fourth and fifth paragraphs in this section are deleted and replaced with the following:

An annual non-concessional contributions cap applies on a financial year basis and is \$100,000 (2019/20). However, this cap is reduced to nil if your total superannuation balance as at 30 June of the previous financial year is greater than or equal to the general transfer balance cap of \$1.6 million (2019/20). If you have more than one super account, your non-concessional contributions made to all of your funds count towards the non-concessional contributions cap.

Generally, if you are eligible and under age 65 at any time during the financial year, you may be able to make non-concessional contributions of up to three times the annual non-concessional contributions cap under the 'bring-forward' arrangements.

The 'bring forward' cap is \$300,000 (2019/20) depending upon your total superannuation balance as at 30 June of the previous financial year. The bring-forward is automatically triggered when your after-tax contributions are more than \$100,000 in a particular financial year.

The 'Under age 60' table in 'For lump-sum withdrawals' section on page 139 of the PDS, is updated such that the footnote in this table is deleted and replaced with the following:

\* The low rate cap threshold for the 2019/20 financial year is \$210,000 (the amount may be indexed but in \$5,000 increments only).

The 'Temporary incapacity benefits' section on page 139 of the PDS, is updated such that this section is deleted and replaced with the following:

#### **Temporary incapacity benefits**

The Trustee must deduct tax at the PAYG withholding rates that apply to ordinary salary and wages. The tax offset for some superannuation benefit payments does not apply to income protection benefits.

If you do not provide your TFN, the Trustee must withhold at the rate of 47% (2019/20).

Page 140 of the PDS is updated such that immediately after the 'Incorrect TFNs' section, the following section is included:

#### **Superannuation Legislative Changes effective 1 July 2019**

Changes to superannuation legislation effective from 1 July 2019 are designed to prevent erosion of account balances. The measures that may impact your OneCare Super policy are set out below in brief:

- Unless members elect otherwise, trustees must not provide insurance to a member if the member's account is 'inactive' for a period of 16 months.
- An account is 'inactive' if no contribution or rollover is paid into it.
- Notices with prescribed content about 'inactive' accounts are to be sent to members at 9, 12 and 15 month intervals.

You should contact your financial adviser for more information on the changes.

