

ANZ CREDIT CARD INSURANCE

PRICE REDUCTION AND
UPGRADE ANNOUNCEMENT
FEBRUARY 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 upgrade 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 PDS and policy document dated 1 April 2012 (PDS), including the Supplementary Product Disclosure Statement 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);
- 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 27 February 2016.

The improvements apply only to claims where the relevant claim event first occurs, on or after 27 February 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 27 February 2016.

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 policy document 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 16 14.

About the Insurers

ANZ Credit Card Insurance is jointly issued by OnePath Life Limited (OnePath Life) (ABN 33 009 657 176) and OnePath General Insurance Pty Limited (OnePath General) (ABN 56 072 892 365). 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. Except as set out in this PDS and contract terms, this product is not a deposit or other liability of ANZ or its related group companies. None of them stands behind or guarantees the issuers.

IMPROVEMENTS TO YOUR POLICY

The following amendments are being made to the PDS:

Benefits	New Policy Terms to apply
Family Trauma Benefit New benefit	1. Delete the second bullet point under the heading 'Who are the Insurers?' on page 3 and replace it with the following: "OnePath General Insurance Pty Limited (OnePath General) ABN 56 072 892 365, AFSL 288160 for the Disability Benefit, the Involuntary Unemployment benefit, the Family Trauma Benefit and the Inconvenience Benefit." 2. Insert new bullet point on page 5 under the section 'What is ANZ Credit Card Insurance?' with the following: "pay a lump sum to your nominated credit card account if you must take leave from your employment because your partner or dependent child is diagnosed with a critical illness." 3. On pages 14 and 15, insert a new row to the table under the section 'Benefits under ANZ Credit Card Insurance'. In the new row, under the column: i. 'Definition and amount payable' insert the following: "We pay the Family Trauma Benefit if you are required to take leave from your employment because your partner or dependent child is diagnosed with a critical illness. The definition of critical illness that is applied depends on whether the person is a child or adult. Please refer to the definitions section. The amount of the Family Trauma Benefit is a lump sum of \$500. We will only pay the Family Trauma Benefit once in any 12 month period." ii. 'Qualifying Period after the Policy Commencement Date Waiting Period after the Claim Event Date' insert the following:

Benefits	New Policy Terms to apply
Family Trauma Benefit	"Qualifying Period – Nil Waiting Period – Nil" iii. 'Payment' insert the following: "We pay the Family Trauma Benefit to your nominated credit card account."
New benefit (continued)	4. Insert a new column headed "Family Trauma" into the 'What's not Covered' table on pages 16–19. Under the new column, the following rows should be marked with an 'X' to indicate the events or circumstances when benefits will not be paid: • War (whether declared or not), hostilities, civil commotion or insurrection. • Any intentionally self inflicted injury, suicide within the first 13 months after the policy commencement date, or engaging in any unlawful acts. • Disturbance to mind or faculty through the use of alcohol and/or drugs (unless taken as prescribed by a medical practitioner). 5. On page 22, delete the last sentence in the section headed 'Making a claim' and replace with: • "When we accept a claim for the Inconvenience Benefit or the Family Trauma Benefit, no premium will be refunded." 6. Delete the whole of Example 8 on page 24 and replace with the following: "Example 8 – Family Trauma Benefit Alan purchased ANZ Credit Card Insurance. Three months later Alan's daughter is diagnosed with a critical illness and Alan needs to take 3 weeks off work. We will pay \$500 into Alan's nominated credit card account."

Benefits	New Policy Terms to apply
Inconvenience Benefit Expands the Stolen Card Benefit to cover fraud, and renamed to 'Inconvenience Benefit'	1. Delete the second bullet point under the heading 'Who are the Insurers?' on page 3 and replace it with the following: "OnePath General Insurance Pty Limited (OnePath General) ABN 56 072 892 365, AFSL 288160 for the Disability Benefit, the Involuntary Unemployment benefit, the Family Trauma Benefit and the Inconvenience Benefit." 2. Delete the last bullet point on page 5 under the section 'What is ANZ Credit Card Insurance?' and replace it with the following: "pay a lump sum to your nominated credit card account to assist you to manage the inconvenience of having your credit card stolen or fraud occurring on your nominated credit card account." 3. On pages 14 and 15, under the section 'Benefits under ANZ Credit Card Insurance', delete the row for the 'Stolen Card Benefit' and insert a new row to the table titled "Inconvenience Benefit". In the new row, under the column: i. 'Definition and amount payable' insert the following: "We pay the Inconvenience Benefit if: 1. either: a. your credit card issued under the nominated credit card account is stolen after the policy commencement date; or b. fraud occurs on your nominated credit card account after the policy commencement date; and 2. you have notified ANZ Credit Cards of the theft or fraud by calling 13 13 14. Pays a benefit of \$200 to the nominated credit card account."

Benefits	New Policy Terms to apply
Inconvenience Benefit Expands the Stolen Card Benefit to cover fraud, and renamed to 'Inconvenience Benefit' (continued)	ii. 'Qualifying Period after the Policy Commencement Date Waiting Period after the Claim Event Date' insert the following: "Qualifying Period – Nil Waiting Period – Nil" iii. 'Payment' insert the following: "One payment of \$200 in any 12 month period." 4. In the 'What's not Covered' table on pages 16–19 delete the heading "Stolen Card" wherever occurring and replace with "Inconvenience". 5. On page 22, delete the last sentence in the section headed 'Making a claim' and replace with: "When we accept a claim for the Inconvenience Benefit or the Family Trauma Benefit, no premium will be refunded." 6. Insert new Example 9 on page 24, as follows: "Example 9 – Inconvenience Benefit Craig purchased ANZ Credit Card Insurance. Two weeks later Craig's wallet, including his credit card under the nominated credit card account, is stolen. We pay \$200 into Craig's nominated credit card account."
Total and Permanent Disability Benefit Lowers the Qualifying Period	1. On page 11, in the first row (for the Total and Permanent Disability Benefit), delete the first sentence (setting out the qualifying period) and replace with the following: "Qualifying Period: Nil"

Benefits	New Policy Terms to apply
Critical Illness Benefit Lowers the Qualifying Period	- On page 10, in the second row (for the Critical Illness Benefit): Delete the following: "Critical illness means cancer, chronic kidney failure, coronary artery surgery, heart attack, major organ transplant and stroke." and replace with "We pay the Critical Illness Benefit if the policyholder suffers a critical illness." - On page 10, in the second row (for the Critical Illness Benefit) delete the term "90 days" and replace with "30 days".
Disability Benefit Lowers the Qualifying and Waiting Periods	- On page 13, for the Disability Benefit: - delete the first sentence (setting out the qualifying period) and replace with the following: "Qualifying Period: Nil" - delete the term "14 consecutive days" and replace with "5 consecutive days". - Delete the whole of Example 5 on page 23 and replace with the following: "Example 5 – Disability Benefit" Helen is disabled due to an injury 90 days after the policy commencement date 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 of her injury. Helen has been unable to work for 185 days. In total, we pay into Helen's nominated credit card account: $(\\$3,500 \times 15\%) \div 30 \times 180 (185 - 5 \text{ day waiting period}) = \\$3,150 \text{ over the period.}$

Benefits	New Policy Terms to apply
Disability Benefit Lowers the Qualifying and Waiting Periods (continued)	Plus a further and final Disability Benefit payment of \$350 (\$3,500 - \$3,150) after receiving the Disability Benefit for 180 days." 3. Delete the whole of Example 6 on page 24 and replace with the following: Example 6 – Disability benefit – ‘Loss of independent existence’ Lyndal is a homemaker. She is disabled due to an injury 2 months after the policy commencement date. Lyndal is unable to dress, shower or walk around without the assistance of her husband for 130 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 of her injury. In total, we pay into Lyndal’s nominated credit card account: $(\\$6,000 \times 15\%) \div 30 \times 125 (130 - 5 \text{ day waiting period}) = \\$3,750$ over the period.
Involuntary Unemployment Benefit Lowers the Qualifying Period	1. On page 15, in the first row (for the Involuntary Unemployment Benefit), delete the first sentence (setting out the qualifying period) and replace with the following: "Qualifying Period: Nil"

General Policy Terms

New Policy Terms to apply

Premiums

Reduction of the monthly premium rate

1. Delete the first paragraph under the heading 'How is the monthly premium calculated?' on page 20, and replace with the following:

"The monthly premium rate is 79 cents per \$100 of the closing balance of your credit card 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 \$395."

2. On page 20, 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 .79 = \11.85

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 .79 = \0 "

General Policy Terms	New Policy Terms to apply
Premiums Reduction of the monthly premium rate (continued)	3. Delete the last paragraph under the heading ‘How is the monthly premium calculated?’ on page 20 and replace with the following: “Premium rates are not guaranteed. We can change your premium if we change rates for all ANZ Credit Card Insurance policies. We will give you at least 30 days notice of any increase in rates.”
When does the policy end? The policy no longer ends if the policyholders cease being an Australian or New Zealand citizen, or Australian resident, or the holder of a Temporary Business (Long Stay) – Standard Business Sponsorship Visa	1. Delete the seventh bullet point under the heading ‘When does the policy end?’ on page 25.
Alternative Form of Remuneration Register	1. Delete the section headed ‘Alternative Form of Remuneration Register’ on page 26.

General Policy Terms	New Policy Terms to apply
Sanctions	1. If we did not provide you with the Supplementary Product Disclosure Statement dated 10 March 2014, insert after the section headed 'Financial Claims Scheme' on page 27, the following: "SANCTIONS We may delay or withhold paying a benefit under ANZ Credit Card Insurance where doing so may breach any laws or regulations in Australia including any sanctions regulations. You must provide all information to OnePath Life and OnePath General which OnePath Life and OnePath General reasonably requires in order to manage its money laundering, terrorism-financing or economic and trade sanctions regulations."
Definitions	1. Insert the following definitions in alphabetical ordering to the section headed 'Definitions' from page 29: "Actively Seeking Employment means submission of at least one job application, including applications through an online job search engine, or attendance of at least one interview, per week for the period of involuntary unemployment. Bacterial meningitis means an inflammation of the meninges, the membranes that cover the brain and spinal cord, caused by bacteria. Child means any person aged less than 18 years. Fraud in relation to your nominated credit card account, means when unauthorised use of your nominated credit card account occurs, resulting in the credit card issued under that account being cancelled and reissued.

General Policy Terms	New Policy Terms to apply
Definitions (continued)	Major head trauma means cerebral injury resulting in permanent neurological deficit, as confirmed by a medical practitioner who is a consultant neurologist and/or an occupational physician, causing: • A permanent impairment of at least 25% of whole person function as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment' 4th edition, or an equivalent guide to impairment approved by us, or • A total and irreversible inability to perform at least one activity of daily living without the assistance of another adult person. Paralysis means the complete and permanent loss of strength in an affected limb or muscle group due to spinal cord injury. Severe burns means a tissue injury caused by thermal, electrical or chemical agents causing third degree burns to: • 20% or more of the body surface area as measured by the 'Rule of Nines' or the Lund and Browder Body Surface Chart • The whole of both hands, requiring surgical debridement and/or grafting • The whole of both feet, requiring surgical debridement and/or grafting • The whole of the skin of the genitalia, requiring surgical debridement and/or grafting, or • The whole of the face, requiring surgical debridement and/or grafting."

General Policy Terms	New Policy Terms to apply
Definitions (continued)	2. Delete the definition of 'Critical Illness' on page 30 and replace with the following: "For an adult, means only: cancer, chronic kidney failure, coronary artery surgery, heart attack, major organ transplant and stroke. For a child, critical illness means only: bacterial meningitis, cancer, major head trauma, major organ transplant, paralysis and severe burns." 3. Delete the definition for 'Major organ transplant' on page 32 and replace with the following: "Major organ transplant means the medically necessary human to human organ transplant from a donor to you or an immediate family member of one or more of the following complete organs: • kidney • heart • lung • liver • pancreas • small bowel, or the transplant of bone marrow." 4. Delete the definition for 'Stolen Card' on page 33.

