



Updates to your Duty of Disclosure

18 DECEMBER 2015

Please read the content of this Product Update carefully as it contains updated information about your duty of disclosure when applying for insurance cover through the products included in this update. These changes apply from 28 December 2015.

The information relating to insurance contained in this document is provided for summary purposes only. Please refer to the relevant PDS for details of insurance cover. To the extent of any inconsistency with the relevant insurance policies, the terms and conditions of the policies will prevail.

What is the reason for the changes?

The *Insurance Contracts Amendment Act 2013* (Cth) has amended the *Insurance Contracts Act 1984* (Cth) as it relates to an insured's 'Duty of Disclosure' to an insurer.

When do the changes apply and who do they apply to?

The 'Duty of Disclosure' change applies to all applications for new insurance cover or requests to alter existing cover from 28 December 2015.

What is the new Duty of disclosure?

Duty of disclosure

The Trustee who enters into a life insurance contract in respect of your life has a duty, before entering into the contract, to tell the Insurer anything that they know, or could reasonably be expected to know, may affect the Insurer's decision to provide the insurance and on what terms.

The Trustee has this duty until the Insurer agrees to provide the insurance.

The Trustee has the same duty before they extend, vary or reinstate the contract.

The Trustee does not need to tell the Insurer anything that:

- reduces the risk the Insurer insures you for; or
- is of common knowledge; or
- the Insurer knows or should know as an Insurer, or
- the Insurer waives your duty to tell the Insurer about.

In order for the Trustee to comply with the duty of disclosure, we require you to tell us [Trustee] and the Insurer, anything you know, or could reasonably be expected to know, that may affect the Insurer's decision to insure you and on what terms.

If you do not tell us and the Insurer something that you know, or could reasonably be expected to know, may affect the Insurer's decision to provide the insurance and on what terms, this may be treated as a failure by the Trustee entering into the contract to tell the Insurer something that they must tell the Insurer.

If you do not tell the Insurer something

In exercising the following rights, the Insurer may consider whether different types of cover can constitute separate contracts of life insurance. If they do, the Insurer may apply the following rights separately to each type of cover.

If you do not tell us or the Insurer anything you are required to, and the Insurer would not have provided the insurance or entered into the same contract with the Trustee if you had told the Insurer and the Trustee, the Insurer may avoid the contract within 3 years of entering into it.



If the Insurer chooses not to avoid the contract, the Insurer may, at any time, reduce the amount of insurance provided. This would be worked out using a formula that takes into account the premium that would have been payable if you had told the Insurer and the Trustee everything you should have.

However, if the contract provides cover on death, the Insurer may only exercise this right within 3 years of entering into the contract.

If the Insurer chooses not to avoid the contract or reduce the amount of insurance provided, the Insurer may, at any time vary the contract in a way that places the Insurer in the same position it would have been in if you had told the Insurer and the Trustee everything you should have.

However this right does not apply if the contract provides cover on death.

If the failure to tell the Insurer is fraudulent, the Insurer may refuse to pay a claim and treat the contract as if it never existed.

What do I need to do?

If you submit an application for new insurance cover or you make an alteration to existing insurance cover, you will need to ensure you disclose all relevant information to the Trustee and the Insurer on your application in accordance with the 'Duty of Disclosure' section above.

Which products are impacted?

The following products are impacted:

- ANZ Smart Choice Super for Employers and their Employees
- ANZ Smart Choice Super for QBE Management Services Pty Ltd and their Employees
- ANZ Smart Choice Super and Pension

Which Product Disclosure Statements (PDS) are impacted?

The following product disclosure statements are impacted:

- ANZ Smart Choice Super for Employers and their Employees PDS dated 25 May 2015
- ANZ Smart Choice Super for QBE Management and their Employees PDS dated 25 May 2015
- ANZ Smart Choice Super and Pension PDS dated 11 November 2013

Any questions?

If you have any questions or require further information, please:

- speak to your financial planner
- call Customer Services on 13 12 87 (option 1), weekdays between 8.30am and 6.30pm (AEST)
- email anzsmartchoicesuper@anz.com

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