

Updates to Buy-Sell Spreads for ANZ Smart Choice Super

PRODUCT UPDATE | 26 MARCH 2020

This Product Update provides important information for members invested in the following investment options (collectively 'the Investment Options'):

- Bentham Global Income
- Kapstream Absolute Return Income
- Schroder Fixed Income
- UBS Balanced
- UBS Defensive.

This Product Update amends the following documents:

- ANZ Smart Choice Super Additional Information Guide, Fees Guide, Buy-Sell Spread Guide for employers and their employees, which forms part of the Product Disclosure Statement (PDS) for ANZ Smart Choice Super for employers and their employees
- ANZ Smart Choice Super Additional Information Guide, Fees Guide, Buy-Sell Spread Guide for QBE Management Services Pty Ltd and their employees, which forms part of the PDS for ANZ Smart Choice Super for QBE Management Services Pty Ltd and their employees.

What is changing?

The Buy-Sell Spreads for the Investment Options are increasing effective 26 March 2020 as follows and will be reflected in the unit prices:

Investment Option	Previous Buy Spread %	Previous Sell Spread %	New Buy Spread %	New Sell Spread %
Bentham Global Income Fund	0.28%	0.28%	0.80%	0.80%
Kapstream Absolute Return Income Fund	0.00%	0.00%	0.00%	1.75%
Schroder Fixed Income	0.12%	0.12%	0.12%	0.75%
Schroder Real Return	0.20%	0.20%	0.20%	0.58%
UBS Balanced	0.20%	0.20%	0.20%	0.42%
UBS Defensive	0.15%	0.15%	0.15%	0.67%

Why have the underlying asset managers made these changes?

Recent market fears over COVID-19 have caused market liquidity to deteriorate remarkably in a very short period of time, impacting all segments of the Australian fixed-income market.

Given the current market trading conditions for credit based products, previous buy and sell spreads are no longer reflective of the current cost of trading in the market place.

An increased buy-sell spread is required to cover increased transaction costs in the markets for the assets held by the Investment Options.

What do the changes mean for investors?

These new spreads have been applied to the Investment Options and are reflected in the unit prices.

Please note, that the Buy-Sell Spread protects non-transacting investors from the costs incurred when other investors buy or sell units and triggers trading of underlying assets.

These steps are not taken lightly but are necessary precautions to temporarily protect investors whilst this period of uncertainty continues. Market conditions are being monitored closely and the Buy-Sell Spreads of the Investment Options are likely to be re-adjusted when appropriate.

Further information about Buy-Sell Spreads

Buy-Sell Spreads will be determined and applied as explained in the 'Buy-Sell Spread Guide' section of the Additional Information Guide which forms part of the PDS. The Additional Information Guide can be found in the 'Downloads' section at anz.com/smartchoicesuper

Any questions?

If you have any questions, please:

- call Customer Services on **13 12 87** weekdays between 8.30am and 6.30pm (AEST)
- email [**anzsmartchoice@anz.com**](mailto:anzsmartchoice@anz.com)
- speak with your financial adviser.

This Product Update is issued by OnePath Custodians Pty Limited (OPC) (ABN 12 008 508 496, AFSL 238346, RSE L0000673) as the issuer of these products. The information is of a general nature only and has been prepared without taking into account any investor's objectives, financial situation and needs. Before making a decision based on this information, you should consider the appropriateness of the information, having regard to your objectives, financial situation and needs. An investor should read the PDS, which is available free of charge at anz.com or contact Customer Services.

OPC is a member of the IOOF group of companies, comprising IOOF Holdings Ltd (IOOF) (ABN 49 100 103 722) and its related bodies corporate. Neither OPC, nor any other related or associated company guarantee the repayment of capital, the performance of, or any rate of return of an investment with OPC. An investment is subject to investment risk, including possibly delays in repayment and loss of income and principal invested. Past performance is not an indication of future performance.

The Australia and New Zealand Banking Group Limited (ANZ) (ABN 11 005 357 522) brand is a trademark of ANZ and is used by OPC under licence from ANZ. ANZ and the IOOF group of companies (including OPC) are not related bodies corporate. ANZ does not guarantee these products.