

PRODUCT UPDATE – 1 APRIL 2020

The *Product Update* at the links below describe recent and upcoming changes to ANZ Smart Choice Super for employers and their employees and superannuation ('super') in general which may affect you.

The Product Updates disclose changes to the insurance guides for employer plans and will differ depending on the insurance arrangement applicable to you.

If you have Standard / Lifestage insurance cover – refer to the **Standard Product Update**.

If you have Tailored insurance cover with OnePath Life Limited as the Insurer – refer to the **Tailored Product Update**. These Product Updates reflect changes to the insurance guides issued on 1 February 2020.

The insurance cover that may be available and how it is provided to you has changed since 1 April 2020, so please take some time to familiarise yourself with all of the changes to make sure you understand how they may affect you.

ANY QUESTIONS

If you have any questions or require information, please:



call Customer Services on 13 12 87,
weekdays between 8.30am to 6.30pm (AEST)



email anzsmartchoice@anz.com

This Product Update is issued by OnePath Custodians Pty Limited (OPC) (ABN 12 008 508 496, AFSL 238346, RSE L0000673) as the issuer of ANZ Smart Choice Super for employers and their employees. 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.

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 guarantees 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.

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ANZ SMART CHOICE SUPER FOR EMPLOYERS AND THEIR EMPLOYEES

PRODUCT DISCLOSURE STATEMENT
ISSUED 1 FEBRUARY 2020



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ENTITY DETAILS IN THIS ANZ SMART CHOICE SUPER FOR EMPLOYERS AND THEIR EMPLOYEES PRODUCT DISCLOSURE STATEMENT (PDS)

Name of legal entity	Registered numbers	Abbreviated terms used throughout this PDS
Retirement Portfolio Service	ABN 61 808 189 263 RSE R1000986	Fund, Superannuation Entity
OnePath Custodians Pty Limited	ABN 12 008 508 496 AFSL 238346 RSE L0000673	OnePath Custodians, Trustee, us, we, our, OnePath
OnePath Life Limited	ABN 33 009 657 176 AFSL 238341	OnePath Life, Insurer
Australia and New Zealand Banking Group Limited	ABN 11 005 357 522 AFSL 234527	ANZ
Oasis Asset Management Limited	ABN 68 090 906 371	Oasis Asset Management, Administrator

Unique Superannuation Identifier (USI): ANZ Smart Choice Super – MMF2076AU

OnePath Custodians is authorised to offer the MySuper investment options known as Lifestage investments detailed in this PDS.

Contact details

If you have any questions or would like more information please contact Customer Services:

Phone 13 12 87 weekdays between 8.30am and 6.30pm (AEST)

Email anzsmartchoice@anz.com

This PDS is issued by OnePath Custodians and contains a summary of significant information about investing in ANZ Smart Choice Super for employers and their employees (**ANZ Smart Choice Super**). It contains a number of references to important information contained in the following guides, each of which is dated 1 February 2020 and forms part of this PDS:

- ANZ Smart Choice Super – Additional Information Guide (**AIG**) (**Incorporated Material**)
- ANZ Smart Choice Super – Insurance Guide(s) (**Insurance Guide(s)**)
- ANZ Smart Choice Super – Fees Guide (**Fees Guide**)
- ANZ Smart Choice Super Buy-Sell Spread Guide (**Buy-Sell Spread Guide**).

The AIG (**Referenced Material**) contains further information that does not form part of this PDS. You should consider the PDS, AIG, Fees Guide, Buy-Sell Spread Guide and the relevant Insurance

Guide(s) before making a decision about ANZ Smart Choice Super.

Please refer to your Welcome pack for the Insurance Guide(s) that applies to you.

You can access a copy of the PDS and any matter in writing that is applied, adopted or incorporated by this PDS from our website at anz.com/smartchoicesuper > Downloads – important documents. Alternatively, you can request a copy of this information free of charge by contacting Customer Services.

This PDS has been prepared by OnePath Custodians in accordance with the shorter PDS regime. The information provided in this PDS is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances. The offer made in this PDS is only available to persons receiving the PDS in Australia.

Changes may be made to the PDS from time to time. Changes that are not materially adverse will be made available at anz.com/smartchoicesuper > Downloads – important documents or you can obtain a paper copy of the changes free of charge by contacting Customer Services.

1. ABOUT ANZ SMART CHOICE SUPER

ANZ Smart Choice Super is part of a group of ANZ Smart Choice products designed to suit your retirement savings needs at different stages in life and includes ANZ Smart Choice Super and Pension – for individuals (not part of an employer super plan).

ANZ Smart Choice Super offers MySuper investment options known as Lifestage investments. When you join ANZ Smart Choice Super, your money is invested in the Lifestage investment option corresponding to the decade in which you were born.

Lifestage options invest in a mixture of growth and defensive assets, moving to fewer growth and more defensive assets as you approach retirement.

ANZ Smart Choice Super is part of the Fund. When an employer joins ANZ Smart Choice Super, their nominated employees become members of the Fund. The Trustee of the Fund is OnePath Custodians which is the issuer of this PDS.

The issuer is a company within the IOOF Group of companies, comprising IOOF Holdings Limited ABN 49 100 103 722 and its related bodies corporate (IOOF Group). IOOF is an alliance partner 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). The issuer is not a Bank. Except as described in this PDS, an investment in ANZ Smart Choice Super is neither a deposit nor other liability of either ANZ or IOOF, and none of them stands behind or guarantees the issuer or the capital performance of your investment. Investments made into the investment options are subject to investment risks and other risks. This could involve delays in the repayment of principal and loss of income or principal invested.

OnePath Life provides insurance through ANZ Smart Choice Super. OnePath Life is a company within the Zurich Financial Services Australia Group. OnePath Life and OnePath Custodians are not related bodies corporate.

For investment options that offer a guarantee, the Trustee invests all contributions under master life policy terms issued by OnePath Life which then invests in selected investment funds. The master life policy terms are governed by the *Life Insurance Act 1995* (Cth). OnePath Life is required to conduct its business in accordance with the law and give priority to the interests of policy holders, invest all of the assets it receives from the Trustee in statutory funds approved by

the Australian Prudential Regulation Authority (APRA) and comply with the prescribed capital and solvency standards.

You do not have to remain invested in the Lifestage option. You can take a more active role in your investment decisions by selecting from a range of asset classes across a range of investment managers, known as 'Choose Your Own' investment options.

You can find the following information online:

- The product dashboard for each Lifestage investment option via anz.com/smartchoicesuper > Product dashboards
- Product dashboards for Choose Your Own investment options will be made available from the date required by legislation
- The Trustee and executive officer remuneration disclosure for the Fund and any other transparency information which must be disclosed in accordance with superannuation law, visit onepath.com.au/rse

2. HOW SUPER WORKS

Super is a tax-effective long-term savings and investment arrangement that enables you to save money for your retirement and is, in part, compulsory.

There are different ways that you, your spouse and your employer can contribute to your super. While you are working, your employer is, in most cases, required to make contributions into your super account (known as compulsory super or Super Guarantee). Generally, you have the right to choose the super fund to which these contributions are made.

You, your spouse, your employer or a third party may also be eligible to make voluntary contributions. Sometimes the Federal Government may make contributions to your super account. The Federal Government also provides incentives (including tax concessions) for you to contribute towards your super. However, there are limitations on the amount you can contribute to super.

There are also restrictions around when you can access your super. Generally, when you reach age 65 or your preservation age and have retired, you can access your super savings as a lump sum or receive a regular income stream through a pension account.

A pension account allows you to draw a regular income from your super savings while taking advantage of tax concessions for income streams. Of course, there may be other circumstances when you can access your super.

FIND OUT MORE

You should read the important information about 'How super works' before making a decision. Go to the [AIG by visiting anz.com/smartchoicesuper > Downloads – important documents](#) or by contacting Customer Services on 13 12 87. The material relating to 'How super works' may change between the time you read this Statement and the day when you acquire the product.

3. BENEFITS OF INVESTING WITH ANZ SMART CHOICE SUPER

NEVER LOSE TRACK OF YOUR SUPER AGAIN

ANZ Smart Choice Super is an easy and low cost way to make the most of your super. Take as much or as little control as you like with smart investments and insurance, and with online visibility, you'll never lose track of your super again.

- **Online anytime.**[^] Keep your super close with ANZ Internet Banking and the ANZ App*. Check your balance and transactions, make additional contributions, change your investment mix – managing your super has never been so easy.
- **One fund for life.** You can take your ANZ Smart Choice Super account from job to job and avoid paying multiple fees. Then when ready, you can move into retirement with an ANZ Smart Choice Pension account.
- **Bring all your money into the one fund.**[†] We can help track down and bring together all your super accounts using the Australian Taxation Office (ATO) SuperMatch service – including any you've lost along the way.

[^] Temporary service disruptions may occur.

* The ANZ App is provided by ANZ. Super, Shares and Insurance (if available) are not provided by ANZ but entities which are not banks. ANZ does not guarantee them. ANZ recommends that you read the ANZ App Terms and Conditions available at [anz.com](#) and consider if this service is appropriate to you prior to making a decision to acquire or use the ANZ App.

[†] Before consolidating your super accounts, there are important things you need to consider detailed on page 9 of the AIG.

LOW FEES, NO HIDDEN CHARGES AND NO COMMISSIONS

Save money with low fees. ANZ Smart Choice Super fees are low** and simple to understand with no commissions payable to financial advisers. Rest easy knowing you now have more of your money working for you.

** Based on research conducted by SuperRatings Pty Ltd, holder of Australian Financial Services Licence No. 311880. For a copy of the SuperRatings research and the latest information, call 13 12 87 or go to [anz.com/superfeesgraph](#)

WITH SMART INVESTMENTS AND INSURANCE, THE CHOICE IS YOURS

- **Smart investments** – designed to suit no matter where you are in life, the Lifestage investment option selects a mix of investments based on your decade of birth and adjusts them as you get older. Alternatively, you can take a more active role in your investment decisions. Choose from our range of carefully selected low-cost options designed to provide different levels of risk and potential returns.
- **Smart insurance** – Enjoy peace of mind knowing that, should the unexpected happen, you can continue to look after the ones you love. With ANZ Smart Choice Super your employer and you have a range of insurance options from which to choose:

Lifestage cover – may provide automatic[†] Death and **Total and Permanent Disability (TPD)** cover based on your age, with cover increasing when you're likely to have greater commitments and lowering when you have less commitments.

Tailored cover – your employer may have negotiated different insurance arrangements with the Trustee, which will provide you with different insurance cover.

Choose Your Own cover – subject to eligibility, you can apply for your own level of Death and TPD cover or apply for Income Protection cover which we call 'Choose Your Own' cover also known as Voluntary cover. Any applications for Choose Your Own cover will be assessed by the **Insurer** for approval.

[†] Death and TPD cover is automatic unless you opt out. Cover is subject to eligibility.

FIND OUT MORE

You should read the important information about the 'Benefits of investing with ANZ Smart Choice Super' before making a decision. Go to the AIG by visiting anz.com/smartchoicesuper > Downloads – important documents or by contacting Customer Services on 13 12 87. The material relating to 'Benefits of investing with ANZ Smart Choice Super' may change between the time you read this Statement and the day when you acquire the product.

4. RISKS OF SUPER

All investments carry risk. Different investment strategies may carry different levels of risk, depending on the assets that make up the investment. For instance, assets with the highest potential long-term returns may also carry the highest level of short-term risk.

You should consider the level of risk involved with a particular investment and whether the potential returns justify those risks before investing.

When considering the risk associated with your investment in super, it is important to keep the following in mind:

- The value of investments can rise and fall
- The returns you receive from your investment will vary, and future returns may be different from past returns
- Returns are not guaranteed and you may lose some of your money
- Your future super savings (including contributions and returns) may be insufficient to meet your retirement needs adequately
- Your investment may be affected by changes in legislation, particularly in relation to taxation and super.

Other risks associated with investing in ANZ Smart Choice Super will depend on the particular investment options you choose. These could include risks associated with:

- Investing internationally
- Currency risk
- Derivatives
- Securities
- Liquidity risk
- Counterparty risk
- Changes to investment options.

All super products are generally subject to some or all of the risks described above. The right balance of risk and potential investment return for you will depend on factors including your age, investment timeframe, risk tolerance and what other investments you may hold.

FIND OUT MORE

You should read the important information about the 'Risks of super' before making a decision. Go to the AIG by visiting anz.com/smartchoicesuper > Downloads – important documents or by contacting Customer Services on 13 12 87. The material relating to 'Risks of super' may change between the time you read this Statement and the day when you acquire the product.

5. HOW WE INVEST YOUR MONEY

Leave your investment decisions to us, with a Lifestage investment option, or create your own investment mix. The choice is yours. If you do not make a choice, your money will be invested in the MySuper Lifestage investment option based on your decade of birth.

LIFESTAGE INVESTMENTS

Unlike many other super funds, we don't believe that one investment option suits everyone. While others offer 'balanced' investment options irrespective of your stage in life, ANZ Smart Choice Super prefers a much smarter approach.

When you're young, it could be years before you start even thinking about retirement. So why not use this time to your advantage? Early on, your Lifestage investment option, based on your decade of birth, invests mainly in growth assets such as shares. These are designed to provide potential higher returns on average over a longer term, with plenty of time to ride out dips in the markets.

As you approach retirement, we adjust the mix with a higher allocation to less volatile assets, like cash and fixed interest bonds. This is the time when you may have the most to lose, so it makes sense to protect it.

Being invested in a Lifestage investment option means we do the work for you, so you can relax, knowing your money is working for you.

You can also hold a portion of your money in the ANZ Smart Choice Cash investment option.

Lifestage investment options

- 1940s • 1950s • 1960s • 1970s
- 1980s • 1990s • 2000s

An outline of the Lifestage investments is shown in the next section. For more information relating to the investment option for the decade in which you were born, please refer to pages 22–25 of the AIG.

Investment description

The Lifestage investment options are designed for members who would like their allocation between growth and defensive asset classes adjusted to become more conservative over the longer term.

Asset allocation

The current asset allocation ranges will adjust over time and are based on the benchmark, which is the neutral allocation at the time of preparing this PDS. The Standard Risk Measure (SRM) is the risk level attached to each investment option and is also listed below.

Asset class	Range (%)*						
	1940s	1950s	1960s	1970s	1980s	1990s	2000s
Cash	9–44	2–38	0–28	0–24	0–22	0–22	0–22
Australian fixed interest [†]	7–38	6–36	0–34	0–28	0–25	0–24	0–24
Global fixed interest [†]	0–28	0–28	0–30	0–27	0–25	0–24	0–24
Listed real assets**	0–20	0–20	0–20	0–20	0–20	0–20	0–20
Australian shares	0–29	2–33	6–46	12–53	15–56	16–56	16–56
International shares [‡]	2–32	6–37	13–53	19–60	23–63	24–64	24–64
Minimum time horizon[§]	1940s	1950s	1960s	1970s	1980s	1990s	2000s
	10 years	10 years	10 years	10 years	10 years	10 years	10 years
Standard Risk Measure	1940s	1950s	1960s	1970s	1980s	1990s	2000s
Risk profile	Medium to high	Medium to high	High	High	High	High	High

The risk profile for each Lifestage investment option reduces over time (except for the 1940s option). For more information on SRM, refer to page 21 of the AIG.

Investment return objective

The Lifestage investment options aim to generate retirement capital through returns (after fees, charges and taxes) that on average exceed inflation by at least the nominated percentage (below) and preserve capital. The emphasis changes from capital growth to capital preservation as you get older (except for the 1940s option).

Nominated percentage	1940s	1950s	1960s	1970s	1980s	1990s	2000s
	1.5%	2.0% [^]	3.0% [^]	3.5% [^]	4.0% [^]	4.0% [^]	4.0% [^]

Investment strategy

The Lifestage investment options provide exposure to a mix of growth and defensive asset classes. The allocation to these classes will automatically adjust, becoming more conservative over time. Additionally, an active asset allocation process is used to increase or decrease your exposure to relevant asset classes within permitted ranges. This process is designed to optimise your investment performance by adjusting allocations to markets/asset classes we believe will perform strongly or poorly in the future.

Commencement date

5 December 2011 (Except 2000s which commenced 18 February 2017).

* The ranges provide for the ability to adjust the allocations and will change over time as the Lifestage option becomes more conservative (except for the 1940s fund).

† Fixed interest exposure may include exposure to government, corporate, inflation protected and/or other securities.

** Listed real assets will include allocations to global listed property and listed infrastructure securities.

‡ International shares may include exposure to emerging markets, low volatility and/or global small cap securities.

§ This refers to the amount of time we expect it will take to meet the investment return objective as outlined above.

^ Please note that this percentage will vary over time as the investment option becomes more conservative.

CHOOSE YOUR OWN INVESTMENT MIX

Alternatively, you can take a more active role in your investment decisions. Choose from our range of carefully selected, low cost investment options – designed to suit different levels of risk and potential returns.

If you Choose Your Own investment mix, you will no longer be a MySuper 'Default' member, but will remain in ANZ Smart Choice Super as a 'Choice' (of investment) member.

ANZ Smart Choice Super offers you access to a wide range of investment options, asset managers and asset classes. There are over 40 carefully selected Choose Your Own investment options that you can invest in. A description of each investment option available is contained in the section 'How we invest your money' in the AIG.

MANAGING YOUR INVESTMENTS

You can easily track, compare and change your investments at any time with ANZ Internet Banking or by calling Customer Services.

A more detailed description of each investment option is contained in the AIG on pages 22–48. Please make sure you read this before you make any investment decisions.

IMPORTANT

When selecting your investment option(s), you should consider the likely investment return for the option, the level of risk associated with the option and whether or not the option matches your investment timeframe.

We regularly undertake a review of the investment options available through ANZ Smart Choice Super. We may change, add, close or terminate an investment option at any time. Any material change will be communicated to you.

FIND OUT MORE

You should read the important information about 'How we invest your money' before making a decision. Go to the AIG by visiting anz.com/smartchoicesuper > Downloads – important documents or by contacting Customer Services on 13 12 87. The material relating to 'How we invest your money' may change between the time you read this Statement and the day when you acquire the product.

6. FEES AND COSTS

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You or your employer, as applicable, may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (moneysmart.gov.au) has a superannuation fee calculator to help you check out different fee options.

We are required by law to include the above wording, which mentions that members may be able to negotiate lower fees and costs. The fees for this product are not subject to negotiation (except the Member Advice Fee, which you may negotiate with your financial adviser).

This section shows fees and other costs that you may be charged. These fees and other costs may be deducted from your money, from the returns on your investment or from the assets of the Fund as a whole.

Other fees, such as Activity fees, Advice fees for personal advice and Insurance fees, may also be charged, but these will depend on the nature of the activity, advice or insurance or the amount or type of insurance you hold. Entry fees and exit fees cannot be charged.

Taxes, Insurance fees and other costs relating to insurance are set out in the AIG or relevant Insurance Guide(s).

You should read all the information about fees and other costs because it is important to understand their impact on your investment.

Where an income tax deduction is available under the applicable laws and is claimed by the Fund, in respect of fees such as the Administration fee, Insurance fee or Member Advice Fee (where applicable), the benefit of this tax deduction will be passed on to you in the form of a reduced fee or cost. 7

Unless expressly stated otherwise, the fees and costs disclosed in this PDS are shown inclusive of any applicable Goods and Services Tax (GST) less any entitlement to a reduced input tax credit (RITC) available to the Fund.

A related party of the Trustee may receive payments from ANZ of up to 0.45% p.a. (plus any applicable GST) of the amounts held in the ANZ Smart Choice

Cash investment option that is invested with ANZ. These payments are not an additional charge to you.

The superannuation fee calculator referred to on the previous page can be used to calculate the effect of fees and costs on account balances.

You should use the following table to compare this superannuation product with other superannuation products.

ANZ Smart Choice Super		
Type of fee	Amount	How and when paid
Investment fee [#]	<p>MySuper – Lifestage investment options 0.50% p.a. of your balance in each investment option.</p> <p>Choose Your Own investment options 0.50% to 1.98% p.a. of your balance depending on the investment option (except for ANZ Smart Choice Cash which is 0%).</p>	This fee is deducted monthly from the assets of each investment option and an accrued amount is included in the unit price.
Administration fee ^{#*}	<p>\$50 p.a. (\$4.16 per month) Plus Levies and expense recoveries – 0.059% p.a. of your balance in each investment option (except for ANZ Smart Choice Cash which is 0%) for the 12 months to 30 June 2019. Estimated to be up to 0.03% p.a. for each investment option (except for ANZ Smart Choice Cash which will be 0%) for the 12 months to 30 June 2020.</p>	The dollar-based fee is usually deducted in advance from your account at the beginning of each month. Levies and expense recoveries are deducted from the assets of each investment option annually and included in the unit price.
Buy-sell spread	<p>MySuper – Lifestage investment options 0.02% to 0.05% of each amount invested in (buy spread) or withdrawn from (sell spread) an investment option, depending on the investment option.</p> <p>Choose Your Own investment options 0% to 0.28% of each amount invested in (buy spread) or withdrawn from (sell spread) an investment option, depending on the investment option. See the Buy-Sell Spread Guide for the buy-sell spread of each investment option available at anz.com/smartchoicesuper > Downloads – important documents.</p>	A buy-sell spread is reflected in the daily unit price for an investment option and is not charged separately to you. As your account is valued using the sell unit price, each investment into an investment option will also be reduced by approximately this amount at the time of the transaction.
Switching fee [†]	Nil	Not applicable.
Advice fees relating to all members investing in a particular MySuper product or investment option.	Nil	Not applicable.

ANZ Smart Choice Super

Type of fee	Amount	How and when paid
Other fees and costs[^]	<p>This amount may vary depending on the activity.</p> <p>You may choose to pay a fee for personal advice as agreed individually between you and your financial adviser. These fees can take the form of an Ongoing Member Advice Fee or a One-off Member Advice Fee.</p> <p>Insurance fees for Lifestage, Tailored or Choose Your Own cover will apply if you have insurance cover.</p> <p>Refer to the Insurance Guide(s) applicable to you for details of the Insurance fees applicable to your cover.</p>	<p>Any Ongoing Member Advice Fees payable to your financial adviser's Australian Financial Services Licensee are deducted from your account at the end of the month and paid to your financial adviser's Australian Financial Services Licensee. Any One-off Member Advice Fee is deducted from your account and paid to your financial adviser's Australian Financial Services Licensee once you agree to this fee.</p> <p>Insurance fees for Lifestage, Tailored and Choose Your Own cover are calculated based on the number of days that cover applies and generally deducted monthly in advance from your account.</p>
Indirect cost ratio[#]	<p>Between 0% and 0.46% p.a. depending on the investment option.</p> <p>Note: The indirect cost amounts set out above are based on the indirect costs determined for the 12 months ending 30 June in the previous complete financial year. Some components of these costs have been estimated. Indirect costs for some investment options include performance-related fees which range from 0% to 0.17% p.a.[†], depending on the investment option. Refer to the Fees Guide for more information on indirect costs and performance-related fees.</p>	<p>Indirect costs are variable and are deducted from the underlying assets of the investment option as and when they are incurred.</p> <p>These indirect costs are not an additional fee charged to you. Rather, they are reflected in the returns payable from the underlying investments and as such are included in the unit price.</p> <p>Performance-related fees (where relevant) are deducted from the underlying assets of the investment option when due and payable.[‡]</p>

The Administration and Investment fees for some employer plans can be negotiated by your employer with us. The Member Advice Fee is negotiable by you with your financial adviser. All other fees set out in this table are not negotiable. Refer to the 'Additional Explanation of Fees and Costs' section of the Fees Guide for further details regarding negotiable fees.

If your account balance for a product offered by the Superannuation Entity is less than \$6,000 at the end of the entity's income year, the total combined amount of administration fees, investment fees and indirect costs charged to you is capped at 3% of the account balance. Any amount charged in excess of that cap must be refunded.

* The Administration fee is waived if your account has a zero balance.

† Although no Switching fee applies, a 'buy-sell' spread may apply to switches between investment options.

^ Refer to the 'Additional explanation of fees and costs' section of the Fees Guide for details of other fees and costs which may apply (including Member Advice Fees), and to the 'Insurance fees' or 'Annual Insurance fees' section (as applicable) of the relevant Insurance Guide(s).

‡ Performance-related fees are reflected as a reduction in the returns generated by the underlying investment option and, therefore, in the value of your investment in the applicable investment option. Each unit price of the underlying investment option reflects accrued performance-related fees. The performance-related fee for Magellan Global, OnePath Alternatives Growth and RARE Infrastructure Value is accrued daily and deducted half-yearly within the unit price. As at the issue date of this PDS, the highest performance-related fee was 0.17% p.a. for OnePath Alternatives Growth. This estimated fee may change at a later date.

Note: Past fees and costs are not a reliable indicator of future fees and costs.

EXAMPLE OF ANNUAL FEES AND COSTS

The table below gives an example of how the fees and costs for the ANZ Smart Choice Super MySuper product (Lifestage investment option) can affect your superannuation investment over a 1 year period. You should use this table to compare this superannuation product with other superannuation products.

EXAMPLE – ANZ Smart Choice Super MySuper (1970s Lifestage investment option)		Balance of \$50,000
Investment fees	0.50% p.a.	For every \$50,000 you have in the superannuation product you will be charged \$250 each year.
PLUS Administration fees	\$50 p.a. Plus, 0.059%* p.a.	And, you will be charged \$80 each year in administration fees.**
PLUS Indirect costs for the superannuation product	0.02% [†] p.a.	And, indirect costs of \$10 each year will be deducted from your investment.
EQUALS Cost of product	\$340	If your balance was \$50,000, then for that year you will be charged fees of \$340 for the superannuation product.**

Note: the Example above is illustrative only.

* 0.059% p.a. is based on the actual amount of levies and expense recoveries deducted for the 12 months to 30 June 2019. The levies and expense recoveries are estimated to be up to 0.03% p.a. for the 12 months to 30 June 2020.

† Figure based on the ANZ Smart Choice Super 1970s Lifestage investment option. Please refer to page 11 of the Fees Guide for the indirect costs applicable to the other MySuper Lifestage investment options, which range from 0.00% p.a. to 0.03% p.a.

** Additional fees may apply. There is currently no contribution fee or exit fee. The Administration fee is waived if your account has a zero balance and, if you leave the Fund, you may be charged a buy-sell spread which also applies whenever you make a contribution, exit, rollover or investment switch. The buy spread for the ANZ Smart Choice Super 1970s Lifestage investment option is currently 0.02%, the sell spread is also 0.02%. On \$50,000, the total buy-sell spread cost of 0.04% is equal to \$20. The buy-sell spread for each MySuper Lifestage investment option is set out in the Buy-Sell Spread Guide available at anz.com/smartchoicesuper > Downloads – important documents or by contacting Customer Services.

CHANGES TO FEES AND COSTS

The fees and costs are current at the time of issuing this PDS. We may change fees and costs without your consent from time to time. We will provide you with at least 30 days advance notice of any fee increase. Insurance fees may change when you leave your employer. See the relevant Insurance Guide(s) for more information.

MEMBER ADVICE FEE

Additional fees may be payable if you consult a financial adviser.

If you use the services of a financial adviser, you may agree to pay a fee to them for their services. In most cases, you can choose to have this fee paid from your account as a Member Advice Fee where it is in relation to your interest in the Fund.

The Statement of Advice provided by your financial adviser will include details of any Member Advice Fee. This optional fee can be a One-off Member Advice Fee and/or an Ongoing Member Advice Fee deducted monthly. You can agree to pay this fee when you open your account, or at any time later. See page 7 of the Fees Guide for more information.

DEFINED FEES

You can find definitions of fees referred to in this section in the Fees Guide available at anz.com/smartchoicesuper > Downloads – important documents.

INTEREST EARNED IN TRUST ACCOUNTS

Funds may be temporarily held in a trust account during the application and redemption process. We will retain any interest paid by our bank on these amounts to meet our cost of operating the account(s). These costs may include bank fees and administration costs.

OTHER CHARGES

The Trust Deed of the Fund permits the Trustee to be reimbursed from the Fund assets for all the costs, charges, expenses, outgoings, government charges and levies reasonably and properly incurred by the Trustee in connection with the performance of its duties or the exercise of its rights, powers, administration or termination of the Fund.

FIND OUT MORE

You should read the important information about 'Fees and other costs' and 'Annual Insurance fees' before making a decision. Go to the 'Fees and other costs' section in the Fees Guide and go to the 'Insurance fees' section or the 'Annual Insurance fees' section in the relevant Insurance Guide(s) by visiting anz.com/smartchoicesuper > Downloads – important documents or by contacting Customer Services on 13 12 87. The material relating to 'Fees and other costs' and 'Annual Insurance fees' may change between the time you read this Statement and the day when you acquire the product.

7. HOW SUPER IS TAXED

The tax you pay on monies invested in a superannuation fund may be lower than the tax you would pay outside a superannuation fund, however, many factors can influence the way your super is taxed.

Tax may apply to your super on contributions, on investment earnings and on withdrawals.

The amount of tax payable will depend on your age and individual circumstances.

Tax on concessional contributions and investment earnings is paid by the Fund to the ATO on a monthly or quarterly basis, with an annual payment made if required.

TAX ON CONTRIBUTIONS

Concessional contributions, which include employer (e.g. Super Guarantee and salary sacrifice contributions) and personal contributions claimed as a tax deduction, are generally taxed at 15% in the Fund. An additional 15% tax may apply to some higher income earners. Non-concessional contributions, which include spouse and personal contributions not claimed as a tax deduction, are generally not subject to tax in the Fund. You should be aware that annual caps apply to both concessional and non-concessional contributions and **if you exceed these caps in the relevant financial year, there may be taxation consequences**. You should monitor the amount of contributions made to your super to ensure that you do not exceed the caps that apply to you.

TAX ON INVESTMENT EARNINGS

Investment earnings are generally taxed at a rate of up to 15% in your super account; however, the effective rate may be reduced by franking credits, foreign tax offsets and concessional tax capital gains available to the Fund.

TAX ON WITHDRAWALS

Your account generally consists of taxable and tax-free components. Any withdrawals from super must be made proportionately from these components.

If you are aged 60 and over, a lump sum payment is generally tax free.

If you are aged less than 60, tax may be payable on the taxable component of lump sum payments.

Tax is not payable on the tax-free component, or lump sum payments if paid as a terminal medical condition payment, regardless of age.

Specific tax rules apply to lump sum and income stream payments on a member's death. Tax is not payable on lump sum payments made to a death benefits dependant. In other circumstances, tax may be payable based on the age of the member, the recipient and the relationship between the member and the recipient.

Specific tax rules also apply to benefits released under a release authority including the First Home Super Saver Scheme.

PROVIDING YOUR TAX FILE NUMBER (TFN)

We, the Administrator and any third party engaged by either us or one of our related parties to provide superannuation administration services relating to this product are authorised to collect your TFN under super laws. You are not obligated to provide your TFN and declining to quote your TFN is not an offence. However, if you do not provide your TFN, we will not be able to accept member contributions, you may be liable to pay additional tax on concessional contributions, you may be liable to pay additional tax on withdrawal payments, you could miss out on any government contributions (if eligible), and it may be difficult to locate or consolidate your super benefits in the future.

FIND OUT MORE

You should read the important information about 'How super is taxed' before making a decision. Go to the AIG by visiting anz.com/smartchoicesuper > Downloads – important documents or by contacting Customer Services on 13 12 87. The material relating to 'How super is taxed' may have changed between the time you read this Statement and when you acquire the product.

Tax law in relation to superannuation is complex and the above information has been prepared as a guide only and does not represent taxation advice. Please see your tax adviser for independent tax advice taking into account your individual circumstances.

FIND AND CONSOLIDATE YOUR SUPER

You can find and consolidate all of your other super accounts in just a few clicks via ANZ Internet Banking and the ANZ App on your Apple device. No more paper forms or multiple sets of fees.

To find and consolidate your super:

1. **Get online:** Log on to ANZ Internet Banking or the ANZ App on your Apple device
2. **Search:** Consent to a SuperMatch search
3. **Submit:** Select the accounts you would like to consolidate

For more information refer to page 9 of the Additional Information Guide.

IMPORTANT

You must provide your consent before we can complete a SuperMatch search. You can do so via ANZ Internet Banking or the ANZ App on your Apple device. If you provide consent, we use your TFN to search for your other super accounts using the ATO SuperMatch Service. There's no additional charge for this service and you'll see your results in just a few seconds. Your consent will be valid for one year. You can opt out of the service online via ANZ Internet Banking or by calling 13 12 87.

8. INSURANCE IN YOUR SUPER

Enjoy peace of mind knowing that should the unexpected happen, you can continue to look after the ones you love. The three types of insurance cover arrangements are:

1. **Lifestage cover** – As a member you will receive automatic* Death (including **Terminal Illness**) and **Total and Permanent Disability (TPD)** cover. This cover ranges from \$40,000 to \$300,000 and is based on your age, with more cover when you're likely to have greater commitments and lower cover when you're likely to have fewer commitments.
2. **Tailored cover** – Tailored Cover will apply if your employer has negotiated with the **Insurer** and Trustee (or another insurer) the type and amount of cover you will receive. The type and amount of your Default Tailored Cover will depend on the Tailored Cover design arranged by your employer. See the relevant Insurance Guide(s) for more information. Lifestage cover will not apply to you where you have Default* Tailored cover. For Tailored cover with the **Insurer**, you may also be able to apply for Voluntary cover.

3. **Choose Your Own cover** – As a member you can apply for your own level of Death and **TPD** cover also known as Voluntary cover. You also have the option to apply for Income Protection cover.

Please note **TPD** cover can only be held in conjunction with Death cover. Applications for Choose Your Own cover or Voluntary cover are assessed by the **Insurer**, and are subject to the **Insurer's** approval. The maximum cover levels for Choose Your Own Cover or Voluntary cover are:

- Death cover: unlimited (maximum **Terminal Illness Benefit** is \$2.5 million)
- **TPD** cover: \$3 million[^]
- Income Protection: \$30,000 per month.

All Insurance fees are deducted from your super account, not your take-home pay.

* Subject to eligibility.

[^] TPD cover cannot be greater than the Death cover amount.

ELIGIBILITY FOR LIFESTAGE COVER OR DEFAULT TAILORED COVER

To be eligible for Lifestage cover or Default Tailored cover with the **Insurer**, on the cover commencement date you must:

- be an **Australian Resident** or **Visa** holder residing in Australia
- be aged at least 15 years or older and under 65[^] years of age;
- not have existing Tailored cover in relation to your account;
- for Lifestage cover only, not be in the process of claiming, had a claim admitted, not in a waiting period for and not entitled to be paid a benefit under a policy of insurance issued by the **Insurer** or another insurer which provides death and/or **TPD** cover;
- for Lifestage cover only, not previously been provided with Lifestage cover in relation to your account;
- for Default Tailored cover only, not have had a claim admitted, be in the process of claiming, not in the receipt of, not in a waiting period for, not been paid or entitled to be paid, a benefit for **terminal illness** or **TPD** under a policy issued by the **Insurer** or another insurer;
- for Default Tailored cover only, not be in the process of claiming, in the receipt of, in a waiting period for, not entitled to be paid, any income support type benefit from any source including, but not limited to, workers compensation benefits, statutory accident benefits or income protection type benefits;

- for Lifestage cover only, be engaged in an occupation for which cover under the policy is available[#];
- satisfy any additional eligibility rules that apply to your membership category in your employer plan.

In addition to the above, by the 180th day after your Lifestage or Default Tailored cover commences, you must:

- be an ANZ Smart Choice Super member;
- have had an employer contribution paid to your account;
- for Lifestage cover, not have opted out of Lifestage cover at any time;
- have an account balance (plus any amount previously paid) which is sufficient to pay Insurance fees for the first 180 days since you became eligible for cover.

If any of the above requirements are not satisfied, your cover will be cancelled from the cover commencement date and you will not be entitled to any benefits.

You will generally receive 30 days written notice before your cover is cancelled where either the employer contribution and/or premiums are outstanding. If you are 'Not At Work'[§] when your cover commences, Lifestage cover will only be provided as 'New Events Cover'[§] until you have been 'At Work'[§] for at least one business banking day.

You will be provided with Lifestage Death only cover where:

- you are engaged in an occupation for which Lifestage TPD cover is not available; or
- you are in the process of claiming, have had a claim admitted, you are in a waiting period for, or you have been paid, a TPD benefit under a policy of insurance issued by the **Insurer** or another insurer which provides TPD cover, and you meet all the other eligibility requirements.

^ Different age eligibility requirements may apply to a Tailored employer plan. Refer to the Insurance Guide(s) applicable to your employer plan.

Does not apply to Tailored employer plans.

§ These terms are defined in the Insurance Guide(s) applicable to your employer plan.

THE INSURER

Insurance through ANZ Smart Choice Super is provided by OnePath Life.

However, where Tailored employer plan arrangements apply, your employer may arrange for insurance to be provided by an insurer other than OnePath Life, if approved by the Trustee. In this case, insurance policies will be issued by the other insurer to the Trustee. Different terms and

conditions will then apply. These will be detailed in the ANZ Smart Choice Super – Insurance Guide for your Tailored employer plan.

COVER THROUGH ANZ SMART CHOICE SUPER

Subject to meeting eligibility requirements, Lifestage cover or Default Tailored cover starts from the later of:[†]

- when you commence work with your employer who is an ANZ Smart Choice Super Participating Employer, if you are a new employee; or
- the date your employer became an ANZ Smart Choice Super Participating Employer^{††} if you were working for the employer when their employer plan joined ANZ Smart Choice Super.

Cover in ANZ Smart Choice Super is subject to benefit conditions and exclusions. Please refer to the benefit conditions and exclusions in your ANZ Smart Choice Super Insurance Guide(s) before making a decision about your insurance cover.

Choose Your Own cover or Tailored Voluntary cover starts when the **Insurer** approves your application. Subject to eligibility, you will be covered under Interim Accident cover during the application process for Choose Your Own cover or Tailored Voluntary cover. Please refer to your Insurance Guide(s) for further information.

† Subject to eligibility.

†† Means an employer that has been admitted to ANZ Smart Choice Super in accordance with the Trust Deed.

COVER CEASES AFTER INACTIVITY

From 1 July 2019, Death, TPD and Income Protection cover (if applicable) will cease if, for any 16 month period in which no amount is received in respect of your account, you have not notified us that you want the cover to continue, unless an employer sponsor contribution exception applies.

APPLYING FOR ADDITIONAL COVER, CHANGING OR CANCELLING YOUR COVER

If you wish to apply for additional Death cover, Death and TPD cover and/or apply for Income Protection cover, to remove exclusions or loadings or to vary your insurance cover, you must submit an application. This cover will commence upon receipt of the **Insurer's** written confirmation*.

You can elect to cancel or reduce your insurance cover at any time by contacting us on 13 12 87.

* A **Pre-Existing Condition** Exclusion may apply, please refer to the Insurance Guide(s) applicable to you for more information.

INSURANCE FEES

The costs associated with insurance cover are called Insurance fees (insurance premiums).

These fees are calculated based on the number of days that cover applies and deducted from your account by the Trustee generally at the beginning of each month and are inclusive of any taxes or government charges applicable to the insurance cover. Insurance fees will end when your cover ceases.

The Insurance fee for Default Tailored cover and Voluntary cover in Tailored employer plans will be plan specific. Different Insurance fee rates may apply to Default cover and Voluntary cover and may vary according to the category within the plan selected for you by your employer.

If you cancel your insurance cover or leave ANZ Smart Choice Super you will be entitled to a refund of a proportion of your last fee payment (provided your Insurance fee payments are up to date). The refund is calculated based on the date of account termination to the first business banking day of the following month. Any outstanding Insurance fees will be collected before your account is closed.

For details of the Insurance fees applicable to you, please refer to the relevant Insurance Guide(s) for your employer plan.

The Insurance fees you pay will depend on a number of factors including but not limited to age, gender, occupation and the amount of cover. If you receive LifeStage Cover, when you open your account, the level of automatic LifeStage Death and TPD cover you receive will depend on your age and will be between \$40,000 and \$300,000 for Death and \$20,000 and \$300,000 for TPD. The fees for automatic LifeStage Death and TPD cover could be as little as \$71.60 p.a.* or up to \$2,073.15**.

* For a female, aged 16 years (next birthday) with Death cover of \$80,000 and TPD cover of \$180,000.

** For a male, Heavy blue collar, aged 55 years (next birthday) with Death cover of \$150,000 and TPD cover of \$150,000.

For Choose Your Own cover and Voluntary cover, a loading may apply to your insurance cover, therefore increasing your Insurance fee.

Unless you cancel the default insurance cover automatically provided to you (subject to eligibility) by calling Customer Services on 13 12 87 or that cover otherwise ceases, Insurance fees will continue to be deducted from your ANZ Smart Choice Super account.

LEAVING YOUR EMPLOYER

Once your employer notifies us that you have left their employment, this may alter your cover, and any Insurance fees reimbursed by your employer will no longer be reimbursed by them. If you are a member of an employer plan with:

- Lifestage insurance cover provided by OnePath Life, your cover will continue without change.
- Tailored insurance cover provided by OnePath Life, on the date of notification your account will be delinked from your employer and your sum insured on that date will be converted to a fixed amount of Choose Your Own cover. Choose Your Own Insurance fees will apply. These fees are included in the Insurance Guide for ANZ Smart Choice Super, Standard Employer Plans which is available at anz.com/smartchoicesuper > Downloads – important documents or by calling Customer Services.
- Tailored insurance provided by an insurer other than OnePath Life, your cover will cease. You may be able to apply for a Continuation Option with your existing insurer, or Choose Your Own cover with OnePath Life. Alternatively you may apply for cover through OneCare Super. Further information on Choose Your Own cover with OnePath Life and OneCare Super, how you can apply and premiums are included in the relevant Insurance Guide.

DUTY OF DISCLOSURE

When applying for insurance, you are required to disclose every matter that you know, or could reasonably be expected to know, that is relevant to the **Insurer's** decision whether to accept the risk of insurance and, if so, on what terms. Please refer to the relevant Insurance Guide(s) for your employer plan for full details of your duty of disclosure.

IMPORTANT

The relevant Insurance Guide(s) for your employer plan includes important information about defined terms, eligibility for, and cancellation of, LifeStage cover, Tailored cover, Choose Your Own cover and conditions and exclusions that may apply and that may affect your entitlement to insurance cover and the cost of cover. You should read this information before deciding whether the insurance is appropriate.

FIND OUT MORE

You should read the important information about defined terms, eligibility for or cancellation of cover, conditions and exclusions, level and types of cover, and costs payable before making a decision about insurance cover through ANZ Smart Choice Super. Go to the relevant Insurance Guide(s) for your employer plan by visiting anz.com/smartchoicesuper > Downloads – important documents or by contacting Customer Services on 13 12 87. The material relating to 'Insurance in your super' may have changed between the time you read this Statement and when you acquire the product.

9. HOW TO OPEN AN ACCOUNT

As your employer has chosen ANZ Smart Choice Super, you do not need to apply for an account, as one has been set up for you.

As a member you have the flexibility to control your ANZ Smart Choice Super account. You can:

- Choose your own investment option(s)
- Apply for additional insurance cover
- Arrange additional contributions, including salary sacrifice, spouse and even Government co-contributions.

The easiest way to get started is by logging on to ANZ Internet Banking. Check your balance, manage your account or make additional contributions. To access ANZ Internet Banking, call Customer Services on 13 12 87.

If you're already an ANZ customer you'll be able to see your super alongside your everyday banking by linking your ANZ Smart Choice Super account to your Customer Registration Number – you can do this yourself on ANZ Internet Banking or by calling Customer Services on 13 12 87.

By joining ANZ Smart Choice Super you agree that confirmation of transactions, instructions and other correspondence may be provided electronically or in writing at the discretion of the Trustee.

Cooling-off period

Generally, your employer may cancel their application to participate in ANZ Smart Choice Super within 14 days from the earlier of:

- the day the first employees of your employer receive confirmation of their super interest; or
- the end of the fifth day after we first issue super interests to employees.

If this occurs, your employer must nominate (within one month of notifying us that they wish to exercise their right of cancellation) an alternative eligible MySuper fund into which employer contributions received by us are to be repaid.

An employer's right of cancellation is taken to have been exercised only on receipt by us of this nomination. Your employer must make the nomination by advising us in writing.

If your employer exercises their right of cancellation within the cooling-off period, and part of the monies to be repaid includes personal contributions made by you (including monies to be rolled over or transferred from another super fund), we will:

- transfer any restricted non-preserved benefits and preserved benefits to another eligible super fund that you nominate
- pay any other monies as you direct.

In the event the super fund nominated by you or your employer does not accept the monies (or you do not tell us what to do with any personal contributions), we may transfer the monies to an Eligible Rollover Fund.

Your investment amount will be adjusted for any changes in the unit price of the applicable investment option(s), less any withdrawals and transaction costs.

FIND OUT MORE

You should read the important information about how ANZ and its alliance partners handle your personal information (including health and other sensitive information) before making a decision. Go to the section 'Privacy' in the AIG by visiting anz.com/smartchoicesuper > Downloads – important documents.

ENQUIRIES AND COMPLAINTS

We value your feedback regarding our performance and we're committed to resolving any concerns you may have.

Our customer service team is your first point of contact for any enquiries, raising concerns or providing feedback. Our contact details are below. We will do our best to resolve your concerns genuinely, promptly, fairly and consistently, and keep you informed of the progress.

If you are not satisfied with the response to your complaint or feedback, your concerns will be escalated to our Complaints Resolution Centre.

Phone 13 12 87
Email superfeedback@onepath.com.au
In writing OnePath Custodians Pty Limited
GPO Box 5107
Sydney NSW 2001

FURTHER HELP – THE AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY (AFCA)

If your concerns have not been resolved to your satisfaction, you can lodge a complaint with AFCA who provides fair and independent financial services complaint resolution that is free to consumers.

Website afca.org.au
Email info@afca.org.au
Phone 1800 931 678 (free call)
In writing Australian Financial
Complaints Authority
GPO Box 3
Melbourne VIC 3001

Time limits may apply to complain to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

Take control of your super in three easy steps



Step 1

Access your account through ANZ Internet Banking (via anz.com), or through the ANZ App.

- If you are already registered for ANZ Internet Banking, you can see your super with your other ANZ accounts the day after your account is opened. If you cannot see your ANZ Smart Choice Super account call Customer Services on 13 12 87.
 - If you are not yet registered for ANZ Internet Banking, call 13 12 87 and receive your Customer Registration Number and telecode. Using these details you will then need to complete your registration via anz.com
-



Step 2

We will inform you if we find any other super accounts for you and assist you in rounding these up – so you don't pay multiple sets of fees.



Step 3

Manage and monitor your super.

When you are in ANZ Internet Banking, check your personal details and make sure your email address and telephone numbers are included and up to date. Then look at your account details – you can change your investment option(s), monitor performance, manage your beneficiary nomination, keep track of your contributions and much more.

Note: The ANZ App provides view-only access.
