

**ANZ SMART CHOICE SUPER
FOR QBE MANAGEMENT SERVICES PTY LTD
AND THEIR EMPLOYEES**

PRODUCT DISCLOSURE STATEMENT
ISSUED 17 MARCH 2018



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ENTITY DETAILS IN THIS ANZ SMART CHOICE SUPER FOR QBE MANAGEMENT SERVICES PTY LTD AND THEIR EMPLOYEES PRODUCT DISCLOSURE STATEMENT (PDS)

Name of legal entity	Registered numbers	Abbreviated terms used throughout this PDS
OnePath MasterFund	ABN 53 789 980 697 RSE R1001525	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

Unique Superannuation Identifier (USI): ANZ Smart Choice Super – MMF2076AU
MySuper Product Unique Identifier: ANZ Smart Choice Super – 53789980697147

Contact details

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

Phone 1800 249 996 weekdays between 8.30am and 6.30pm (AEST)

Email corporatesuper@anz.com

This Product Disclosure Statement (PDS) is issued by OnePath Custodians and contains a summary of significant information about investing in ANZ Smart Choice Super for QBE Management Services Pty Ltd 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 17 March 2018 and forms part of this PDS:

- ANZ Smart Choice Super for QBE Management Services Pty Ltd and their employees – Additional Information Guide (Incorporated Material)
- ANZ Smart Choice Super for QBE Management Services Pty Ltd and their employees – Insurance Guide
- ANZ Smart Choice Super for QBE Management Services Pty Ltd and their employees – Fees Guide.

The PDS and guides incorporated by reference are specific to current employees of QBE Management

Services Pty Ltd (QBE) or an associated employer of QBE. The Additional Information Guide (AIG) (Referenced Material) contains further information that does not form part of this PDS. You should consider the PDS, AIG, Fees Guide and Insurance Guide before making a decision about ANZ Smart Choice Super.

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 wealth.anz.com/superannuation/smart-choice-employer>Downloads. 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 wealth.anz.com/superannuation/smart-choice-employer>Downloads 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 including ANZ Smart Choice Super and Pension – for individuals (not part of an employer super plan).

ANZ Smart Choice Super includes 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. The Trustee of the Fund is OnePath Custodians, a wholly owned subsidiary of ANZ.

OnePath Custodians is not an authorised deposit taking institution under the *Banking Act 1959* (Cth).

Except as described in the PDS, AIG, Fees Guide or Insurance Guide, this product is not a deposit or other liability of ANZ or its related group of companies and none of them stands behind or guarantees the issuer or the capital or performance of the product.

When you invest in ANZ Smart Choice Super, you become a member of the Fund. The Trustee invests all contributions under master life policy terms issued by OnePath Life Limited which then invests in selected investment funds.

The master life policy terms are governed by the *Life Insurance Act 1995* (Cth).

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 wealth.anz.com/superannuation/smart-choice-employer>Downloads. Product dashboards for Choose Your Own investment options will be made available from the date required by legislation.

- The Trustee and executive remuneration disclosure for the Fund and any other transparency information which must be disclosed in accordance with superannuation law, visit onepath.com.au/aboutOnePath/rse.aspx.

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 to 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 or your employer 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 some limits on the contributions that you can make 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 section 'How super works' in the AIG by visiting wealth.anz.com/superannuation/smart-choice-employer>Downloads. 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

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**. Take your ANZ Smart Choice Super account from job to job and avoid paying multiple fees. Then when ready, you can easily prepare for retirement with an ANZ Smart Choice Pension account.
- **Bring all your money into the one fund**^{*}. We'll help track down and bring together all your super accounts using the ATO SuperMatch service – including any you've lost along the way.

If you have any questions or wish to review ANZ's Privacy Policy please refer to anz.com/privacy or call Customer Services on 1800 249 996.

[^] Temporary service disruptions may occur.

^{*} Before consolidating your super accounts, there are important things you need to consider detailed on pages 53 to 56 in the AIG.

COMPETITIVE FEES AND NO HIDDEN CHARGES

Save money with low fees. ANZ Smart Choice Super's fees are low and simple to understand. Our Lifestage investment options have one of the lowest independently ranked MySuper fees in the market.*

WITH SMART INVESTMENTS AND INSURANCE, THE CHOICE IS YOURS

- **Smart Investments** – designed to suit no matter where you are in life, your Lifestage option selects a mix of investments based on your age and adjusts them as you get older. Your super is automatically preparing you for retirement – now that's smart.

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

- **Tailored insurance** – Enjoy peace of mind knowing that should the unexpected happen to you, you and your family are protected. Tailored cover provides automatic[†] Death (including Terminal Illness) and Total and Permanent Disability (TPD) cover. TPD cover must be held in conjunction with Death cover and cannot exceed the value of Death cover.

What's more, all your premiums are deducted from your super account – not your take home pay.

As a member you can also apply to increase the amount of your cover (either Death only and/or TPD cover) by applying for additional Voluntary cover. Any applications for Voluntary cover will be assessed by the Insurer for approval.

Further details on insurance are available in the Insurance Guide which forms part of the PDS.

^{*} Research conducted by SuperRatings Pty Ltd, holder of Australian Financial Services Licence No. 311880. Analysis current as at October 2017 and limited to the member, administration and investment management fees of 166 retail, industry, corporate and government MySuper funds. For a copy of the SuperRatings research and the latest information, call 1800 249 996 or go to anz.com/superfeesgraph

[†] Unless you opt out and 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 section 'Benefits of investing with ANZ Smart Choice Super' in the AIG by visiting wealth.anz.com/superannuation/smart-choice-employer> Downloads. 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 section 'Risks of super' in the AIG by visiting wealth.anz.com/superannuation/smart-choice-employer > Downloads. 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 investments, 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 more easily, knowing your money is working for you.

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

Lifestage investment options

For ANZ Smart Choice Super:

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

An outline of the Lifestage investments is shown below. For more information relating to the investment option for the decade in which you were born, please refer to pages 21 to 24 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 ranges will adjust over time. The current asset allocation ranges 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 listed below.

Asset class	Range (%)*						
	1940s	1950s	1960s	1970s	1980s	1990s	2000s
Cash	10–45	3–39	0–29	0–25	0–22	0–22	0–22
Australian fixed interest [†]	7–38	7–37	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	1–32	5–46	12–52	15–55	16–56	16–56
International shares [‡]	1–32	5–36	11–52	19–59	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	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 pages 20 to 24 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
	1.50%	2.00% [^]	3.00% [^]	3.50% [^]	4.00% [^]	4.00% [^]	4.00% [^]

Investment strategy

The Lifestage investment options provide exposure to a mix of growth and defensive asset classes. The allocation to these classes will become more conservative over the long term. However, in the short term the allocation to growth assets may increase at times and 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.

† 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 OPTIONS

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

6 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 select to 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 21 to 47. 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 section 'How we invest your money' in the AIG by visiting wealth.anz.com/superannuation/smart-choice-employer>Downloads. 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.

TO 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 (www.moneysmart.gov.au) has a superannuation calculator to help you check out different fee options.

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 superannuation entity 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 chosen by you.

Taxes, insurance fees and other costs relating to insurance are set out in another part of this document.

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 or OnePath Life, in respect of fees such as the Administration fee, Insurance fee, Exit 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.

The fees and costs disclosed in this PDS that you may be charged are shown inclusive of any applicable Goods and Services Tax (GST) less any entitlement to a reduced input tax credit available to the Fund, except for the Member Advice Fee which is shown inclusive of any applicable GST.

OnePath Life receives payments of up to 0.45% p.a. from ANZ on cash held with ANZ. These payments are not an additional charge to you and these payments do not affect the performance of those cash investments held with ANZ.

The superannuation fee calculator referred to above 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 0.44% p.a. of your balance in each investment option.</p> <p>Choose Your Own investment options 0.44% to 1.98% p.a. of your balance depending on the investment option (except for ANZ Smart Choice Cash which is 0%).</p>	<p>This fee is deducted monthly from the assets of each investment option and an accrued amount is included in the unit price. The investment fee for some investment options is subject to a discount relative to the amount deducted in unit prices. The discount on relevant investment options is credited as an Investment Fee Adjustment calculated on your month-end account balance, and applied to your account balance in the form of additional units, generally within 7 business days after the end of the previous month. This does not apply to all investment options and may change in the future.</p> <p>An Investment Fee Adjustment will not be received for that month where a member exits prior to the date of the adjustment.⁵</p>
Administration fee*	<p>\$50 p.a. (\$4.16 per month) Plus</p> <p>Levies and expense recoveries – 0.03% 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 2017. Estimated to be up to 0.08% p.a. for each investment option (except for ANZ Smart Choice Cash which will be 0%) for the 12 months to 30 June 2018.</p>	<p>The dollar based fee is usually deducted in advance from your account at the beginning of each month.</p> <p>Levies and expense recoveries are deducted from the assets of each investment option annually and included in the unit price.</p>
Buy-sell spread	<p>MySuper – Lifestage investment options 0.02% to 0.10% 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 0.35% of each amount invested in (buy spread) or withdrawn from (sell spread) an investment option, depending on the investment option.</p> <p>See the 'Fees Guide' for the Buy-sell spread of each investment option available at wealth.anz.com/superannuation/smart-choice-employer>Downloads.</p>	<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.</p>
Switching fee[†]	Nil	Not applicable.
Exit fee	\$50	Deducted from your account on account closure. This fee is waived when moving between different ANZ Smart Choice Super account types e.g. Super to Pension.

ANZ Smart Choice Super

Type of fee	Amount	How and when paid
Advice fees relating to all members investing in a particular MySuper product or investment option	Nil	Not applicable.
Other fees and costs[^]	<p>This amount may vary depending on the activity.</p> <p>You may choose to have a fee for personal advice as agreed individually between you and your financial planner. These fees can take the form of an Ongoing Member Advice Fee or a One-Off Member Advice Fee.</p> <p>Insurance fees will apply if you have insurance cover.</p>	<p>Any Ongoing Member Advice Fees payable to your financial planner's Australian Financial Services Licensee are deducted from your account on the last Sydney business day of the month and paid to your financial planner's Australian Financial Services Licensee. Any One-off Member Advice Fee is deducted from your account and paid to your financial planner's Australian Financial Services Licensee once you agree to this fee.</p> <p>Insurance fees are calculated daily and deducted monthly in advance from your account.</p>
Indirect cost ratio	<p>Indirect costs estimated to be between 0% and 0.61% p.a. depending on the investment option.</p> <p>Note: The indirect cost ratio amounts set out above are based on the estimated indirect costs for the 12 months to 30 June 2017.</p> <p>Indirect costs for some investment options include performance-related fees estimated to range from 0% to 0.30%[#] 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 can be negotiated by your employer with us. The Member Advice Fee is generally negotiable by you with your financial planner. 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.

* The Administration fee is waived if your account balance 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 Insurance fees and Member Advice Fees.

[#] 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 estimated performance-related fee was for RARE Infrastructure Value at 0.30%. This estimated fee may change at a later date.

[§] At a later date, the Investment Fee Adjustment may be made on a daily basis. We will provide notice on our website before making this change.

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) for this superannuation product 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 (Lifestage investment option)		Balance of \$50,000
Investment fees	0.44% p.a.	For every \$50,000 you have in the superannuation product you will be charged \$220 each year.
PLUS Administration fees	\$50 p.a. Plus, 0.03%*p.a	And, you will be charged \$65 in administration fees**.
PLUS Indirect costs for the superannuation product	0.03% [†] p.a.	And, indirect costs of \$15 each year will be deducted from your investment.
EQUALS Cost of product	\$300	If your balance was \$50,000, then for that year you will be charged fees of \$300 for the superannuation product**.

Note: the Example above is illustrative only.

* Figures based on the actual amount of levies and expense recoveries deducted for the 12 months to 30 June 2017. The levies and expense recoveries are estimated to be up to 0.08% p.a. for the 12 months to 30 June 2018.

† Figure based on the ANZ Smart Choice Super 1960s Lifestage investment option. Please refer to page 12 of the Fees Guide for the estimated indirect costs applicable to the other MySuper Lifestage investment options, which range from 0.01% to 0.04%.

** Additional fees may apply. There is currently no contribution fee. The Administration fee is waived if your account balance has a zero balance. And, if you leave the Superannuation entity, you may be charged an Exit fee of \$50 and 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 1960s Lifestage investment option is currently 0.03%, the sell spread is also 0.03%. On \$50,000, the total spread cost of 0.06% is equal to \$30. The Buy-sell spreads applicable to MySuper Lifestage investment options whenever you make a contribution, exit, rollover or investment switch range from 0.02% to 0.10%. The Buy-sell spread for each MySuper Lifestage investment option is set out in the Fees Guide available at wealth.anz.com/superannuation/smart-choice-employer>Downloads or by contacting Customer Services. If you exit the product, you will be charged a \$50 exit fee.

CHANGES TO FEES AND COSTS

The fees and costs shown 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.

MEMBER ADVICE FEE

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

If you use the services of a financial planner, 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 planner 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 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 wealth.anz.com/superannuation/smart-choice-employer>Downloads.

BUY-SELL SPREADS

The Buy-sell spread is used to allocate buy and sell transaction costs to a member who is transacting rather than to members in a particular investment option who are not transacting. As the proceeds from a Buy-sell spread are retained as part of the assets of an investment option, no part of it is paid to us or to an underlying fund manager.

A Buy-sell spread up to a maximum of 0.35% may apply each time an amount is invested in or withdrawn from an investment option. These spreads are incorporated in the buy and sell unit prices. The Buy-sell spread for each investment option is set out in the Fees Guide available online at wealth.anz.com/superannuation/smart-choice-employer>Downloads or by contacting Customer Services.

For example, for every \$1,000 that you invest in the ANZ Smart Choice Super 1960s Lifestage investment option, the buy spread you incur is currently 0.03% or \$0.30.

This amount is reflected in the 'buy' unit price at the time of your transaction. At all times your account balance is valued at the 'sell' unit price which incorporates the sell spread. In the same example, the value of the investment of \$1,000 will also take into account the sell spread of 0.03% or \$0.30. This means that the total Buy-sell spread cost for the example \$1,000 investment will be 0.06% or \$0.60.

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' before making a decision. Go to the section 'Fees and other costs' in the Fees Guide by visiting wealth.anz.com/superannuation/smart-choice-employer>Downloads. The material relating to 'Fees and other costs' 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 is generally 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 Australian Taxation Office (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 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 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. Investment earnings are not taxed within a retirement phase account based pension.

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 or income stream payment is tax free.

If you are aged less than 60, tax may be payable on the taxable component of lump sums and income stream 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.

PROVIDING YOUR TAX FILE NUMBER (TFN)

You are not obligated to provide your TFN and declining to quote your TFN is not an offence. However, you should provide your TFN when you join the Fund. 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.

Where you have provided your TFN, we will use it to search for your lost and other super using the ATO SuperMatch service unless you advise us otherwise.

IMPORTANT

If you do not want us to use your TFN to undertake ongoing SuperMatch searches please let us know by contacting us using one of the following methods:

1. **Calling Customer Services on 1800 249 996**
2. **Sending us an email at corporatesuper@anz.com**
3. **Writing to us at ANZ Smart Choice Super GPO Box 5107 Sydney NSW 2001**

If you have any questions or wish to review ANZ's Privacy Policy please refer to anz.com/privacy or call Customer Services on 1800 249 996.

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 OUT MORE

You should read the important information about 'How super is taxed' before making a decision. Go to the section 'How super is taxed' in the AIG by visiting wealth.anz.com/superannuation/smart-choice-employer> Downloads. The material relating to 'How super is taxed' may have changed between the time you read this Statement and when you acquire the product.

Changes to superannuation and taxation law were announced in the May 2017/18 Federal Budget – further information can be found on page 56 of the AIG. Updated information is available from anz.com/superinsights.

8. INSURANCE IN YOUR SUPER

Enjoy peace of mind knowing that should the unexpected happen, you and your family are protected. The two types of insurance cover arrangements are:

1. Tailored cover – As a member you may receive automatic* Death (including Terminal Illness) and TPD cover which is calculated using an insurance formula as set out below.

Sum insured:

Death cover and Death and TPD cover:
 $17.5\% \times \text{Years of Future Service}^9 \times \text{Salary}$

2. Voluntary cover – As a member you may apply to obtain or increase your Death only or Death and TPD cover by taking out additional Voluntary cover.

The maximum level of automatic default death and TPD cover will depend on your membership category in the QBE Plan. The maximum default Death and TPD cover without underwriting is \$1.5 million. Please refer to the Insurance Guide for further details about default Death and TPD cover. Please note TPD cover can only be held in conjunction with Death cover. Applications for Voluntary cover are assessed by the Insurer, and are subject to the Insurer's approval. The maximum cover levels for Voluntary cover are:

- Death cover: unlimited (maximum Terminal Illness Benefit is \$2.5million)
- TPD cover: \$3 million.

Death (including Terminal Illness) and TPD cover provides a lump sum upon death, suffering a Terminal Illness or becoming Totally and Permanently Disabled.

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

* Unless you opt out and subject to eligibility.

§ Years of Future Service means years and days to age 70 for Death cover and years and days to age 65 for TPD cover.

ELIGIBILITY FOR LIFESTAGE COVER AND DEFAULT TAILORED COVER

To be eligible for automatic Death and TPD cover on the cover commencement date in the QBE Plan you must:

- be an employee of QBE and a member of ANZ Smart Choice Super
- be an Australian Resident or Visa holder residing in Australia
- be aged at least 15 years or older and under 65 years of age
- be "At Work"*
- satisfy the eligibility rules for a membership category that has default cover
- 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, not entitled to be paid, a benefit for terminal illness or total and permanent disablement[†] under the policy with the Insurer or with another insurer
- not have previously been provided with default cover in relation to your account.

In addition to the above, by the 180th day after your default cover commences, you must:

- have had an employer contribution paid to your account;
- have an account balance which is sufficient to pay Insurance fees for the first 180 days since you became eligible for cover.

Your cover will be cancelled from cover commencement and you will not be entitled to any benefits if any of the above requirements are not satisfied.

You will generally receive 30 days written pre-notification of your cover being cancelled

where either the employer contribution and/or premiums are outstanding.

* Default cover is subject to a Pre-Existing Condition Exclusion if you were "Not At Work" at the time your Default cover commenced.

† If you have received a TPD benefit, your cover will be limited to Death cover only.

APPLYING FOR ADDITIONAL VOLUNTARY COVER, CHANGING OR CANCELLING YOUR COVER

To apply for Voluntary cover, you must submit an application.

Voluntary cover is subject to the Insurer's written approval and starts from the date specified in the written confirmation to you, provided you have enough funds in your account to pay for the first month's Insurance fee(s). You may be entitled to Interim Accident cover during the application process.

You can elect to cancel or reduce your insurance cover at any time by contacting us on 1800 249 996.

INSURANCE FEES

Annual Insurance Fees:

Death cover: \$0.265 per \$1,000 of sum insured.

TPD cover: \$0.380 per \$1,000 of sum insured.

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

These fees are calculated daily and deducted from your account by the Trustee at the beginning of each month and are inclusive of any taxes or government charges applicable to the insurance cover.

The Insurance fees you pay will depend on a number of factors including but not limited to your salary, the cover type and where applicable, the category your employer has chosen for you.

If you are a permanent employee working 40 hours a week, the following table provides two examples of Insurance fees payable for automatic Death and TPD cover:

Age	Salary (\$)	Death Cover (\$)	TPD Cover (\$)	Total Fees (\$)
20	32,000	280,000	252,000	169.96
60	100,000	175,000	87,500	79.63

Insurance fees are deducted from your ANZ Smart Choice Super account and not your take home pay. Your employer may have agreed to reimburse your account for the value of these fees, but may cancel this agreement at any time.

For details of the Insurance fees applicable to you, please refer to the Insurance Guide.

Unless you cancel the automatic insurance cover (by calling Customer Services on 1800 249 996), 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, your existing insurance cover will be fixed to a dollar amount and your Insurance fees will change to align with those that apply for 'Choose Your Own cover'.

These are specified in the ANZ Smart Choice Super for employers and their employees – Standard Insurance Guide (for Standard Employer Plans), which can be obtained by calling Customer Services on 1800 249 996, or can be downloaded from wealth.anz.com/superannuation/smart-choice-employer>Downloads > ANZ Smart Choice Super Insurance Guide – Standard Employer Plans.

You can continue to use your ANZ Smart Choice Super account with your new employer by using the Choice of Fund Nomination form available via ANZ Internet Banking or by calling Customer Services.

THE TRUSTEE'S 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 Insurance Guide for full details of your duty of disclosure.

IMPORTANT

The Insurance Guide includes important information about eligibility for, and cancellation of, Default and Voluntary cover and conditions and exclusions that may apply and that may affect your entitlement to insurance cover. You should read this information before deciding whether the insurance is appropriate.

FIND OUT MORE

You should read the important information about 'Insurance in your super' before making a decision about insurance cover through ANZ Smart Choice Super. Refer to the Insurance Guide available by contacting Customer Services. 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 get access to ANZ Internet Banking, call Customer Services on 1800 249 996.

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 1800 249 996.

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.

CUSTOMER ENQUIRIES AND CONCERNS

Our commitment to ensuring our products and services meet your expectations means we value your feedback regarding how we are performing.

Our Customer Service team is your first point of contact for enquiries, raising complaints or providing feedback. You can contact us directly via phone, email or in writing and we will endeavour to resolve your concerns quickly and fairly.

Phone 1800 249 996
weekdays from 8.30am to 8.00pm (AEST)

Email yourfeedback@onepath.com.au

Address Wealth Complaints Resolution Centre
GPO Box 5306, Sydney NSW 2001

Escalating your complaint

If you are not satisfied with the response to your complaint or feedback, your complaint will be escalated to our Wealth Complaints Resolution Centre. Our specialists will work closely with you to resolve any complaint you may have quickly and amicably.

Financial Services Dispute Resolution Scheme

If you are not satisfied with the outcome of your complaint, you can contact the Financial Ombudsman Service Australia (FOS) or Superannuation Complaints Tribunal (SCT), which is a free dispute resolution service external to ANZ.

There may be time limits for lodging a dispute. In most cases, FOS will allow you to lodge your dispute within two years of the date of our final response. Please note that before FOS or SCT can investigate your complaint, they generally require you to have first provided us with the opportunity to address the complaint.

Financial Ombudsman Service Australia (FOS)

Phone 1800 367 287 weekdays 9am – 5pm (AEST)

Email info@fos.org.au

Fax +61 3 9613 6399

Mail GPO Box 3, Melbourne VIC 3001

Website fos.org.au

Superannuation Complaints Tribunal (SCT)

Phone 1300 884 114 weekdays 9am – 5pm (AEST)

Email info@sct.gov.au

Fax +61 3 8635 5588

Mail Locked Bag 3060, Melbourne VIC 3001

Website sct.gov.au

Take control of your super in three easy steps

Step 1

Access your account through ANZ Internet Banking, or via 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 1800 249 996.

If you are not yet registered for ANZ Internet Banking call 1800 249 996 and receive your Customer Registration Number and telecode. Using these details you will then need to complete your registration via anz.com

Step 2

After you have accepted the Search Terms and Conditions, 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, monitor performance, manage your beneficiary nomination, keep track of your contributions and much more.

Note: ANZ App provides view only access.

For other ANZ Wealth products visit anz.com/wealth