

IMPORTANT INFORMATION AND UPDATES



INVESTMENT FUND CHANGES

We're committed to helping you achieve your financial goals by regularly reviewing the investment menu of OneAnswer, making sure you have access to market-leading investment funds. The following section outlines the changes that have been made over the past financial year.

Investment fund profile changes

For the following investment funds, changes were made to their investment profiles and/or benchmark asset allocations, effective December 2019.

Schroder Fixed Income

	Previous	Current
Investment strategy	<p>Schroders' broad fixed income philosophy is underpinned by 3 key ideas:</p> <ul style="list-style-type: none"> Fixed income is typically held for defensive purposes. These include liquidity, capital preservation, liability management and to diversify equity risk. Investors should utilise the breadth of the fixed income universe to improve risk/return outcomes (as opposed to closely tracking arbitrary benchmarks). Volatility is not risk; Schroders view losing money and not delivering on objectives as its core risk. <p>These key investment beliefs are encapsulated in our Schroders Fixed Income Fund, a Core-Plus strategy which combines a low active risk 'Core' and 'Plus' strategies where opportunities to add value is present. The fund utilises the breadth of the opportunity set and combines asset allocation, country selection, credit risk management, stock selection, and duration/yield curve management in a combination that aims to outperform the benchmark Bloomberg AusBond Composite 0+Yr Index over the medium term whilst ensuring it remains a true defensive strategy.</p>	<p>The Schroder Fixed Income Core-Plus Strategy is an actively managed, diversified strategy that invests in a range of domestic and international fixed income assets with the objective of outperforming the Bloomberg AusBond Composite 0+Yr Index. While the bulk of returns are expected to come from income generated by Australian investment grade assets, the Strategy seeks to enhance returns and manage risk by assessing the broad range of fixed income investment opportunities through a robust asset allocation framework and accessing these opportunities through Schroders' global network. Investments within the portfolio are actively managed with the aim of ensuring we hold the right assets and securities at the right time to maximise returns while maintaining a low risk profile. The targeted result is a defensive strategy which is broadly diversified with low correlation to equity markets.</p>

Schroder Balanced

	Previous			Current		
Asset allocation	Asset allocation Asset class	Benchmark (%)^	Range (%)	Asset allocation Asset class	Benchmark (%)^	Range (%)
	Growth Assets	62	40–70	Growth Assets	62	40–70
	Australian Shares	32	20–40	Australian Shares	34	20–40
	International Shares	26	20–40	International Shares	28	20–40
	Property Trusts	4	0–8	Property Trusts	0	n/a
	Diversifying Assets	16	0–30	Diversifying Assets	18	0–30
	Alternatives	0	0–10	Higher Yield Credit	8	0–15
	Higher Yield Credit	6	0–15	Objective Based	10	0–20
	Objective Based	10	0–20	Alternatives	0	0–10
	Defensive Assets	22	10–60	Defensive Assets	20	10–60
	Australian Fixed Income	8	5–35	Australian Fixed Income	8	5–35
	Global Investment Grade Credit	6	0–15	Global Investment Grade Credit	5	0–15
	Cash	8	0–30	Cash	7	0–30

^ Schroder Balanced Fund strategic benchmark. Investment guidelines and the Strategic Asset Allocation (SAA) benchmark are internal and subject to change without notice. The SAA was last reviewed in November 2017.

Antipodes Global (Long only)

	Previous	Current
Description	This fund may be suitable for investors with an investment horizon of five years or more and who seek capital growth and income via exposure to global stocks and are willing to accept the shorter term fluctuations in price typically associated with such investments.	The fund typically invests in a select number of attractively valued companies listed on global share markets (usually a minimum of 30 holdings). The fund may use exchange traded derivatives to achieve long equity exposure. In the absence of finding individual securities that meet Antipodes' investment criteria, cash may be held. The fund aims to provide income and some capital growth over the long term.
	Previous	Current
Investment strategy	The fund typically invests in a select number of attractively valued companies listed on global share markets (usually between 20 and 60). The fund is also permitted to utilise exchange traded derivatives for risk management purposes subject to the specific restrictions that such derivatives cannot be used to gear portfolio exposure and that the underlying effective face value is limited to 10% of the NAV of the fund unless used to manage currency risk. Currency exposure will generally reflect the currency of the underlying securities. However, where the Investment Manager believes there is a strong likelihood of a decline in the underlying currency, currency derivatives, both over-the-counter and exchange traded, may be used to hedge subject to the specific restriction that such derivatives cannot be used to gear portfolio exposure.	<p>Antipodes believes that equity investment returns are primarily a function of economic performance of the business and the resilience of this performance, and price paid or starting valuation at the time of purchase.</p> <p>Antipodes' investment approach in practice can be broken down into four iterative steps.</p> <ul style="list-style-type: none"> • Identify: Antipodes utilises a variety of quantitative and qualitative inputs combined with many years of experience to generate ideas. • Test: Once an opportunity has been identified, Antipodes performs an initial reality check before committing a large amount of research resource. • Analyse: Antipodes' broad approach is fundamental research within a global context. To maximise the benefits of peer review without diluting overall team focus, a system is employed where each major research project has a lead analyst, but is supported by a secondary analyst, who acts as a sounding board and protects against confirmation bias and investment case drift. • Construct: Antipodes seeks to build portfolios from high conviction ideas (asymmetric risk-return payoff) that also represent non-correlated sources of alpha.

RARE Infrastructure Value[^]

	Previous	Current
Investment objective	The fund aims to provide investors with regular and stable income, comprised of dividends, distributions and interest plus capital growth from a portfolio of global infrastructure securities. The fund targets an absolute annual return of 5.5% above the OECD G7 Inflation rate.	The fund aims to provide investors with regular and stable income, comprised of dividends, distributions and interest received plus capital growth from a portfolio of global infrastructure securities while hedging the fund's currency exposure back to AUD, and to outperform the benchmark.

[^] Not on ANZ OneAnswer menu.

For the following investment fund, changes were made to the investment profiles and underlying fund, effective February 2020.

BlackRock Scientific Diversified Growth

	Previous	Current
Underlying fund	BlackRock Scientific Diversified Growth Fund	BlackRock Diversified ESG Growth Fund
	Previous	Current
Investment strategy	The fund's neutral portfolio benchmark comprises a portfolio of published indexes, approximately 30% of which represent interest bearing assets and 70% of which represent growth assets. The fund invests in Australian and International shares and bonds, listed property, global listed infrastructure and cash. While the cash, global bond and infrastructure exposures are through BlackRock indexed funds, the strategy gains its exposure to the other asset classes via BlackRock active funds. Ultimately, the strategy implements a portfolio that combines strategic asset allocation with active management in order to achieve the fund's objective.	The fund's neutral portfolio benchmark comprises a portfolio of published indexes, approximately 30% of which represent interest bearing assets and 70% of which represent growth assets. The fund invests in Australian and International shares and bonds, listed property, global listed infrastructure and cash. While the cash, global bond and infrastructure exposures are through BlackRock indexed funds, the strategy gains its exposure to the other asset classes via BlackRock active funds. Ultimately, the strategy implements a portfolio that combines strategic asset allocation with active management in order to achieve the fund's objective. The fund will apply negative screens for certain Environmental, Social and Governance (ESG) sensitive sectors including but not limited to Tobacco, Controversial Weapons and Nuclear Weapons.

For the following investment fund, changes were made to the investment objective, effective January 2020.

OnePath Capital Stable

The investment return objective was lowered by 1% per annum and the investment horizon over which this objective is expected to be achieved was extended to a period of 10 years or more. It's important to note that the new investment objective is not a guarantee of future performance.

	Previous	Current
Investment objective	The Fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 2.5% p.a., over periods of three years or more.	The Fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 1.5% p.a., over periods of ten years or more.

Updates to Buy-Sell spreads

Due to extraordinary market conditions in the wake of COVID-19, market liquidity deteriorated rapidly, impacting all segments of the Australian fixed-income market. This led to a number of investment managers temporarily increasing the buy-sell spreads applicable to their fixed income funds and diversified funds. Increased spreads were required to cover increased transaction costs. Buy-sell spreads protect non-transacting members. We anticipate that when market conditions return to normal, buy-sell spreads are likely to re-adjust to normal rates. Over the past few months we have been publishing updates in the Product Updates section of onpath.com.au

Standard Risk Measure

The Standard Risk Measure is based on industry guidelines to allow investors to compare investment funds that are expected to deliver a similar number of negative annual returns over any 20-year period.

The Standard Risk Measure is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives.

Further, it does not take into account the impact of any ongoing fees and tax on the likelihood of a negative return. Investors should still ensure they are comfortable with the risks and potential losses associated with their chosen investment fund(s).

How to read an Investment profile

Risk Band	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to high	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

Updated Standard Risk Measures

Option Name	Status	2020 Risk Band	2020 Risk Label	Change
ANZ Cash Advantage	Open	2	Low	↑
ANZ Term Deposit – various terms between 3 months to 5 years	Open	2	Low	↑
Ausbil Australian Emerging Leaders	Open	6	High	↓
Bennelong Australian Equities*	Open	6	High	↓
BlackRock Scientific Australian Equity	Open	6	High	↓
Colonial First State Global Credit Income	Open	6	High	↑
Colonial First State Global Listed Infrastructure	Open	6	High	↓
Colonial First State Imputation	Open	6	High	↓
Fidelity Australian Equities	Open	6	High	↓
Greencap Broadcap	Open	6	High	↓
Investors Mutual Australian Shares	Open	6	High	↓
Magellan Global	Open	6	High	↓
Merlon Australian Share Income	Open	6	High	↓
OnePath Australian Shares	Open	6	High	↓

* Not available in ANZ OneAnswer.

Updated Standard Risk Measures (continued)

Option Name	Status	2020 Risk Band	2020 Risk Label	Change
OnePath Blue Chip Imputation	Open	6	High	↓
OnePath Capital Stable	Open	3	Low to medium	↓
OnePath Diversified Credit	Open	3	Low to medium	↓
OnePath Geared Australian Shares Index	Open	6	High	↓
OnePath Income [^]	Open	3	Low to medium	↓
OnePath Property Securities	Open	6	High	↓
OnePath Select Leaders	Open	6	High	↓
OnePath Sustainable Investments – Australian Shares	Open	6	High	↓
OptiMix Australian Fixed Interest	Open	4	Medium	↓
OptiMix Australian Shares	Open	6	High	↓
OptiMix Global Smaller Companies Shares	Open	6	High	↓
OptiMix Property Securities	Open	6	High	↓
Pendal Australian Shares	Open	6	High	↓
Pendal Monthly Income Plus	Open	4	Medium	↓
Perennial Value Shares	Open	6	High	↓
Perpetual Australian Shares	Open	6	High	↓
Perpetual Conservative Growth [#]	Open	4	Medium	↓
Perpetual Ethical SRI	Open	6	High	↓
Platinum Asia*	Open	6	High	↓
Platinum International	Open	6	High	↓
RARE Infrastructure Value*	Open	6	High	↓
Schroder Australian Equity	Open	6	High	↓
Stewart Investors WorldWide Sustainability	Open	6	High	↓
T.Rowe Price Dynamic Global Bond	Open	6	High	↑
T.Rowe Price Global Equity	Open	6	High	↓
Vanguard Australian Property Securities Index	Open	6	High	↓
Vanguard Australian Shares Index	Open	6	High	↓
Vanguard Balanced Index	Open	5	Medium to high	↓
Vanguard International Shares Index	Open	6	High	↓
Vanguard International Shares Index (Hedged)	Open	6	High	↓
Walter Scott Global Equity (Hedged)*	Open	6	High	↓
AMP Capital Equity*	Closed	6	High	↓
ANZ Capital Guaranteed [^]	Closed	3	Low to medium	↑
ANZ Flexible Term Deposit [‡]	Closed	2	Low	↑
ANZ Prime Cash Management Account [¥]	Closed	2	Low	↑
Heine Property Securities Fund [†]	Closed	6	High	↓
MLC Platinum Global ^Ω	Closed	6	High	↓
OnePath Capital Guaranteed*	Closed	3	Low to medium	↑
OnePath Cash	Closed	2	Low	↑
OnePath Guaranteed Cash*	Closed	2	Low	↑
OptiMix Enhanced Cash	Closed	2	Low	↓
SG Hiscock Property	Closed	6	High	↓

[^] Not available in OneAnswer.

[#] Irrespective of the fund name being 'Conservative', the Standard Risk Measure of the fund is 4. This means it has been estimated that the fund may have 2 to less than 3 negative annual returns over any 20 year period. We recommend that clients and their advisers take this into account when making investment decisions to ensure the investment is suitable for the investor's risk profile.

* Not available in ANZ OneAnswer.

‡ Available on ANZ & OneAnswer Investment Portfolio only.

¥ Available on ANZ & OneAnswer Pension only.

† Available on OneAnswer Investment Portfolio only.

Ω Available on OneAnswer Personal Super only.



REGULATORY

'Protecting Your Super' measures introduced from 1 July 2019

The Federal Government's 'Protecting Your Super' package came into effect on 1 July 2019. The package was designed to protect super account balances from unnecessary erosion by fees and insurance costs. The changes affected Insurance cover, fees and costs and transfer of inactive low-balance accounts to the Australian Taxation Office.

Temporary reduction of minimum pension payments

The following information is only applicable to Pension members.

In response to the economic impact of COVID-19, the Federal Government legislated for a temporary halving of the minimum amount that pension members must withdraw from their pension accounts each year. This helps pension account holders to protect their capital in a time of market volatility.

Temporary minimum pension payment rates

The temporary minimum rates noted in the table below are for the 2019–20 and 2020–21 financial years.

Member age at 1 July	TEMPORARY reduced minimum drawdown rates for 2019–20 and 2020–21 (p.a.)
Under 65	2.0%
65 to 74	2.5%
75 to 79	3.0%
80 to 84	3.5%
85 to 89	4.5%
90 to 94	5.5%
95 or more	7.0%

For Term Allocated Pension members the Government is allowing them to reduce their pension payment by half over the same periods.

Insurance in super: Voluntary Code of Practice

The Insurance in Super Code of Practice (the Code) is the superannuation industry's commitment to high standards when providing insurance to its members. The Code is intended to ensure the insurance cover super funds offer their members is affordable and meets their needs.

We are progressively adopting the Code to help you better understand and manage the insurance cover available to you through your super. Under the new standards you will have access to better information about your insurance cover through simplified disclosure, our enhanced claims service and improved member communications.

The Code will fully come into force by 20 June 2021. You can track our path to fully adopting the Code by viewing our Transition Plan and Annual Code Compliance Report, available at onepath.com.au

Budget 2019: Age based contribution limits into your super

Effective from 1 July 2020, the Federal Government has changed the age requirements for acceptance of super contributions.

What do these changes mean?

- Member contributions to be accepted regardless of working status up to age 67, previously this was age 65.
- Extending spouse contributions to age 75, previously this was age 70. This is now in line with member contributions.
- Also members do not have to attest to the Gainful Employment Test (GET) or confirm eligibility under the Work Test Exemption (WTE) when they turn 65 or 66, however they will when they turn 67 years.
- There is no change to the rules for making downsizer contributions.



GENERAL

Changes to transaction and indirect costs

Transaction and indirect costs for each investment fund offered through your product for the year ending 30 June may have changed from those that applied in the previous year. You can view the indirect costs that apply to your investment in the Fees, Deductions and Investment Returns Summary section of your Annual Statement.

Change of ownership for ANZ's Wealth business

In 2017, ANZ announced the sale of its Wealth business, which included the separate change of ownership for its superannuation and investment business and for its insurance business. In May 2019, ANZ completed a change of ownership to Zurich Financial Services Australia Limited (Zurich) for its insurance business. The ownership change of ANZ's superannuation and investment business to IOOF Holdings Limited (IOOF) occurred on 31 January 2020.

The important thing to know is that there are no changes to your account as a result of this change of ownership and products will continue to be provided by OnePath Funds Management Limited and OnePath Custodians Pty Limited.

Adviser payment arrangements

The Financial Services Royal Commission recommended that 'grandfathered' commission currently paid to financial advisers, be removed.

The Federal Government recently legislated this reform. This means all 'grandfathered' commission currently paid to financial advisers will stop being paid, no later than 31 December 2020. Products like OneAnswer Frontier are not affected by these changes as they don't pay financial adviser commission. Some financial advisers already rebate their commissions back to their clients.

Where you have an ongoing relationship with your financial adviser, and they are currently receiving a commission, we recommend you speak to them and agree the best way forward to continue to benefit from their advice and services.

If you prefer, you can also contact us directly to stop paying this commission immediately. You are not required to notify your financial adviser, in order for us to stop paying this commission.

What are 'grandfathered' commissions?

The Future of Financial Advice (FOFA) reforms in 2013, recommended changes to the way financial advisers can be paid.

Generally, prior to these changes, remuneration to advisers was paid by product providers as commission.

From 1 July 2013, the FOFA reforms changed for new accounts. Financial advisers could only be paid a 'fee for service' to provide financial advice.

These arrangements are required to be agreed between financial advisers and their clients and reviewed every two years.

The reforms allowed pre 1 July 2013 commission arrangements to remain in place and these are referred to as 'grandfathered' commissions.

SUPER AND PENSION ONLY

Your 2020 Annual Report

In line with our ongoing commitment to reduce our impact on the environment, your 2020 Annual Report will be available online in December.

For OneAnswer products, the Annual Report will be available at onepath.com.au. If you would like to receive a hard copy (free of charge) contact Customer Services on 133 665.

For ANZ OneAnswer products, the Annual Report will be available at anz.com. If you would like to receive a hard copy (free of charge) contact Customer Services on 13 38 63.

APRA Levy and Regulatory Change Expense Recovery

All Australian Prudential Regulation Authority (APRA) regulated superannuation funds are charged an APRA Levy each year to recover the general operational costs of APRA. To cover some of the costs incurred to comply with the Government's superannuation regulatory changes and consistent with the superannuation industry approach, the Trustee approved an expense recovery of 0.024% p.a. to be applied against the investments of the Fund for the 12 months to 30 June 2020. On 18 June 2020, the combined APRA Levy and Regulatory Change Expense Recovery of 0.03% p.a. was deducted from the unit price of each of your investment fund(s)*.

As an example, for a member with a balance of \$50,000, the total impact of this deduction was \$15.00. Please note, the levy and expense recovery are not charged directly from your account. They are deducted from the unit price of each of your investments on a single day in the year and will appear on your Annual Statement as 'Administration Fee (other)'.

* Excluding OnePath Capital Guaranteed (which does not have a unit price) for OneAnswer products only.

Changes to your personal circumstances and insurance

Remember to let us know when your personal circumstances change to ensure you're still insured and paying the right insurance fees for your cover.

Even if you continue to pay your insurance fees, a change in your personal circumstances, such as retiring permanently from the workforce or if you permanently depart from Australia, could mean that you're no longer covered.

To advise us of any changes to your circumstances, call Customer Services.

- For OneAnswer products, call 133 665, or
- For ANZ OneAnswer products, call 13 38 63.

Are your contact details up to date?

It's important to stay in touch with us and let us know when things change, such as when you change your address or your name.

The Australian Taxation Office (ATO) requires us to transfer some balances if we have lost touch with the member. If an account does get transferred to the ATO, we are required to close that account and stop any insurance.

To avoid losing your super, keep us updated. You can update your details through Account access (for OnePath products) or Investor access (for ANZ OneAnswer products) or by calling us.



FEEES AND COSTS OF YOUR INVESTMENT

Fees and costs are not deducted directly from your account. They are deducted from the assets of each investment fund and reflected in the unit price.

These fees and costs may include the following:

Investment fee – the cost of managing the investment fund and the underlying fund manager's Investment Management Fee (IMF). The IMF charged by the underlying fund manager includes the fees, charges and some estimated expense recoveries that relate specifically to the management of each investment fund. If a performance related fee applies then this is not included in the investment fee, but forms part of the investment fund's indirect costs.

Administration fee (other) – includes any levies and expense recoveries that have been deducted from the assets of each investment fund. This includes the recovery of the APRA levy charged to all super funds and some of the costs incurred to comply with the Government's superannuation regulatory changes.

Buy-Sell spread – an additional cost reflected in the daily unit prices of an investment fund that is not charged separately. It is used to allocate the costs of buying and selling assets in an investment fund to those investors who are transacting on that fund rather than to members who are not transacting. As your account is valued at the sell unit price, all investments into an investment fund are reduced by the buy-sell spread at the time of the investment.

Indirect costs include costs deducted from the assets of each investment fund and reflected in its unit price. These costs relate to the investment of assets within the underlying investment funds that are not recovered by the investment fund's buy-sell spread.

These indirect costs include, but are not limited to, brokerage costs, custody fees, stamp duty and bid/offer spreads. They are not investment fees but may include performance related fees charged by the underlying fund manager for outperforming their performance benchmark.

If you have any questions about the fees and costs on your statement, please contact Customer Services. For OneAnswer products call 133 665 and ANZ OneAnswer products call 13 38 63.

Key definitions:

Contributions tax

Contributions tax of 15% will apply to any personal contributions for which you claim a tax deduction or contributions made by your employer (including salary sacrifice contributions) or other contributions which have not previously been subject to tax.

We may also make allowance for tax deductions on insurance fee payments.

You can claim a tax deduction for personal contributions made in the Annual Statement period, if we received your 'Notice of intent to claim a tax deduction form' by the relevant date and the notice has been acknowledged by the Trustee.

A 15% tax rate also applies to the untaxed element of a roll-over superannuation benefit and certain foreign super fund transfers. The tax payable is shown on your Annual Statement.

Where no-TFN contributions tax is payable, it will be deducted from the withdrawal amount.

Additional tax for high income earners

An additional 15% tax may apply to certain concessional contributions if your income for surcharge purposes plus your low tax contributions for a financial year exceeds \$250,000. For further information, visit ato.gov.au or speak to your financial adviser.

Preservation status

- **Unrestricted Non-Preserved Benefit** is the amount of the withdrawal benefit at the close of the reporting period that you can access at any time.
- **Restricted Non-Preserved Benefit** is the amount of the withdrawal benefit at the close of the reporting period that you can access, if you leave an employer who has contributed to this fund on your behalf, or when preserved benefits are payable.
- **Preserved Benefit** is the amount of withdrawal benefit at the close of the reporting period required to be preserved by the Trust Deed and super legislation governing your benefits. Generally, you cannot access this amount until age 65, or once you have reached your preservation age (between age 55 and 60, depending on your date of birth) and you have met a condition of release, such as retirement.

The total of the preservation components is net of withdrawal fees and contributions tax payable on contributions that were made up to the end of the reporting period.

Super Guarantee allocation

The Super Guarantee Allocation (SG Allocation) is the amount of employee entitlement paid by the ATO representing a superannuation guarantee shortfall and any interest for the shortfall.

This amount includes the 9.5% (for 2019/20) obligation and any interest earned. The SG Allocation may appear on your Annual Statement as either an addition or deduction.

An addition is a payment from the ATO into your account and a deduction may be the correction of a payment received to your account or the recovery of an overpaid SG Allocation by the ATO. Speak to your financial adviser or contact the ATO for further details.

Government contributions

Government contributions can include the Government co-contribution and the Low Income Superannuation Tax Offset (LISTO). LISTO effectively returns the 15% contributions tax (up to \$500) on concessional (before-tax) contributions for low income earners.

The Government co-contribution helps eligible income earners boost their super through personal (after-tax) contributions. The maximum amount is \$500 and it depends on your income and how much you contribute.

The co-contribution may appear on your statement as either an addition or deduction. An addition is a payment from the ATO into your account and a deduction may be the correction of a payment received to your account or the recovery of an overpaid co-contribution by the ATO. Speak to your financial adviser or contact the ATO for further details.

FREQUENTLY ASKED QUESTIONS



1. HOW DOES A NOMINATION OF BENEFICIARY WORK?

If you have nominated a beneficiary, it will appear on your statement. A valid non-lapsing beneficiary nomination ensures that in the event of your death, your superannuation benefit will be paid in accordance with your wishes. 'Non-lapsing' means it does not expire or need to be updated, but it must meet certain requirements to be valid.

See conditions below:

- We will ordinarily pay the benefits to the nominated beneficiaries in the proportions you have specified, if these requirements are met.
- You can revoke or change your nomination anytime by calling Customer Services.
- If you marry, enter into a de facto relationship or become separated on a permanent basis your nomination will become invalid.
- For your Nomination of Beneficiary Form to be valid, you need to sign and date it in the presence of two witnesses, who are over 18 and not named as beneficiaries.

A Will does not necessarily control what happens to your super benefit upon death. Generally, if there is no valid non-lapsing beneficiary nomination in place, the Trustee will pay the benefit to your legal personal representative if your estate is solvent.

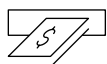
In addition, if you hold a OneAnswer Pension account, your nomination may be a reversionary pensioner and/or a non-lapsing beneficiary. You can nominate your spouse as a reversionary pensioner when you set up your pension account. In the event of your death, your pension will continue to be paid to the reversionary pensioner. A valid reversionary pensioner nomination will override a valid non-lapsing nomination. If your nominated reversionary pensioner dies before you or is no longer your spouse, the Trustee will pay your benefit in accordance of any valid non-lapsing nomination. Please note: If you have nominated a reversionary pensioner on your pension account, this cannot be removed, revoked or changed.

Super only



2. WHEN IS CONTRIBUTIONS TAX DEDUCTED FROM MY ACCOUNT?

Contributions tax will be deducted after the end of every month. As a result, the component relating to the month ending 30 June will not be deducted from your account until the next financial year. It will not appear on the current year's annual statement as a deduction. So you can review the tax for a financial year's contributions in the one statement, the tax for the final period of the financial year is shown on the next year's statement under the heading 'Payable and Received Amounts'. If you have made a withdrawal during the year, contributions tax will be deducted at the time of withdrawal.



3. WHAT IS MY WITHDRAWAL BENEFIT?

A withdrawal benefit is the sum you receive if you withdraw your super balance. Due to a legislative requirement, we must show how much your benefit would be worth on 30 June, but this does not mean you can access your super.

To withdraw your super, you must first meet a 'Condition of release' as follows:

- You are aged 65 or over.
- You have reached your preservation age and have permanently retired.
- You have reached your preservation age and started a 'transition to retirement' income stream, or
- You are permanently incapacitated.

For full details of when you can access your super, contact your financial adviser or Customer Services.

FREQUENTLY ASKED QUESTIONS (CONTINUED)

Pension only



4. WHAT IS INCLUDED IN YOUR ANNUAL STATEMENT PACK?

Annual Review Letter – outlines three important pieces of information:

1. Your total pension or annuity (income stream) payment for this financial year
2. The amount you should expect to receive per payment, and
3. The number of payments that will be made in the 2020/21 financial year.

Annual Statement – includes all transactions that have been processed on your account during the 2019/20 financial year, and your account balance as at 30 June 2020.

Payment Alteration Form – can be used to change the amount or frequency of your income stream payments, the investment fund/s from which payments are drawn or the bank details to which your payments are credited. You can also change your income payments at any time using the Pension Update Form available from our website, or by calling Customer Services. Please note, payments can only be made via electronic funds transfer (EFT) and not cheque.

Centrelink Schedule – outlines the income you will receive from your pension or annuity account for the 2020/2021 financial year. If you are applying for, or receive a means-tested Social Security entitlement, you may need to supply the information on the Schedule to Centrelink.



5. WHY IS THE CENTRELINK SCHEDULE INCLUDED IN THE ANNUAL STATEMENT PACK?

When you are assessed by Centrelink for the Age Pension, you are assessed on income and assets over a full financial year. To facilitate this, Centrelink Schedules are issued with information needed for Centrelink to perform this assessment.

Centrelink Schedules display an annualised value of income stream payments being received, shown as the Gross Annual Payment. The annualised value may not equal the actual value of payments you will receive in the financial year, especially if you have commenced your income stream account part way through the financial year or have changed the payment amounts you receive.

The amount that needs to be reported to Centrelink is the Gross Annual Payment which is the actual payments received, plus payments to be received (excluding commutations) in the financial year. Where the income stream commences part way through the year, the amount to be reported for the first year is grossed up to reflect an annual amount.

Each time you change your nominated income stream payment amount for the year, a revised Centrelink Schedule can be downloaded from our website. For further information contact your financial adviser or Centrelink.

FREQUENTLY ASKED QUESTIONS (CONTINUED)



6. HOW ARE ANNUAL PAYMENT AMOUNTS CALCULATED?

Each financial year you must receive a legislated minimum* payment from your pension or annuity account. Generally, you can choose to receive the legislated 'minimum' payment, the 'maximum' payment (if applicable) or nominate a specified amount. The minimum and maximum annual payment is recalculated each year on 1 July using your account balance and age at that date.

Please note, if you have nominated a reversionary beneficiary on your Term Allocated Pension account, their details may also be considered when calculating your annual payment amount.

If you choose to receive the minimum annual payment, we will make income stream payments from 1 July at the new minimum level. If your nominated annual payment is already higher than the new minimum, your pension or annuity payment will remain unchanged from that paid in the previous financial year, unless you have chosen to have your payments indexed.

If the income stream payments you received for the financial year do not add up to your legislated minimum payment amount, a 'catch-up' payment will be credited to your nominated bank account on or around 30 June.

*As noted earlier in this update, the minimum payments for 2019/20 and 2020/21 have been halved.

Maximum payment

For 'Transition to Retirement' (TTR) pensions, a maximum annual pension payment equal to 10% of the account balance will apply each year.

Please note, if you have a TTR pension and have reached age 65, retired on or after your preservation age or are permanently incapacitated, the funds in your pension account will no longer be subject to the maximum 10% restriction on annual pension payments.

Term Allocated Pensions

If you are invested in a Term Allocated Pension (TAP), you do not have the option to choose a payment amount[^]. The income payment is a set amount calculated by dividing your account balance as at 1 July each year by the Term Allocated Payment Factor for the remaining term.

[^] The government has made a change for 2019/20 and 2020/21 where a TAP member can halve their pension payments.

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