

PDS UPDATE – INDIRECT COSTS FOR ONEANSWER FRONTIER

PDS UPDATE | 7 DECEMBER 2018

This Product Disclosure Statement (PDS) Update amends the following documents, issued on 18 September 2017:

- OneAnswer Frontier Investment Portfolio – PDS Product Book
- OneAnswer Frontier Personal Super and Pension – Product Disclosure Statement
- OneAnswer Frontier Personal Super and Pension – Fees Guide

UPDATED INFORMATION

1. Total Ongoing Fees and Costs for each investment fund

OneAnswer Frontier Investment Portfolio – PDS Product Book page reference: 13 - 16
OneAnswer Frontier Personal Super and Pension – Fees Guide page reference: 9 - 11

Title reference: Total Ongoing Fees and Costs for each investment fund

Instructions: replace the table and footnotes under this section with the following information.

The indirect costs shown below relate to the financial year ended 30 June 2018, and may vary in the future. **It is important to remember that past costs are not a reliable indicator of future costs.**

Investment fund	Total Ongoing Fees and Costs		
	(A) Ongoing Fee (% p.a.)	(B) Indirect Costs* (% p.a.)	(C = A + B) Total Fees and Costs (% p.a.)
Multi-manager investment funds			
Investor Profile 2 – Conservative			
OnePath Conservative	0.80	0.37	1.17
OptiMix Australian Fixed Interest	0.75	0.03	0.78
OptiMix Conservative	0.90	0.36	1.26
Investor Profile 3 – Moderate			
OnePath Balanced	0.90	0.43	1.33
OptiMix Moderate	0.95	0.45	1.40
Investor Profile 4 – Growth			
OnePath Active Growth	1.10	0.46	1.56
OnePath Managed Growth	0.95	0.47	1.42
OptiMix Balanced	0.99	0.48	1.47
OptiMix Growth	1.00	0.41	1.41
Investor Profile 5 – High growth			
Property			
OptiMix Property Securities	0.90	0.02	0.92
Australian shares			
OptiMix Australian Shares	1.00	0.11	1.11
Global shares			
OptiMix Global Emerging Markets Shares	1.50	0.22	1.72
OptiMix Global Shares	1.20	0.06	1.26
OptiMix Global Smaller Companies Shares	1.55	0.14	1.69
Multi-sector			
OnePath High Growth	1.05	0.30	1.35
OptiMix High Growth	1.10	0.31	1.41

Total Ongoing Fees and Costs			
Investment fund	(A) Ongoing Fee (% p.a.)	(B) Indirect Costs* (% p.a.)	(C = A + B) Total Fees and Costs (% p.a.)
Single manager investment funds			
Investor Profile 1 – Defensive			
ANZ Cash Advantage	Nil	Nil	Nil
ANZ Prime Cash Management Account (Personal Super & Pension)	Nil	Nil	Nil
ANZ Term Deposits	Nil	Nil	Nil
Investor Profile 2 – Conservative			
BT Monthly Income Plus [^]	0.85	0.22	1.07
Kapstream Absolute Return Income	0.90	0.09	0.99
OnePath Diversified Fixed Interest	0.75	0.26	1.01
Perpetual Conservative Growth	1.15	0.16	1.31
Schroder Fixed Income	0.85	0.13	0.98
UBS Diversified Fixed Income	0.98	0.10	1.08
Vanguard Conservative Index	0.70	0.05	0.75
Vanguard Diversified Bond Index	0.70	0.05	0.75
Investor Profile 3 – Moderate			
Colonial First State Global Credit Income	0.65	0.00	0.65
Janus Henderson Global Fixed Interest Total Return	1.20	0.41	1.61
Schroder Real Return	1.00	0.16	1.16
T. Rowe Price Dynamic Global Bond	0.82	0.73	1.55
UBS Defensive	1.15	0.14	1.29
Vanguard Balanced Index	0.80	0.05	0.85
Investor Profile 4 – Growth			
Bentham Global Income	1.30	0.00	1.30
BlackRock Balanced	1.25	0.80	2.05
BlackRock Scientific Diversified Growth	1.15	0.55	1.70
OnePath Alternatives Growth [#]	1.30	1.38	2.68
OnePath Diversified High Yield	0.90	0.21	1.11
OnePath Tax Effective Income (Personal Super & Pension)	1.00	0.09	1.09
OnePath Tax Effective Income (Investment Portfolio only)	1.00	0.10	1.10
Perpetual Balanced Growth	1.20	0.23	1.43
Schroder Balanced	1.25	0.21	1.46
UBS Balanced	1.25	0.16	1.41
Vanguard Growth Index	0.80	0.04	0.84

	Total Ongoing Fees and Costs		
Investment fund	(A) Ongoing Fee (% p.a.)	(B) Indirect Costs* (% p.a.)	(C = A + B) Total Fees and Costs (% p.a.)
Single manager investment funds (continued)			
Investor Profile 5 – High growth			
Property			
OnePath Global Property Securities Index	0.78	0.03	0.81
OnePath Property Securities	1.00	0.03	1.03
Vanguard Australian Property Securities Index	0.75	0.00	0.75
Australian shares			
Ausbil Australian Emerging Leaders [#]	1.25	0.17	1.42
Bennelong Australian Equities	0.97	0.25	1.22
BlackRock Scientific Australian Equity	1.00	0.08	1.08
BT Core Australian Shares	1.00	0.00	1.00
BT Smaller Companies	1.32	0.30	1.62
Colonial First State Imputation	1.00	0.25	1.25
Fidelity Australian Equities	1.05	0.03	1.08
Greencape Broadcap [#]	1.15	0.43	1.58
Investors Mutual Australian Shares	1.20	0.04	1.24
Janus Henderson Australian Equity	1.15	0.04	1.19
Merlon Australian Share Income	1.16	0.41	1.57
Nikko AM Australian Shares	1.00	0.29	1.29
OnePath Australian Shares	1.00	0.09	1.09
OnePath Blue Chip Imputation ^{**}	1.05	0.05	1.10
OnePath Emerging Companies	1.05	0.12	1.17
OnePath Geared Australian Shares Index [‡]	1.65	0.06	1.71
OnePath Select Leaders	1.00	0.03	1.03
OnePath Sustainable Investments – Australian Shares	1.00	0.02	1.02
Perennial Value Shares	1.00	0.13	1.13
Perpetual Australian Shares	1.25	0.14	1.39
Perpetual Ethical SRI [^]	1.40	0.24	1.64
Schroder Australian Equity	1.00	0.07	1.07
Vanguard Australian Shares Index	0.70	0.00	0.70

Total Ongoing Fees and Costs			
Investment fund	(A) Ongoing Fee (% p.a.)	(B) Indirect Costs* (% p.a.)	(C = A + B) Total Fees and Costs (% p.a.)
Single manager investment funds (continued)			
Investor Profile 5 – High growth (continued)			
Global shares			
Altrinsic Global Equities	1.37	0.04	1.41
Antipodes Global (Long only) ^{#^}	1.28	0.56	1.84
Arrowstreet Global Equity (Hedged)	1.28	0.39	1.67
BlackRock Scientific International Equity	1.30	0.09	1.39
BT Core Hedged Global Shares [^]	1.20	0.20	1.40
Magellan Global [#]	1.65	0.20	1.85
MFS Global Equity	1.20	0.00	1.20
OnePath Global Emerging Markets Shares	1.25	0.01	1.26
OnePath Global Shares	1.15	0.03	1.18
Platinum Asia	1.98	0.31	2.29
Platinum International	1.80	0.06	1.86
Stewart Investors WorldWide Sustainability [^]	1.45	0.07	1.52
T. Rowe Price Global Equity	1.40	0.03	1.43
Vanguard International Shares Index	0.78	0.00	0.78
Vanguard International Shares Index (Hedged)	0.78	0.00	0.78
Walter Scott Global Equity (Hedged)	1.43	0.08	1.51
Multi-sector			
Vanguard High Growth Index	0.85	0.04	0.89
Infrastructure			
Colonial First State Global Listed Infrastructure	1.25	0.22	1.47
RARE Infrastructure Value [#]	1.40	0.36	1.76
Following closed investment options are applicable for Personal Super and Pension only			
MoneyForLife Index Conservative	0.75	0.02	0.77
MoneyForLife Index Balanced	0.85	0.03	0.88
MoneyForLife Index Moderate	0.80	0.02	0.82

* These indirect costs are based on actual costs incurred for the 12 months ended 30 June 2018. In certain circumstances these have been calculated using assumptions and estimates.

A performance related fee may be payable in relation to this investment fund and where payable in the year to 30 June 2018 this has been included above. Please refer to 'Performance related fees' in this update.

[^] During the financial year ended 30 June 2018, there was an asset transition resulting from a change of underlying fund. This transition resulted in extraordinary transaction costs which are included above but are not expected to be included in future years.

‡ This is the Ongoing Fee charged on the net assets of the investment fund. Assuming a gearing ratio of 50%, this would represent an Ongoing Fee on gross assets of 0.825% p.a.

** For example, for every \$1,000 invested in OnePath Blue Chip Imputation, an Ongoing Fee of \$10.50 will be charged each year. This example is for illustrative purposes only.

2. Fees and costs table

OneAnswer Frontier Personal Super and Pension – Product Disclosure Statement page reference: 5
OneAnswer Frontier Personal Super and Pension – Fees Guide page reference: 4

Reference: row labelled 'Administration fee'

Instructions: replace the **Administration fee** row with the following information.

Type of fee	Amount	How and when paid
Administration fee	<p>A Member Fee applies to accounts with balances* under \$50,000:</p> <ul style="list-style-type: none"> • Personal Super – \$135.29 p.a. • Pension – \$115 p.a. (\$135.29 p.a. for TTR Pension) <p>Plus: Levies and expense recoveries** – 0.043% p.a. for the 12 months to 30 June 2018. Estimated to be up to 0.08% p.a. for the 12 months to 30 June 2019.</p>	<p>The Member Fee is deducted from your account balance annually on or about the anniversary of your account.</p> <p>Levies and expense recoveries are deducted from the assets of each investment fund annually and included in the unit price.</p>

* Based on an account balance excluding amounts invested in ANZ Term Deposits, ANZ Cash Advantage and ANZ Prime Cash Management Account (ANZ Prime CMA).

** Excludes amounts invested in ANZ Term Deposits, ANZ Cash Advantage and ANZ Prime CMA.

OneAnswer Frontier Personal Super and Pension – Product Disclosure Statement page reference: 5

Reference: row labelled 'Indirect cost ratio'

Instructions: replace the **Indirect cost ratio** row with the following information.

Type of fee	Amount	How and when paid
Indirect cost ratio	<p>0.04% p.a.</p> <p>Note: the indirect cost ratio amount set out above relates to the 12 months to 30 June 2018 and may vary in the future.</p>	<p>Indirect costs are variable and are deducted from the underlying assets of the investment option as and when they are incurred. These indirect costs are not an additional fee. Rather they are reflected in the returns payable from the underlying investments and as such are included in the unit price.</p>

OneAnswer Frontier Investment Portfolio – PDS Product Book page reference: 12

Title reference: Management Costs

OneAnswer Frontier Personal Super and Pension – Fees Guide page reference: 4

Title reference: row labelled 'Indirect cost ratio'

Instructions: replace the **Indirect costs** section with the following information.

Amount	How and when paid
<p>Indirect costs – Between 0% and 1.38% p.a. of the amount invested in each investment fund.</p> <p>Indirect costs for some investment funds include performance related fees which range from 0% to 1.05% p.a. depending on the investment fund.</p> <p>Note: The indirect cost amounts set out above are based on the indirect costs for the 12 months to 30 June 2018.</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. 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 are deducted from the underlying assets of the investment fund when due and payable.</p>

3. Example of annual fees and costs

OneAnswer Frontier Personal Super and Pension – Product Disclosure Statement page reference: 6

Title reference: Example of annual fees and costs

Instructions: replace the example table and footnotes with the following information.

Example – Vanguard® Growth Index fund		Balance of \$50,000
Investment fee	0.80% p.a.	For every \$50,000 you have in the superannuation product, you will be charged \$400 each year.
PLUS Administration fees	0.043% p.a.*	And, you will be charged \$22 each year in administration fees.
PLUS Indirect costs for the superannuation product	0.04% p.a.	And, indirect costs of \$20 each year will be deducted from your investment.
EQUALS Cost of product		If your balance was \$50,000, then for that year you will be charged fees of \$442 for the superannuation product**.

* Figures based on the actual amount deducted for the 12 months to 30 June 2018. This amount is estimated to be up to 0.08% p.a. for the 12 months to 30 June 2019.

** Additional fees may apply. And, if you leave the superannuation entity early, you may also be charged an exit fee of \$60 and a buy-sell spread which also applies whenever you make a contribution, exit, rollover or investment switch. The buy spread for the Vanguard Growth Index fund 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.

Note: The Example above is illustrative only. There is a calculator provided by ASIC on its MoneySmart website which can be used to calculate the effect of fees and costs on account balances. Go to moneysmart.gov.au

OneAnswer Frontier Investment Portfolio – PDS Product Book page reference: 20

Title reference: Example of annual fees and costs for a balanced investment option

Instructions: replace the example table and footnotes with the following information.

Example – Vanguard® Growth Index fund		Balance of \$50,000 with total contributions of \$5,000 during the year
Contribution fees	Nil	Not applicable
PLUS Management costs	0.80% p.a. ongoing fee Plus 0.04% p.a. indirect costs Plus 0.04% p.a. expense recovery**	And, for every \$50,000 you have in the balanced investment option you will be charged \$440 each year.
EQUALS Cost of balanced investment option		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000* during that year, you will be charged fees of \$440#. What it costs you will depend on the investment option you choose and the fees you negotiate.

** Figures based on the actual amount deducted for the 12 months to 30 June 2018. This amount is estimated to be up to 0.04% p.a. for the 12 months to 30 June 2019.

* You may also incur a buy-sell spread when your money moves in or out of an investment fund. Please refer to Buy-sell spreads on page 17 of the Product Book. And, if you close your account you may also be charged an Exit Fee of \$60.

We have assumed a constant value during the year. In addition, the calculation of the management costs in the example does not take into account the additional contribution of \$5,000.

4. Transaction Costs for each investment fund

OneAnswer Frontier Investment Portfolio – PDS Product Book page reference: 21 - 24
OneAnswer Frontier Personal Super and Pension – Fees Guide page reference: 14 - 17

Title reference: Transaction Costs for each investment fund
Instructions: replace the table and footnotes with the following information.

These transaction costs shown below relate to the financial year ending 30 June 2018, and may vary in the future.

It is important to remember that past costs are not a reliable indicator of future costs.

Investment fund	Transaction Costs		
	(D) Gross costs (% p.a.)	(E) Costs recovered from buy-sell spread (% p.a.)	(F=D-E) Costs affecting returns (% p.a.)
Multi-manager investment funds			
Investor Profile 2 – Conservative			
OnePath Conservative	0.38	0.01	0.37
OptiMix Australian Fixed Interest	0.05	0.02	0.03
OptiMix Conservative	0.37	0.01	0.36
Investor Profile 3 – Moderate			
OnePath Balanced	0.44	0.01	0.43
OptiMix Moderate	0.46	0.01	0.45
Investor Profile 4 – Growth			
OnePath Active Growth	0.48	0.02	0.46
OnePath Managed Growth	0.48	0.01	0.47
OptiMix Balanced	0.49	0.01	0.48
OptiMix Growth	0.42	0.01	0.41
Investor Profile 5 – High growth			
Property			
OptiMix Property Securities	0.06	0.04	0.02
Australian shares			
OptiMix Australian Shares	0.14	0.03	0.11
Global shares			
OptiMix Global Emerging Markets Shares	0.31	0.09	0.22
OptiMix Global Shares	0.10	0.04	0.06
OptiMix Global Smaller Companies Shares	0.22	0.08	0.14
Multi-sector			
OnePath High Growth	0.32	0.02	0.30
OptiMix High Growth	0.33	0.02	0.31

Investment fund	Transaction Costs		
	(D) Gross costs (% p.a.)	(E) Costs recovered from buy-sell spread (% p.a.)	(F=D-E) Costs affecting returns (% p.a.)
Single manager investment funds			
Investor Profile 1 – Defensive			
ANZ Cash Advantage	Nil	Nil	Nil
ANZ Prime Cash Management Account (Pension)	Nil	Nil	Nil
ANZ Term Deposits	Nil	Nil	Nil
Investor Profile 2 – Conservative			
BT Monthly Income Plus	0.25	0.03	0.22
Kapstream Absolute Return Income	0.09	0.00	0.09
OnePath Diversified Fixed Interest	0.27	0.01	0.26
Perpetual Conservative Growth	0.18	0.02	0.16
Schroder Fixed Income	0.16	0.03	0.13
UBS Diversified Fixed Income	0.12	0.02	0.10
Vanguard Conservative Index	0.06	0.01	0.05
Vanguard Diversified Bond Index	0.07	0.02	0.05
Investor Profile 3 – Moderate			
Colonial First State Global Credit Income	0.04	0.04	0.00
Janus Henderson Global Fixed Interest Total Return	0.50	0.09	0.41
Schroder Real Return	0.19	0.03	0.16
T. Rowe Price Dynamic Global Bond	1.41	0.68	0.73
UBS Defensive	0.17	0.03	0.14
Vanguard Balanced Index	0.06	0.01	0.05
Investor Profile 4 – Growth			
Bentham Global Income	0.08	0.08	0.00
BlackRock Balanced	0.84	0.04	0.80
BlackRock Scientific Diversified Growth	0.58	0.03	0.55
OnePath Alternatives Growth	0.39	0.06	0.33
OnePath Diversified High Yield	0.22	0.01	0.21
OnePath Tax Effective Income (Personal Super & Pension)	0.10	0.01	0.09
OnePath Tax Effective Income (Investment Portfolio only)	0.10	0.00	0.10
Perpetual Balanced Growth	0.24	0.01	0.23
Schroder Balanced	0.23	0.02	0.21
UBS Balanced	0.17	0.01	0.16
Vanguard Growth Index	0.05	0.01	0.04

Investment fund	Transaction Costs		
	(D) Gross costs (% p.a.)	(E) Costs recovered from buy-sell spread (% p.a.)	(F=D-E) Costs affecting returns (% p.a.)
Single manager investment funds (continued)			
Investor Profile 5 – High growth			
Property			
OnePath Global Property Securities Index	0.07	0.04	0.03
OnePath Property Securities	0.06	0.03	0.03
Vanguard Australian Property Securities Index	0.02	0.02	0.00
Australian shares			
Ausbil Australian Emerging Leaders	0.21	0.04	0.17
Bennelong Australian Equities	0.27	0.02	0.25
BlackRock Scientific Australian Equity	0.14	0.06	0.08
BT Core Australian Shares	0.04	0.04	0.00
BT Smaller Companies	0.33	0.03	0.30
Colonial First State Imputation	0.30	0.05	0.25
Fidelity Australian Equities	0.06	0.03	0.03
Greencape Broadcap	0.70	0.57	0.13
Investors Mutual Australian Shares	0.08	0.04	0.04
Janus Henderson Australian Equity	0.09	0.05	0.04
Merlon Australian Share Income	0.42	0.01	0.41
Nikko AM Australian Shares	1.26	0.97	0.29
OnePath Australian Shares	0.11	0.02	0.09
OnePath Blue Chip Imputation	0.07	0.02	0.05
OnePath Emerging Companies	0.17	0.05	0.12
OnePath Geared Australian Shares Index	0.14	0.08	0.06
OnePath Select Leaders	0.20	0.17	0.03
OnePath Sustainable Investments – Australian Shares	0.05	0.03	0.02
Perennial Value Shares	0.17	0.04	0.13
Perpetual Australian Shares	0.17	0.03	0.14
Perpetual Ethical SRI	0.37	0.13	0.24
Schroder Australian Equity	0.10	0.03	0.07
Vanguard Australian Shares Index	0.00	0.00	0.00

Investment fund	Transaction Costs		
	(D) Gross costs (% p.a.)	(E) Costs recovered from buy-sell spread (% p.a.)	(F=D-E) Costs affecting returns (% p.a.)
Single manager investment funds (continued)			
Investor Profile 5 – High growth (continued)			
Global shares			
Altrinsic Global Equities	0.08	0.04	0.04
Antipodes Global (Long only)	0.64	0.10	0.54
Arrowstreet Global Equity (Hedged)	0.41	0.02	0.39
BlackRock Scientific International Equity	0.13	0.04	0.09
BT Core Hedged Global Shares	0.21	0.01	0.20
Magellan Global	0.00	0.00	0.00
MFS Global Equity	0.02	0.02	0.00
OnePath Global Emerging Markets Shares	0.09	0.08	0.01
OnePath Global Shares	0.06	0.03	0.03
Platinum Asia	0.35	0.04	0.31
Platinum International	0.09	0.03	0.06
Stewart Investors WorldWide Sustainability	0.17	0.10	0.07
T. Rowe Price Global Equity	0.09	0.06	0.03
Vanguard International Shares Index	0.01	0.01	0.00
Vanguard International Shares Index (Hedged)	0.01	0.01	0.00
Walter Scott Global Equity (Hedged)	0.11	0.03	0.08
Multi-sector			
Vanguard High Growth Index	0.05	0.01	0.04
Infrastructure			
Colonial First State Global Listed Infrastructure	1.06	0.84	0.22
RARE Infrastructure Value	0.37	0.01	0.36
Following closed investment options are applicable for Personal Super and Pension only			
MoneyForLife Index Conservative	0.03	0.01	0.02
MoneyForLife Index Balanced	0.04	0.01	0.03
MoneyForLife Index Moderate	0.03	0.01	0.02

5. Performance related fees

OneAnswer Frontier Investment Portfolio – PDS Product Book page reference: 18

OneAnswer Frontier Personal Super and Pension – Fees Guide page reference: 8

Title reference: Performance related fees

Instructions: replace the table and footnotes with the following information.

The investment options with performance related fees and their relevant benchmarks for the 12 months to 30 June 2018 are noted in the following table.

Benchmark	Performance fee [‡]	Performance related fee [^] % p.a.
Antipodes Global (Long only)		
MSCI All Country World Net Index in AUD.	15% of outperformance above the benchmark.	0.02
Ausbil Australian Emerging Leaders		
70% S&P/ASX Midcap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index.	15.375% of outperformance above the benchmark plus 0.85% p.a. [†]	0.00
Greencape Broadcap		
S&P/ASX 300 Accumulation Index	15% of outperformance above the benchmark.	0.30
Magellan Global		
Dual Hurdle of the MSCI World Net Total Return (AUD) ("Index Relative Hurdle") and the yield of 10-year Australian Government Bonds ("Absolute Return Hurdle").	10% of the excess return above the higher of the Index Relative Hurdle and the Absolute Return Hurdle over each 6 monthly period ending 31 December and 30 June, subject to the High Water Mark being met for the relevant period.	0.20
OnePath Alternatives Growth		1.05[#]
For the underlying funds*:		
• GMO Systematic Global Macro fund the benchmark is the Bloomberg AusBond Bank Bill Index.	20.111% of outperformance above the benchmark.	2.27
• Man AHL Alpha fund the performance fee is not linked to a benchmark index.	25% of the increase in net asset value over the previous highest closing net asset value subject to a High Water Mark.	1.27
RARE Infrastructure Value		
An accumulation index comprising the OECD G7 Inflation Index plus 5.5% p.a.	10.25% of the investment returns made in excess of the benchmark, subject to a High Water Mark. [§]	0.00

‡ For example, for every \$1,000 you invested in the Magellan Global fund, a \$2.00 performance fee would have been charged for the year ending 30 June 2018. This example is illustrative only.

[^] The performance-related fees are for the 12 months to 30 June 2018 (**past costs are not a reliable indicator of future costs**). The performance fee payable may differ from year to year.

[†] If a period of underperformance to the benchmark occurs, the performance related fee accrued is frozen at its current level and further performance-related fees do not start accruing again until the full amount of underperformance is recouped.

[#] The estimated performance-related fee for OnePath Alternatives Growth is 1.05% p.a., based on the weighted average of the estimated performance-related fees of the underlying investments.

* The other underlying funds are not listed here as they do not charge a performance related fee.

[§] The total performance related fees will not exceed 0.30% of the average of the daily net asset value of the fund in any financial year.

6. Borrowing costs

OneAnswer Frontier Investment Portfolio – PDS Product Book page reference: 19
OneAnswer Frontier Personal Super and Pension – Fees Guide page reference: 12

Title reference: Borrowing costs

Instructions: replace amounts under 'Borrowing costs' with the following information.

The borrowing costs for the following investment funds, for the 12 months to 30 June 2018 were:

- OnePath Alternatives Growth* – 0.05% p.a.
- BlackRock Balanced – 0.04% p.a.
- BlackRock Scientific Diversified Growth – 0.03% p.a.
- OnePath Geared Australian Shares Index – 2.79% p.a.

* Based on an allocation of 33% to the Fulcrum Diversified Absolute Return Fund.

7. Levies and expense recoveries

OneAnswer Frontier Investment Portfolio – PDS Product Book page reference: 12

Reference: footnote marked '^' relating to 'Management costs'

Instructions: replace the footnote with the following information.

In addition to the Management Costs, we are entitled to recover costs incurred in the performance of our duties as responsible entity of the relevant investment fund and in the administration and management of the investment fund. These reimbursable expenses include charges, fees, expenses, commissions, liabilities and losses associated with the investment fund. An expense recovery may be charged to recover various costs incurred by the investment funds to implement government regulatory reforms. Where this is charged we expect it to be charged on one day during the financial year. During the 12 months to 30 June 2018, we charged an expense recovery of up to 0.04% p.a. We estimate that up to 0.04% p.a. will be recovered for the 12 months to 30 June 2019.

OneAnswer Frontier Personal Super and Pension – Fees Guide page reference: 6

Title reference: Levies and expense recoveries

Instructions: the following provides updated information.

The Australian Prudential Regulation Authority (APRA) levy for each investment option for the 12 months to 30 June 2018 was 0.006% p.a. (excluding investments in ANZ Term Deposits, ANZ Cash Advantage and ANZ Prime CMA which were 0%) and is estimated to be up to 0.01% p.a. for the 12 months to 30 June 2019 (excluding investments in ANZ Term Deposits, ANZ Cash Advantage and ANZ Prime CMA which will be 0%).

The expense recovery for the 12 months to 30 June 2018 for each investment option was 0.037% p.a. (excluding investments in ANZ Term Deposits, ANZ Cash Advantage and ANZ Prime CMA which were 0%) and are estimated to be up to 0.07% p.a. for the 12 months to 30 June 2019 (excluding investments in ANZ Term Deposits, ANZ Cash Advantage and ANZ Prime CMA which will be 0%).

The total levies and expense recoveries are estimated to be up to 0.08% p.a. for each investment option (excluding investments in ANZ Term Deposits, ANZ Cash Advantage and ANZ Prime CMA, which will be 0%).

Any questions?

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

- call Customer Services on 133 665, weekdays between 8.30am to 6.30pm (AEST)
- speak with your financial adviser.

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