

ANZ SMART CHOICE SUPER AND PENSION

PRODUCT DISCLOSURE STATEMENT
ISSUED 17 MARCH 2018



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ENTITY DETAILS IN THIS ANZ SMART CHOICE SUPER AND PENSION 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

Unique Superannuation Identifier (USI): ANZ Smart Choice Pension – MMF2077AU

Contact details

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

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

Email anzsmartchoice@anz.com

This Product Disclosure Statement (PDS) is issued by OnePath Custodians and contains a summary of significant information about ANZ Smart Choice Super and Pension. It contains a number of references to important information contained in the ANZ Smart Choice Super and Pension Additional Information Guide (AIG) (Incorporated Material) which forms part of this PDS.

The AIG (Referenced Material) contains further information that does not form part of this PDS. You should consider the PDS and AIG before making a decision about ANZ Smart Choice Super and Pension.

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-super>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.

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-super>Downloads or you can obtain a paper copy of the changes free of charge by contacting Customer Services.

1. ABOUT ANZ SMART CHOICE SUPER AND PENSION

ANZ Smart Choice Super and Pension is the 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.

ANZ Smart Choice Super and Pension consists of the following account types, designed to suit your stage in life:

- ANZ Smart Choice Super – for when you're working;
- ANZ Smart Choice Pension – a pension account for when you have retired or have met another condition of release, and want to draw an income from your super.

ANZ Smart Choice Super and Pension 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 and AIG, 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 and Pension, you become a member of the Fund. The Trustee invests all contributions under master life policy terms issued by OnePath Life which then invests in selected investment funds. The master life policy terms are governed by the *Life Insurance Act 1995* (Cth).

You can find the following information online:

- The product dashboard for each investment option (will be made available from the date required by legislation) at anz.com/smartchoice
- The Trustee and executive remuneration disclosure for the Fund and any other transparency information which must be

disclosed in accordance with superannuation law, at 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-super>Downloads or contacting Customer Services on 13 12 87. The material relating to 'How super works' may change between the time you read this Statement and the day when you acquire the product.

3. BENEFITS OF INVESTING WITH ANZ SMART CHOICE SUPER AND PENSION

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 – managing your super has never been so easy.
- **One fund for life.** You can take your ANZ Smart Choice Super account from job to job and avoid paying multiple fees. Then when ready, you can move into retirement with an ANZ Smart Choice Pension account.
- **Bring all your money into the one fund†.** We'll help track down and bring together all your super accounts using the ATO SuperMatch service – including any you've lost along the way.

* Temporary service disruptions may occur.

† Before consolidating your super accounts, there are important things you need to consider detailed on page 8 of the AIG.

LOW FEES, NO HIDDEN CHARGES AND NO COMMISSIONS

Save money with low fees. ANZ Smart Choice Super and Pension's fees are low and simple to understand with no commissions payable to financial planners (also referred to as financial advisers). Rest easy knowing you now have more of your money working for you.

WITH SMART INVESTMENTS AND INSURANCE, THE CHOICE IS YOURS

- **Smart investments** – designed to suit no matter where you are in life, the Lifestage option selects a mix of investments based on your age and adjusts them as you get older. Your super 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, low cost options – designed to provide different levels of risk and potential returns.

- **Smart insurance** – Enjoy the peace of mind knowing that should the unexpected happen to you, your family is protected.

With ANZ Smart Choice Super, you have flexible insurance options:

Lifestage cover – when you open a super account, you receive automatic Death cover and have the option to add Total and Permanent Disability (TPD) cover.* Your Lifestage cover is based on your age, with cover increasing for when you're likely to have greater commitments and lowering when you're less likely to. This cover is subject to eligibility and excludes pre-existing medical conditions.

Choose Your Own cover – is more specific to your needs as it allows you to apply for a fixed level of Death or Death and TPD and/or Income Protection cover. You may also be able to transfer cover you have with another super fund as Choose Your Own cover (subject to the Insurer's approval).

What's more, because all your Insurance fees are deducted from your super account, they are generally tax effective and have no impact on your take home pay.

For information on insurance in pension, refer to page 13.

- * If you wish to modify your cover, including removing your automatic Death cover or adding optional TPD cover, you can do so via ANZ Internet Banking or by calling 13 12 87 the day after your account is opened.

FIND OUT MORE

You should read the important information about 'Benefits of investing with ANZ Smart Choice Super and Pension' before making a decision. Go to the section 'Benefits of investing with ANZ Smart Choice Super and Pension' in the AIG by visiting wealth.anz.com/superannuation/smart-choice-super>Downloads or contacting Customer Services on 13 12 87. The material relating to 'Benefits of investing with ANZ Smart Choice Super and Pension' 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 strategy. For instance, assets with the highest 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, 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 to 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 and Pension 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 and pension 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-super>Downloads or contacting Customer Services on 13 12 87. The material relating to 'Risks of super' may change between the time you read this Statement and the day when you acquire the product.

5. HOW WE INVEST YOUR MONEY

When you join ANZ Smart Choice Super and Pension you are automatically invested in the Lifestage investment option based on your decade of birth. You can choose to leave your super investment within the Lifestage investment option, or you can select your own investment mix from the Choose Your Own options. The choice is yours.

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 and Pension 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, with plenty of time to ride out any dips in 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. 5

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

Lifestage investment options			
For ANZ Smart Choice Super:			
• 1940s	• 1950s	• 1960s	• 1970s
• 1980s	• 1990s	• 2000s	
For ANZ Smart Choice Pension:			
• 1940s	• 1950s	• 1960s	

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 19–22 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 page 18 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 Super and 1960s Pension which commenced 18 February 2017).

- * The ranges provide for the ability to adjust the allocations and will change over time as the Lifestage option becomes more conservative (except for the 1940s option).
- † 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 market, low volatility and/or global small cap securities.
- †† This refers to the amount of time we expect it will take to meet the investment return objective as outlined above.
- ^ Please note that this percentage will vary over time as the investment option becomes more conservative.

CHOOSE YOUR OWN INVESTMENT MIX

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

Choose Your Own investment mix

Multi-asset class options	Single-asset class options
<ul style="list-style-type: none"> • Conservative • Moderate • Growth 	<ul style="list-style-type: none"> • Cash • Australian Fixed Interest • Global Fixed Interest • Global Property • Australian Equities • International Equities (Hedged) • International Equities (Unhedged)

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 19–27. 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 and Pension. 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-super > Downloads or contacting Customer Services on 13 12 87. The material relating to 'How we invest your money' may change between the time you read this Statement and the day when you acquire the product.

6. FEES AND COSTS

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

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

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

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 fee calculator to help you check out different fee options.

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

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 Administration fee, Insurance fee or Member Advice Fee (where applicable), the benefit of this tax deduction will be passed on to you in the form of a reduced fee or cost.

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 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 and Pension

Type of fee	Amount	How and when paid
Investment fee	0.50% p.a. of your balance in each investment option (except for ANZ Smart Choice Cash which is 0%).	This fee is deducted monthly from the assets of each investment option and an accrued amount is included in the unit price.
Administration fee*	\$50 p.a. (\$4.16 per month) Plus 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.	The dollar based fee is usually deducted in advance from your account at the beginning of each month. Levies and expense recoveries are deducted from the assets of each investment option annually and included in the unit price.

ANZ Smart Choice Super and Pension		
Type of fee	Amount	How and when paid
Buy-sell spread	0% to 0.10% of each amount invested in (buy spread) or withdrawn from (sell spread) an investment option, depending on the investment option.	A Buy-sell spread is reflected in the daily unit prices for an investment option and is not charged separately to you. As your account is valued using the sell unit price, each investment into an investment option will also be reduced by approximately this amount at the time of the transaction.
Switching fee [†]	Nil	Not applicable.
Exit fee [^]	Nil	Not applicable.
Advice fees relating to all members investing in a particular 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 for Lifestage or Choose Your Own cover will apply if you have insurance cover. Refer to the section 'Insurance in your super' in the AIG for details of the Insurance fees applicable to you.</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 for Lifestage and Choose Your Own cover are calculated daily and deducted monthly in advance from your account.</p>
Indirect cost ratio	<p>Indirect costs estimated to be between 0% and 0.05% p.a. depending on the investment option.</p> <p>Note: The indirect cost ratio amounts set out above are for the 12 months to 30 June 2017.</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>

The fees set out in this table are not negotiable (except the Member Advice Fee which is generally negotiable with your financial planner).

* 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.

^ Although no Exit fee applies, we reserve the right to charge an Exit fee in the future.

Refer to the 'Additional explanation of fees and costs' section of the AIG for details of other fees and costs which may apply including Insurance fees and Member Advice Fees.

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

EXAMPLE OF ANNUAL FEES AND COSTS

This table gives an example of how the fees and costs for the ANZ Smart Choice 1970s 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 1970s Lifestage investment option		BALANCE of \$50,000
Investment fees	0.50% p.a.	For every \$50, 000 you have in the superannuation product you will be charged \$250 each year.
PLUS: Administration fees	\$50 p.a. Plus, 0.03%* p.a.	And, you will be charged \$65 each year 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	\$330	If your balance was \$50,000, then for that year you will be charged fees of \$330 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.

** Additional fees may apply. There is currently no contribution fee or exit 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 a Buy-sell spread which applies whenever you make a contribution, exit, rollover or investment switch. The buy spread for the ANZ Smart Choice 1970s Lifestage investment option is currently 0.03%, the sell spread is also 0.03%. On \$50,000, the total Buy-sell spread cost of 0.06% is equal to \$30. The Buy-sell spread for each investment option is set out in the investment option profiles on pages 19–27 of the AIG.

CHANGES TO FEES AND COSTS

The fees and costs are current at the time of issuing this PDS. We may change fees and costs without your consent from time to time. We will provide you with at least 30 days advance notice of any fee increase.

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 page 30 of the AIG for more information.

DEFINED FEES

You can find definitions of fees referred to in this section on page 29 of the AIG available at wealth.anz.com/superannuation/smart-choice-super>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 0.10% 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 on pages 19–27 of the AIG.

For example, for every \$1,000 that you invest in the ANZ Smart Choice 1970s 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 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 AIG by visiting wealth.anz.com/superannuation/smart-choice-super > Downloads or contacting Customer Services on 13 12 87. 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 quarterly or monthly 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 concessionally taxed 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 13 12 87
2. Sending us an email at anzsmartchoice@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 13 12 87.

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-super > Downloads or contacting Customer Services on 13 12 87. The material relating to 'How super is taxed' may change between the time you read this Statement and the day 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 36 of the AIG. Updated information is available from anz.com/superinsights

8. INSURANCE IN YOUR SUPER

COVER THROUGH ANZ SMART CHOICE SUPER

Enjoy peace of mind knowing that should the unexpected happen, your family is protected. When you open an account you receive automatic Death Cover (including terminal illness) and optional Total and Permanent Disability (TPD) cover.* This cover ranges from \$35,000 to \$300,000 and is based on your age, with cover increasing for when you're likely to have greater commitments and lowering when you're less likely to. We call this Lifestage Cover.

Alternatively, you can apply for your own level of Death or Death and TPD cover. You also have the option to apply for Income Protection cover. We call this cover Choose Your Own cover. Applications for Choose Your Own cover are assessed by the Insurer for approval.

Please note TPD cover can only be held in conjunction with Death cover.

See pages 37–61 of the AIG for more information about insurance cover. In the event of any inconsistency between this PDS (including AIG) and the insurance policies, the terms of the insurance policies will prevail.

* If you wish to modify your cover, including removing your automatic Death cover or adding optional TPD cover, you can do so via ANZ Internet Banking or by calling 13 12 87 the day after your account is opened.

COVER THROUGH ANZ SMART CHOICE PENSION

Subject to eligibility, when you open a pension account you will receive automatic Lifestage Death cover (unless you opt out). The level of cover you receive is based on your age.

Alternatively, you can apply for Choose Your Own Death cover once your pension account is open.

TPD and Income Protection cover is not available in pension accounts.

ELIGIBILITY FOR LIFESTAGE COVER

To be eligible for Lifestage Death cover on the cover commencement date you must be:

- aged 15 or over, and under 65
- an Australian Resident or Visa holder
- residing in Australia
- a member of ANZ Smart Choice Super and Pension; and
- not entitled to claim, nor in the process of claiming, have never claimed, are not entitled to be paid and have never been paid, a Terminal Illness Benefit under any policy issued by the Insurer or any other insurer.

Lifestage cover will only commence on the day your first contribution is received, and you meet all eligibility requirements. If Insurance fees have not been paid in full by the third premium due date for the period from the day cover commenced to the third premium due date, cover will be cancelled from inception.

Please note Lifestage Death and Death and TPD cover is subject to a Pre-Existing Condition Exclusion.

MULTIPLE ACCOUNTS

You cannot have insurance cover in multiple ANZ Smart Choice Super accounts or multiple ANZ Smart Choice Pension accounts. You can however have Lifestage cover in both an ANZ Smart Choice Super and an ANZ Smart Choice Pension account at the same time. Refer to the AIG on page 55 for further information about multiple accounts.

CHOOSE YOUR OWN COVER

If you wish to apply for Choose Your Own Death or Death and TPD and/or apply for Income Protection cover you can do so via ANZ Internet Banking or by calling Customer Services on 13 12 87. This cover will only commence upon receipt of written confirmation from the Insurer.

The maximum cover levels you can apply for are:

- Death cover: unlimited (maximum Terminal Illness Benefit is \$2.5 million)
 - TPD cover: \$3 million*
 - Income Protection: \$30,000 per month. Proof of income will be required at the time of claim.
- * TPD cover cannot be greater than the Death cover amount.

Refer to the AIG for more information on Choose Your Own cover.

INSURANCE FEES

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 age, gender, occupation, smoker status and the amount of cover.

When you open your account, the level of automatic Lifestage Death cover you receive

will depend on your age and will be between \$40,000 and \$300,000. The fees for automatic Death cover could be as little as \$36.00 p.a.* or up to \$1,442.43 p.a.**

* For a female, non-smoker, aged 16 years (next birthday) with Death cover of \$80,000.

** For a male, smoker, aged 57 years (next birthday) with Death cover of \$100,000.

Unless you cancel your automatic Lifestage Death cover, monthly Insurance fees will continue to be deducted from your account.

For information on Insurance fees applicable to you, refer to the 'Insurance in your super' section on pages 37–61 in the AIG.

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 page 55 of the AIG for full details of your duty of disclosure.

IMPORTANT

The section 'Insurance in your super' in the AIG includes important information about insurance cover including eligibility for, and cancellation of, Lifestage cover, Choose Your Own 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. Go to the section 'Insurance in your super' in the AIG by visiting anz.com/superannuation/smart-choice-super > Downloads or contacting Customer Services on 13 12 87. The material relating to 'Insurance in your super' may change between the time you read this Statement and the day when you acquire the product.

9. HOW TO OPEN AN ACCOUNT

You can open a new account:

- Online at anz.com/smartchoice
- Online through ANZ Internet Banking[†]
- Calling Customer Services on 13 12 87.

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

The Trustee reserves the right to reject applications without giving a reason.

[†] ANZ Smart Choice Super accounts only.

ANZ Smart Choice Super

There is no minimum amount required to open your new ANZ Smart Choice Super account. When we open your account we will send you welcome information that will assist you with:

- Directing your employer where to pay your super
- Understanding your insurance
- Making the most of your account.

ANZ Smart Choice Pension

There is no minimum amount required to open your new ANZ Smart Choice Pension account. When we open your account we will send you welcome information. You can open your account using any combination of:

- The balance of your ANZ Smart Choice Super account
- Any other super fund(s)
- A personal lump sum contribution (if eligible).

Cooling-off period

Once you have opened an ANZ Smart Choice Super or Pension account, you will have the opportunity to review your investment to ensure it meets your expectations.

This is known as a 'cooling-off' period. If you are not satisfied with the investment you have made, you may cancel your initial application within 14 days of the earlier of:

- The date you receive a confirmation from us, or
- The end of the fifth day after we first issue you with units in your investment option(s).

If you cancel your investment within the cooling-off period, you may have it rolled over to another super fund or, if eligible, have it paid to you. Your investment amount will be adjusted for any changes in the unit price of the investment option(s) selected.

Your right to cancel your initial application and be repaid during the cooling-off period does not apply if you exercise any of your rights as a member of the Fund (such as changing your investment options). If you wish to cancel your initial application, you can contact Customer Services.

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 Services 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 13 12 87 weekdays
from 8.30am to 6.30pm (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 are free dispute resolution services 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

	<p>Step 1</p> <p>Access your account through ANZ Internet Banking, or via the ANZ App.</p> <ul style="list-style-type: none">• If you are already registered for ANZ Internet Banking you can see your super with your other ANZ accounts as soon as your account is opened.• If you are not yet registered for ANZ Internet Banking call 13 12 87 and receive your Customer Registration Number and telecode. Using these details you will then need to complete your registration via anz.com
	<p>Step 2</p> <p>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.</p>
	<p>Step 3</p> <p>Manage and monitor your super</p> <p>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, adjust your insurance, manage your beneficiary nomination, keep track of your contributions and much more.</p> <p>Note: ANZ App provides view only access.</p>

For other ANZ Wealth products visit anz.com/wealth