

# ONEPATH WHOLESALE BALANCED TRUST

## Product Disclosure Statement

1 December 2020

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## CONTACT DETAILS

### Customer Services

Phone 1800 031 810 weekdays between 9.00am and 5.00pm (AEST)  
Email [wholesale.unitrust@onepath.com.au](mailto:wholesale.unitrust@onepath.com.au)

### Address

OnePath Funds Management Limited  
GPO Box 5306  
Sydney NSW 2001

### OnePath Wholesale Balanced Trust

ARSN 089 940 134 APIR AJF0802AU

### Issued by OnePath Funds Management Limited

ABN 21 003 002 800 AFSL 238342

## 1. ABOUT ONEPATH FUNDS MANAGEMENT LIMITED

OnePath Funds Management Limited (OnePath Funds Management, we, us, our) is the responsible entity of the OnePath Wholesale Balanced Trust (the Trust) and is the issuer of this PDS. As responsible entity of the Trust, we are responsible for ensuring that the Trust operates in accordance with the Trust's constitution and compliance plan, the *Corporations Act 2001* (Corporations Act) and other relevant laws.

OnePath Funds Management is part of the IOOF group comprising IOOF Holdings Limited ABN 49 100 103 722 and its related bodies corporate (IOOF Group). Neither the issuer, nor any other related or associated company, guarantee the repayment of capital, the performance of, or any rate of return of the investment. The investment is subject to investment risks and other risks. This could involve delays in the repayment of principal and loss of income or principal invested.

### Investment management of the Trust

The Trust is a OnePath multi-manager trust that combines exposure to underlying actively managed and passive index funds. Please refer to section 5 of this PDS for more information about the Trust's investment process.

As responsible entity of the Trust and the underlying funds in which the Trust invests, OnePath Funds Management monitors and regularly reviews the performance of the underlying investment managers we appoint to manage the Trust's underlying assets. As part of this regular review, OnePath Funds Management may add or remove one or more underlying investment manager(s) at any time without prior notice. We will publish updated information about the underlying active investment managers at [onepath.com.au/superandinvestment/investment-funds.aspx](http://onepath.com.au/superandinvestment/investment-funds.aspx) > OptiMix Multi-Manager map.

### Important Information

This Product Disclosure Statement (PDS) is issued by OnePath Funds Management Limited (ABN 21 003 002 800, AFSL 238342) and is a summary of significant information relating to the Trust. This PDS contains a number of references to important information contained in the OnePath and OptiMix Wholesale Trusts – Additional Information Guide (Additional Information Guide). This information forms part of the PDS and you should read the PDS together with the Additional Information Guide before making a decision about the Trust. You may request a copy of the PDS together with the Additional Information Guide at any time by calling Customer Services (or the provider of your master trust or wrap service).

Information provided in this PDS and the Additional Information Guide is general information only and does not take account of your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances. The invitation to invest in the Trust is only available to persons receiving this PDS and the Additional Information Guide in Australia.

**Updated information:** Information in this PDS and the Additional Information Guide may be updated from time to time. If the change contains no materially adverse information, we will publish the updated information at [onepath.com.au/superandinvestments](http://onepath.com.au/superandinvestments). Please ensure you have the most up-to-date information by visiting this website regularly. You may also request a copy of the PDS, the Additional Information Guide or any updated information free of charge at any time by calling Customer Services (or the provider of your master trust or wrap service if you are an indirect investor).

## 2. HOW THE ONEPATH WHOLESALE BALANCED TRUST WORKS

Investments in the Trust may be made by:

- direct investors who wish to invest directly in the Trust; and
- indirect investors who wish to invest in, or via an Investor Directed Portfolio Service (IDPS), IDPS-like scheme, nominee or custody service (together referred to as a master trust or wrap service).

We have consented to the use of this PDS by master trusts or wrap services.

The Trust is a unit trust registered as a managed investment scheme under the Corporations Act. Each investor's investment amount is pooled and invested in the manner described in section 5 of this PDS.

If you are a direct investor, you acquire units in the Trust. If you are an indirect investor, the operator of your master trust or wrap service (Service Operator) will arrange to acquire the units in the Trust on your behalf, but you do not become a unitholder in the Trust. A unit gives a unitholder a beneficial interest in the Trust's assets as a whole, but not an entitlement to, or interest in, any particular asset of the Trust. The terms of the units, including a unitholder's rights and obligations, are set out in this PDS, the Additional Information Guide and the Trust's constitution (which is available by contacting Customer Services, or your Service Operator if you are an indirect investor).

### Unit Pricing

Each unit has a 'unit price', which is generally calculated by reference to the value of the Trust on each 'business day', being any day other than a Saturday or Sunday or public holiday in Sydney on which trading banks in Sydney are open for business. Generally, as the value of the Trust's assets rises and falls, so too does the unit price, and therefore the value of your investment.

### Investing in and withdrawing from the Trust

#### Applications

The following table sets out the minimum transaction amounts applicable to direct investors.

Minimum transaction amounts*	Amount
Minimum initial investment	\$50,000
Minimum additional investment	\$10,000
Minimum withdrawal	\$10,000
Minimum balance	\$20,000

\* We reserve the right to vary these minimum amounts.

Subject to the minimum initial investment amount, you may invest in the Trust by completing the Application Form and returning it to us with a cheque for the amount of money you wish to invest. We may reject any application at our discretion. Subject to the minimum additional investment amount, you may also make additional investments in one of the following ways:

- sending a cheque with a completed Additional Investment Form
- using your financial institution's BPAY® facility
- by electronic funds transfer.

® Registered to BPAY Pty Ltd ABN 69 079 137 518.

If you are an indirect investor, your Service Operator will arrange to acquire the units in the Trust on your behalf.

Any minimum investment amounts will be determined by your Service Operator and you will need to complete the relevant application form available from your Service Operator.

Application money is placed in an interest-bearing account until we process your application. Where processing is delayed, any interest earned on the account during this period will be retained by us and used to meet bank fees and other bank administrative costs we incur in operating the bank account.

When you make an initial or additional investment or when your Service Operator acquires new or additional units in the Trust on your behalf, we will apply the unit price available on the day we receive the request (or the following business day if we receive the request after 12pm or on a day that is not a business day). Additional costs may also apply. Please refer to 'Transaction costs' in this PDS for more information.

#### Withdrawals

Unless the Trust is suspended or is not liquid, withdrawals from the Trust may be made by sending us a completed withdrawal request. Withdrawals are subject to the minimum withdrawal and minimum balance amounts.

If you are an indirect investor, you will need to complete the relevant form available from your Service Operator who in turn will make the request on your behalf.

When you withdraw from the Trust or when your Service Operator withdraws from the Trust on your behalf, we will apply the unit price available on the day we receive the request (or the following business day if we receive the request after 12pm or on a day that is not a business day). Additional costs may also apply. Please refer to 'Transaction costs' in this PDS for more information.

In certain circumstances, withdrawals from the Trust may be restricted, for instance when the Trust is suspended or is not liquid.

You should read the important information about Suspensions and when a Trust becomes 'not liquid' before making a decision. Go to section 2 'How the OnePath & OptiMix Wholesale Trusts Work' of the Additional Information Guide.

The material relating to Suspensions and when a Trust becomes 'not liquid' may change between the time when you read this PDS and the day when you acquire units in the Trust (or when your Service Operator acquires units on your behalf if you are an indirect investor).

### Distributions

The Trust generally distributes quarterly after the end of March, June, September and December each year. The amount (if any) distributed to each unitholder (including to your Service Operator) will be based on the number of units held at the end of each distribution period. Distributions may be comprised of income and/or capital and will normally be paid within 14 days after the end of a distribution period and must be paid within two months of that date.

Any distribution amount will normally vary depending on factors like market conditions, asset class and investment performance. As a result of these factors, there may be times when distributions are not made. The distribution allocation reduces the Trust's assets. Accordingly, unit prices may fall after the end of the distribution period.

### Direct investors

Any distributions will be made to you, and you can choose to have your distributions paid in cash or reinvested in the Trust. If you choose to have your income distributions reinvested, we will apply the unit price available on the next day following the end of the distribution period.

### Indirect investors

Any distributions will be made to your Service Operator and your Service Operator may in turn pay distributions to you at times that may vary from the above.

## 3. BENEFITS OF INVESTING IN THE ONEPATH WHOLESALE BALANCED TRUST

The Trust, which is part of the OnePath Wholesale range of trusts, offers you a range of benefits and features including:

- **Potential for capital growth and income** to help you meet your investment needs
- **Investor flexibility** as the Trust is open to both direct investors and indirect investors who wish to invest in the Trust via a master trust or a wrap service.

In addition, if you are a direct investor, the Trust offers the following benefits and features:

- **Online education** through online material providing information on performance history, asset allocations, unit prices, market commentaries and updates as well as access to the necessary brochures and forms
- **Ability to keep track of investments** through:
  - ‘Account Access’, our secure and easy to use online service available at [onepath.com.au](http://onepath.com.au), which allows you to view account balances, recent transactions and transaction statements and update your personal details
  - regular transaction statements detailing your applications, withdrawals, opening and closing balances (including unit prices)
  - personalised annual taxation statements, providing all the relevant information required to complete your tax return including details of withdrawals
  - for the latest available information on the Trust, you can contact Customer Services, visit our website at [onepath.com.au](http://onepath.com.au), speak to your financial adviser or email us at [wholesale.unittrust@onepath.com.au](mailto:wholesale.unittrust@onepath.com.au) If you are an indirect investor, you should contact your financial adviser or Service Operator.

### For indirect investors

Information about your investment in the Trust will be provided by your Service Operator. We will provide reports on the Trust to your Service Operator who may use these reports to provide you with their own regular reporting. Your Service Operator should be your first point of reference for any investor queries.

## 4. RISKS OF MANAGED INVESTMENT SCHEMES

All investments carry risk and different 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. Investors should consider the level and type of risk involved with a particular investment and whether the potential returns justify those risks before investing.

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

- the value of investments will vary
- 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 investment may be affected by changes in legislation in the future that may affect taxation, investment laws and regulations relating to managed investment schemes
- the level of risk you face will vary depending on a range of factors, including your age, investment timeframes, where other parts of your wealth are invested and your risk tolerance.

It is not possible to predict the returns that will be achieved by the Trust. Investment returns are volatile and cannot be guaranteed and past performance is not indicative of future performance. You may lose money regardless of the investments made by the Trust.

The actual return that you receive will also be affected by factors such as the date on which you invest, the length of time you hold your investment and when you choose to withdraw. In general, the longer you hold your investment, the less likely it is that an overall loss will be incurred.

## Risks associated with investing in the Trust

The significant risks associated with investing in the Trust may include:

- **Market risk:** Markets can be volatile. Market risk is the risk that your investment may lose value due to fluctuations in market prices.
- **Interest rate risk:** The possibility that the value of your investment may fall due to fluctuations in interest rates.
- **Currency risk:** Currency risk is the risk that your investment may lose value due to a change in price of one currency against another. Your investment may also be affected by the impact of changes in the prices of currencies on the value of foreign securities.
- **Inflation risk:** Inflation is the general increase in consumer prices. Inflation risk is the risk that the purchasing power of your capital and/or interest income may decrease over time due to inflation.
- **Business risk:** The risk that the value of an individual business or entity to which the Trust has exposure may be negatively impacted due to factors such as poor management, lower consumer demand or declining market share.
- **Political or social risk:** The risk that changes in government policy, laws and regulations may adversely affect the Trust's value, and/or tax treatment or the Trust's ability to implement certain investment strategies. This also includes the risk that a political upheaval may adversely affect an investment to which the Trust has exposure (although this is more likely to occur in relation to overseas investments).
- **Derivative risk:** Derivatives may be used by the Trust to hedge or to gain economic exposures. Derivatives (Swaps) may also be used by the Trust to gain exposure to alternative assets. The use of these instruments involves various risks, which are described in this section of the PDS.

- **Liquidity risk:** Liquidity risk is the risk that an asset is unable to be realised in a timely manner and at a fair price, which could lead to the suspension, or delays in the processing, of withdrawals. Liquidity risk also arises in relation to the Swaps, as some of the alternative assets referenced by the Swaps may have different pricing and withdrawal cycles to the Trust.
- **Default risk:** Issuers of the investments to which the Trust has exposure and other entities upon which the Trust's investments depend, may default on their obligations, for instance by failing to make a payment when it becomes due or by failing to return capital. In addition, counterparties to the Trust, including derivatives counterparties, may default on their contractual obligations. Default on the part of these entities could result in financial loss to the Trust.
- **Short-selling strategies:** The Trust's underlying investment managers may sell securities they do not hold on the expectation that they are able to purchase the securities at a lower price. The risk with this strategy is that the price of the securities may rise meaning that the investment manager will need to purchase the securities at a higher price than that at which they were sold, resulting in a loss for the Trust.
- **Manager risk:** A manager appointed to manage the assets of the Trust (including the underlying managers of the alternative assets underlying the Swaps) may not meet their investment objectives, resulting in lower than expected returns for the Trust. This risk is mitigated by diversifying across a range of investment managers and underlying alternative asset managers.
- **Early termination of Swaps risk:** The Swaps are subject to certain early termination and default events. If the Swaps terminate early, the Trust may no longer have exposure to underlying alternative assets, which could impact on the Trust's overall performance.

## 5. HOW WE INVEST YOUR MONEY

You should consider the likely investment return, the risk and your investment timeframe when choosing to invest in the Trust (including if you are an indirect investor investing through a master trust or wrap service).

### OnePath Wholesale Balanced Trust – Fund information

#### Description

The Trust is suitable for investors seeking medium term returns through investing in a diversified range of asset classes balancing growth and defensive assets offering capital growth as well as yield.

#### Investment objective

The Trust aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 4.0% p.a., over periods of ten years or more.

#### Investment strategy

The Trust invests in a diversified mix of Australian and international assets spread across growth and defensive asset classes. The Trust blends active and passive management styles from a selection of leading investment managers.

#### Commencement date

May 1993

#### Minimum time horizon

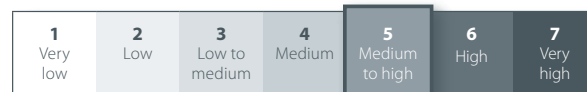
10 years

### OnePath Wholesale Balanced Trust – Fund information (continued)

#### Investor profile

Moderate – Moderate investment trusts are more likely to suit investors who are seeking higher medium-term returns and are willing to accept the possibility of negative returns.

#### Standard Risk Measure



#### Asset allocation

Asset class*	Benchmark (%)	Range (%)
Cash	5	0–25
Australian fixed interest	17	2–32
International fixed interest	14	0–29
Listed Real Assets <sup>#</sup>	6	0–16
Australian Shares	18	3–33
International Shares <sup>^</sup>	20	5–35
Alternative investments <sup>†</sup>	20	4–36

\* The Trust may occasionally move outside of these ranges and in these circumstances we will seek to rebalance the Trust within a reasonable timeframe. The maximum asset allocation to growth assets is 69%.

<sup>^</sup> International shares may include exposure to emerging markets and/or global small cap securities.

<sup>†</sup> The Alternative investments portfolio may include exposure to investments such as alternative credit, hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 90 days).

<sup>#</sup> Listed Real Assets may include allocations to Global Listed Property and Infrastructure Securities.

You should read the important information about the Standard Risk Measure before making a decision. Go to section 5 'How We Invest Your Money' of the Additional Information Guide. The material relating to the Standard Risk Measure may change between the time when you read this PDS and the day when you acquire units in the Trust (or when your Service Operator acquires units on your behalf if you are an indirect investor).

## The investment process

The Trust is a OnePath multi-manager trust that adopts an active investment approach, constructing portfolios on the basis of in-depth analysis and research conducted by the OnePath investment team on capital markets and external managers. The active component of the Trust is combined with passive investments in index funds to provide investors with smoother performance against nominated benchmarks.

## The Trust investments

The Trust invests in a diversified mix of actively managed domestic and international assets and index funds. In order to gain exposure to the investment markets, the Trust may invest directly or indirectly via other unlisted trusts. The Trust will not incur additional management, entry or exit fees for this type of investing.

### Derivatives and swap arrangements

The Trust may invest in derivatives, including futures, options, warrants and swaps to gain exposure to investment markets and to manage risks associated with market price, interest rate and currency fluctuations. Derivatives may also be used to hedge currency exposure associated with international investments.

In addition, the Trust may have an exposure to alternative assets through either an underlying fully funded total return swap (Swap) arrangement or directly holding alternative assets.

The counterparty to the underlying Swaps is our related body corporate, Global One Alternative Investments Management Pty Ltd. Please refer to 'Risk of Swaps' in the Additional Information Guide for more information.

### Labour standards and environmental, social and ethical (ESG) considerations

We undertake a formal assessment of each underlying investment manager's approach to the integration of ESG matters when assessing, selecting and monitoring investment manager(s) and actively encourage these managers to employ and enhance, where appropriate, their ESG integration practices. Please refer to the Responsible Investment Framework on the OnePath website for further information.

You should read the important information about the labour standards and environmental, social and ethical considerations before making a decision. Go to section 5 'How We Invest Your Money' of the Additional Information Guide. The material relating to the Labour standards and environmental, social and ethical considerations may change between the time when you read this PDS and the day when you acquire units in the Trust (or when your Service Operator acquires units on your behalf if you are an indirect investor).

### Changing investments

We may change the Trust's investments, objectives, strategies, the investment manager(s), asset allocation(s) and ranges (including by adding or removing asset classes) at any time without giving prior notice. We will notify you (or your Service Operator if you are an indirect investor) of any changes we consider to be material in accordance with our continuous disclosure obligations. Please refer to section 9 in this PDS for more information about our continuous disclosure obligations. There is only one investment option for the Trust. Switching is not available. However, as your investment needs change, you may wish to transfer to another fund. Please refer to section 2 of this PDS for more information about withdrawing from the Trust.

## 6. FEES AND OTHER 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 may be able to negotiate to pay lower contribution fees and management costs where applicable. 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](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

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

Taxes are set out in another part of this document.

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

## OnePath Wholesale Balanced Trust

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the managed investment product</b>		
<b>Establishment Fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution Fee</b> The fee on each amount contributed to your investment by you	Nil	Not applicable
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit Fee</b> The fee to close your investment	Nil	Not applicable
<b>Management costs</b>		
The fees and costs for managing your investments.	<b>Management fee</b> <sup>***^</sup> 0.50% p.a. of the value of your investment in the Trust plus <b>Expenses</b> 0.40% p.a. of the value of your investment in the Trust plus <b>Indirect costs</b> <sup>**</sup> Estimated to be 0.43% p.a. of the value of your investment in the Trust for the 12 months to 30 June 2020 plus <b>Expense recovery</b> 0% p.a. of the value of the Trust for the 12 months to 30 June 2020 and estimated to be 0% p.a. of the value of the Trust for the 12 months to 30 June 2021.	This fee is accrued daily in the unit price and deducted from the assets of the Trust on a monthly basis.  This fee is deducted from the assets of the Trust on a monthly basis and an accrued amount is included in the unit price.  Indirect costs are not an additional fee to you. Rather, they are reflected in the returns payable from the Trust's underlying investments and as such are included in the unit price.  If deducted during a 12 month period, expense recoveries are deducted from the assets of the Trust annually and reflected in the unit price.



Type of fee or cost	Amount	How and when paid
<b>Service fee</b>		
<b>Switching Fee</b>	Nil	Not applicable
The fee for changing investment options		

\* You may also incur buy-sell spreads when you invest in and withdraw from the Trust (or when your Service Operator acquires units or withdraws from the Trust on your behalf). Please refer to 'Transaction costs' in this PDS for more information. Past costs are not a reliable indicator of future costs.

† If you are an indirect investor, your Service Operator may charge additional fees and costs. Please refer to 'Payments to your Service Operator' in this PDS for more information.

‡ This fee may be negotiated. Please refer to 'Differential fees' in this PDS for more information.

^ The management fee for this Trust is an estimated fee for a complete financial year ending 30 June and may vary during the year.

\*\* The estimate noted in the table is the estimate for the 12 months to 30 June 2020. Please refer to 'Indirect costs' in this PDS for more information. Past costs are not a reliable indicator of future costs.

**All fees and costs disclosed in this PDS and in the Additional Information Guide are shown inclusive of any applicable Goods and Services Tax (GST) less any entitlement to a reduced input tax credit (RITC) available to the Trust, unless stated otherwise.**

## Additional explanation of fees and costs

### Expense recovery and indemnities

We are entitled to be reimbursed for expenses we incur in the proper performance of our duties as responsible entity. In addition to the management fee, we are entitled to recover certain day-to-day expenses out of the Trust. The Trust's current expenses are set at 0.40% per annum. We may also recover certain other expenses out of the Trust which are related to costs we incur to implement regulatory reforms. If recovered, these expenses are deducted from the assets of the Trust annually and reflected in the Trust's unit price. The expense recovery for the 12 months to 30 June 2020 was 0% p.a. of the value of the Trust and is estimated to be 0% p.a. for the 12 months to 30 June 2021. **Please note, past costs are not a reliable indicator of future costs.**

### Differential fees

We may negotiate and agree different fees as permitted by the Corporations Act and ASIC regulatory documents. For instance, we may agree to a reduced management fee for certain investors who qualify as 'wholesale investors' (including your Service Operator if you are an indirect investor). There is no set manner for negotiating these fees. Please contact Customer Services (or your Service Operator if you are an indirect investor) for more information.

### Advice fees

Any fees you agree to pay to your financial adviser for financial services they provide to you are separate to any fees we charge in respect of your investment in the Trust.

### Financial adviser payments

Subject to the Corporations Act, we may make payments to dealer groups, financial advisers or other third parties (including to your Service Operator if you are an indirect investor) based on commercial arrangements we have with these parties. These payments may in some cases be to related entities. The types of payments include payments for educational support and practice development services and payments to third parties to distribute our products. If these payments are made, they are made by us and are not charged directly or indirectly to you.

## Indirect costs

Indirect costs include amounts that have been deducted from your investment and amounts that reduce the returns payable from the Trust, but they are not charged to you as a fee.

We have provided an estimate of the indirect costs of the Trust in the table on page 5. This estimate is for the 12 months to 30 June 2020 and includes the components described below. **It is important to note that past costs are not indicative of future costs..**

### • Indirect costs related to alternative assets

Indirect costs apply in relation to the Trust's exposure to alternative assets via fully-funded total return swaps (Swaps). The estimated indirect costs for the Trust include an estimate of the underlying costs associated with the Swaps for the 12 months to 30 June 2020. That estimate is based on the Trust's benchmark allocation to alternative assets and includes an estimate of the management fees and performance related fees paid to the underlying alternative asset managers (based on the weightings of each alternative asset referenced by the Swaps at 30 June 2020) for the same period.

### • Performance related fees

Performance related fees are fees paid to underlying investment manager(s) if the manager(s) achieves certain performance objectives. Currently, the only performance related fees relate to the Trust's exposure to underlying alternative assets referenced by the Swaps. These fees increase the indirect costs.

### • Transaction costs

Transaction costs are costs incurred by the Trust that relate to the Trust's underlying investments (including the costs incurred by the Trust's underlying investment managers). Transaction costs are made up of explicit and implicit costs.

Transaction costs of the Trust are funded both from the assets of the Trust and from the Buy-Sell Spread which is charged to individual investors when they acquire units in, or withdraw from, the Trust (or when their Service Operator acquires units in or withdraws from the Trust on their behalf). The Buy-Sell Spreads are retained by the Trust to partially offset the gross Transaction costs incurred by the Trust. No part of the Buy-Sell Spread is paid to us or to an underlying investment manager.

You should read the important information about the Transaction costs and the Buy-Sell Spreads for the Trust in the Additional Information Guide. Go to section 6 of the Additional Information Guide. The material relating to the Transaction costs and the Buy-Sell Spreads for the Trust may change between the time when you read this PDS and the day when you acquire units in the Trust (or when your Service Operator acquires units on your behalf if you are an indirect investor).

## Fee changes

The constitution of the Trust provides that we can charge additional and higher fees as set out in the following table. If we decide to introduce such additional fees or increase fees we charge above their current levels, we will not seek your consent but we will give you (or your Service Operator if you are an indirect investor) notice of changes to the Trust's fees at the time these changes are made, in accordance with our continuous disclosure obligations. Please refer to section 9 in this PDS for more information about our continuous disclosure obligations.

Type of fee	Maximum amount
Contribution Fee	8.0% of the issue price of the unit
Management Fee*	0.5% p.a. of the value of the Trust

\* This fee does not include expenses recovered from the Trust and which are therefore an additional cost to you. Please refer to 'Expense recovery and indemnities' in this PDS for more information.

### Payments to your Service Operator

If you are an indirect investor, your Service Operator may also charge you a fee which will be described in the offer document the Service Operator gives you.

Subject to meeting the requirements of the Corporations Act, we may make product access payments to your Service Operator for offering the Trust on its investment menu. These payments are not an additional cost to you and are paid from the management fee we receive. We may also rebate up to 100% of the management fee to your Service Operator so that the management fee we receive is less than the amount charged to the Trust.

Details of the payments will be set out in the documents you receive from your Service Operator.

### Other fees and charges

Other incidental costs, including standard bank charges, cheque dishonour fees and government taxes, duties and levies may also apply.

To the extent expenses are claimed as a tax deduction by the Trust under relevant tax laws, these deductions are included in the Trust's taxable income calculation, in determining the amounts that will be attributed to you. Please refer to section 7 in this PDS for more information about tax.

### Example of annual fees and costs for the OnePath Wholesale Balanced Trust

The table below provides an example of how the fees and costs in this managed investment product can affect your investment over a one year period. You should use this table to compare this product with other managed investment products.

EXAMPLE: OnePath Wholesale Balanced Trust		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0*.
PLUS Management costs	0.50% <sup>†</sup> p.a. plus 0.40% p.a. expenses plus 0.43% p.a. indirect costs <sup>**</sup> plus 0% p.a. expense recovery <sup>^^</sup>	And, for every \$50,000 you have in the OnePath Wholesale Balanced Trust you will be charged \$665 <sup>**§</sup> each year.
EQUALS Cost of fund		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 would be charged fees of \$665 <sup>**§</sup> .

\* You may also incur transaction costs when you invest in the Trust (or when your Service Operator acquires units on your behalf). Please refer to 'Transaction costs' in this PDS for more information. Past costs are not a reliable indicator of future costs.

† This fee is the estimated management fee for a complete financial year and may be negotiated. Please refer to 'Differential fees' in this PDS for more information.

\*\* This estimate is for the 12 months to 30 June 2020. Please refer to 'Indirect costs' in this PDS for more information. Past costs are not a reliable indicator of future costs.

‡ If you are an indirect investor, your Service Operator may also charge additional fees and costs. Please refer to 'Payments to your Service Operator' in this PDS for more information.

^^ A 0% expense recovery was deducted for the 12 months to 30 June 2020. This amount is estimated to be 0% p.a. for the 12 months to 30 June 2021.

§ 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 and is an estimate.

**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 [www.moneysmart.gov.au](http://www.moneysmart.gov.au)

You should read the important information about Fees and Costs before making a decision. Go to section 6, 'Fees and Other Costs' of the Additional Information Guide. The material relating to Fees and Costs may change between the time you read this PDS and the day when you acquire units in the Trust (or when your Service Operator acquires units on your behalf if you are an indirect investor).

## 7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

**Warning:** You should note that investing in a registered managed investment scheme is likely to have tax consequences. You are strongly advised to seek professional tax advice. Any changes in tax law could affect the tax treatment of your investment.

The Trust does not pay tax on behalf of Investors. Investors will be assessed for tax on any income and capital gains generated by the Trust.

You should read the important information about How Managed Investment Schemes Are Taxed before making a decision. Go to section 7, 'How Managed Investment Schemes Are Taxed' of the Additional Information Guide. The material relating to How Managed Investment Schemes Are Taxed may change between the time you read this PDS and the day when you acquire units in the Trust (or when your Service Operator acquires units on your behalf if you are an indirect investor).

## 8. HOW TO APPLY

You should read this PDS, together with the information contained in the Additional Information Guide before making any investment decision.

### Direct investors

Direct investors can invest in the Trust by completing the Application Form for the Trust and returning it with a cheque for the amount of money you wish to invest, to the address on the front page of this PDS. Your cheque should be made payable to OnePath Funds Management Limited.

### Indirect investors

Indirect investors can invest in the Trust by completing the relevant form(s) available from your Service Operator. You do not need to complete any of our forms. You will not become a unitholder in the Trust but instead, it is generally the Service Operator that invests

in the Trust on your behalf that becomes a unitholder in the Trust. Therefore, we do not directly send you confirmation of transactions, distribution statements, annual reports or tax statements. Information about your investment in the Trust will be provided by your Service Operator. Enquiries regarding your investment should be directed to your Service Operator.

## Cooling-off period

### Direct investor

If you are a direct investor and are a 'retail client' under the Corporations Act, a 14-day cooling-off right may apply to your initial and certain additional investments in the Trust. If you exercise your cooling-off rights, we will return your money to you, however, the amount you receive will reflect market movements and therefore may be subject to tax and will also reflect any applicable transaction costs.

The money we return to you may be less than your original investment. The 14-day cooling-off period commences on the earlier of the date when you receive confirmation of your transaction or the end of the fifth calendar day following the day we issue your units to you. Cooling-off rights will not apply if:

- you exercise any of your rights as an investor in the Trust; or
- you are a wholesale client.

### Indirect investor

You should consult your Service Operator for details of any cooling-off rights that apply to you.

## Enquiries and Complaints

### Direct investor

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

Our customer service team is here to help with any enquires, concerns and/or providing feedback. Our contact details are below. We will do our best to resolve your concerns genuinely, promptly, fairly and consistently, and keep you informed of the progress.

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

Phone 1800 031 810

Email [feedback@ioof.com.au](mailto:feedback@ioof.com.au)

In writing **The Complaints Resolution Manager**  
OnePath Funds Management Limited  
GPO Box 5306  
Sydney NSW 2001

### Indirect investor

Please contact your Service Operator to resolve any problems or to provide feedback. If you are unable to resolve the issue or remain unsatisfied then contact OnePath's Wholesale Customer Service team on 1800 031 810 or email us at [wholesale.unititrust@onepath.com.au](mailto:wholesale.unititrust@onepath.com.au)

## Further Help – the Australian Financial Complaints Authority (AFCA)

You have the option to lodge a complaint with AFCA directly rather than lodging a complaint with us. You can also lodge a complaint with AFCA if you are not satisfied with our response or if your complaint has not been resolved within the maximum timeframe prescribed by RG165/RG271. AFCA provide a fair and independent financial services complaint resolution that is free to consumers.

Website [www.afca.org.au](http://www.afca.org.au)

Email [info@afca.org.au](mailto:info@afca.org.au)

Phone 1800 931 678 (free call)

In writing Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

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

## 9. OTHER INFORMATION

### Continuous Disclosure Notices

As a disclosing entity, we are subject to ongoing reporting and disclosure obligations in relation to the Trust. Copies of documents lodged with ASIC in relation to the Trust and updates to this PDS may be obtained from our website at [onepath.com.au/superandinvestments](http://onepath.com.au/superandinvestments)

Documents include:

- the annual financial report most recently lodged with ASIC by the Trust;
- any half-yearly financial report lodged with ASIC by the Trust after the lodgment of that annual financial report and before the date of this PDS; and
- any continuous disclosure notices given by the Trust after the lodgment of that annual report and before the date of this PDS.

You should read the important information about how OnePath Funds Management, IOOF, their related companies and their alliance partners handle your personal information (including health and other sensitive information) before making a decision. Go to section 'Your Privacy' on page 9 of the Additional Information Guide.

You should read the important information about the Anti-Money Laundering and Counter-Terrorism Legislation before making a decision. Go to section 9, 'Other Information' of the Additional Information Guide. The material relating to the Anti-Money Laundering and Counter-Terrorism Legislation may change between the time you read this PDS and the day when you acquire units in the Trust (or when your Service Operator acquires units on your behalf if you are an indirect investor).



# ONEPATH & OPTIMIX WHOLESALE TRUSTS

## Additional Information Guide

Issue date 1 December 2020

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## CONTACT DETAILS

If you have any questions or would like more information about the Trust, please contact us at:

### Customer Services

Phone 1800 031 810 weekdays between 9.00am to 5.00pm (AEST)  
Email [wholesale.unitttrust@onepath.com.au](mailto:wholesale.unitttrust@onepath.com.au)

### Address

OnePath Funds Management Limited  
GPO Box 5306  
Sydney NSW 2001

OnePath & OptiMix Wholesale Trusts	PDS Issue Date
OnePath Wholesale Australian Share Trust	1 December 2020
OnePath Wholesale Balanced Trust	1 December 2020
OnePath Wholesale Blue Chip Imputation Trust	1 December 2020
OnePath Wholesale Capital Stable Trust	1 December 2020
OnePath Wholesale Diversified Fixed Interest Trust	1 December 2020
OnePath Wholesale Diversified Credit Trust (previously known as OnePath Wholesale Diversified High Yield Trust)	1 December 2020
OnePath Wholesale Emerging Companies Trust	1 December 2020
OnePath Wholesale Geared Australian Shares Index Trust – Class B Units	1 December 2020
OnePath Wholesale Global Emerging Markets Share Trust	1 December 2020
OnePath Wholesale High Growth Trust	1 December 2020
OnePath Wholesale Managed Growth Trust	1 December 2020
OnePath Wholesale Property Securities Trust	1 December 2020
OnePath Wholesale Select Leaders Trust	1 December 2020
OnePath Wholesale Sustainable Australian Share Trust	1 December 2020
OnePath Tax Effective Income Trust – Wholesale Class	1 December 2020
OptiMix Wholesale Australian Fixed Interest Trust – Class A Units	1 December 2020
OptiMix Wholesale Australian Fixed Interest Trust – Class B Units	1 December 2020
OptiMix Wholesale Australian Share Trust – Class A Units	1 December 2020
OptiMix Wholesale Australian Share Trust – Class B Units	1 December 2020
OptiMix Wholesale Balanced Trust – Class A Units	1 December 2020
OptiMix Wholesale Balanced Trust – Class B Units	1 December 2020

*continued overleaf*

### Important Information

This OnePath & OptiMix Wholesale Trusts – Additional Information Guide (Additional Information Guide) is for the wholesale trusts listed above (each a 'Trust').

The Product Disclosure Statement (PDS) dated 1 December 2020 for each Trust is a summary of significant information about each Trust. Each PDS contains a number of references to additional important information contained in this Additional Information Guide. This information forms part of each PDS and you should read this Additional Information Guide together with the relevant PDS before making a decision to invest in a Trust. Certain sections in this Additional Information Guide may be specific to one or more Trusts.

The information provided in each PDS and this Additional Information Guide is general information only and does not take account of your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances. You may obtain a copy of a PDS and this Additional Information Guide at any time by contacting Customer Services (or the provider of your master trust or wrap service if you are in indirect investor).

Information in each PDS and this Additional Information Guide may be updated from time to time. If the change contains no materially adverse information, we will publish the updated information at [onepath.com.au/superandinvestments](http://onepath.com.au/superandinvestments). Please ensure you have the most up-to-date information by visiting this webpage regularly. You may also request a copy of the relevant PDS, this Additional Information Guide and any updated information free of charge at any time by contacting Customer Services (or the operator of your master trust or wrap service if you are an indirect investor).

OnePath & OptiMix Wholesale Trusts (continued)	PDS Issue Date
OptiMix Wholesale Conservative Trust – Class A Units	1 December 2020
OptiMix Wholesale Conservative Trust – Class B Units	1 December 2020
OptiMix Wholesale Global Share Trust – Class A Units	1 December 2020
OptiMix Wholesale Global Share Trust – Class B Units	1 December 2020
OptiMix Wholesale Global Smaller Companies Share Trust – Class A Units	1 December 2020
OptiMix Wholesale Global Smaller Companies Share Trust – Class B Units	1 December 2020
OptiMix Wholesale Growth Trust – Class A Units	1 December 2020
OptiMix Wholesale Growth Trust – Class B Units	1 December 2020
OptiMix Wholesale High Growth Trust – Class A Units	1 December 2020
OptiMix Wholesale High Growth Trust – Class B Units	1 December 2020
OptiMix Wholesale Moderate Trust – Class A Units	1 December 2020
OptiMix Wholesale Moderate Trust – Class B Units	1 December 2020
OptiMix Wholesale Property Securities Trust – Class A Units	1 December 2020
OptiMix Wholesale Property Securities Trust – Class B Units	1 December 2020

## 1. ABOUT ONEPATH FUNDS MANAGEMENT LIMITED

Please refer to the PDS for the particular Trust.

## 2. HOW THE ONEPATH & OPTIMIX WHOLESALE TRUSTS WORK

### Investing in and withdrawing from a Trust

When you make an application in a Trust, you acquire 'units' in that Trust. If you are an indirect investor, you do not acquire units in a Trust. Instead, it is your Service Operator who arranges to acquire the units in the Trust on your behalf. Accordingly, you may not have the same rights as a direct investor in the relevant Trust.

Each unit has a unit price that is equal to the value of the proportion of all of the assets less liabilities (including fees) and provisions of the Trust, or attributable to each unit class, divided by the number of units held by investors in the Trust, or unit class. The unit price is adjusted by either a buy spread for a buy price, or a sell spread for a sell price. Generally, as the value of the Trust's assets rises and falls, so too does the unit price, and therefore the value of your investment.

We have a unit pricing permitted discretions policy. It sets out how we will exercise discretions in relation to unit pricing. If we exercise a discretion that is not currently documented, or in a way that involves a departure from the documented policy that is current at the time of exercising the discretion, then we will prepare and record a written explanation as to how that discretion was exercised and why it was reasonable. You can obtain a copy of the current unit pricing permitted discretions policy free of charge by contacting Customer Services.

### Monitoring unit prices

We have processes in place to check the accuracy of unit prices. There may be occasions where unit prices may be found to be incorrect because of errors made in determining one or more components of the unit price. If you transacted on an incorrect unit price, your account may require a correction.

We will provide compensation to investors where the error causes a variance in the unit price which is greater than our predetermined threshold. The threshold varies depending on the asset class and is currently set at between 0.05% for cash and 0.30% for equities. The threshold is subject to change at our discretion.

Where the compensation amount is less than an amount determined by us (currently \$20) and the investor entitled to the compensation has fully withdrawn from the Trust, the compensation will be contributed into the relevant Trust for the benefit of existing investors rather than paid to the exited investor.

### Suspensions and when a Trust becomes 'not liquid'

We have varying discretions to suspend withdrawals or the calculation of withdrawal prices and/or to delay the payment of withdrawal proceeds in certain circumstances and for specific periods ranging from 14 days to an indefinite period, depending on the particular Trust's constitution. The circumstances during which we may suspend withdrawals or the calculation of withdrawal prices or the payment of withdrawal proceeds include (but are not limited to):

- where we are unable to or it is impracticable for us to determine the value of a Trust because of certain events, including because of closure of, or trading restrictions on, stock or securities exchanges, an emergency or other state of affairs or on declaration of a moratorium in a country where the Trust invests
- where we believe that it would be in the best interests of the Trust's members to suspend withdrawals; or
- as permitted by relevant law.

Certain Trust constitutions provide that we only need to process your withdrawal request (or the request of your Service Operator if you are an indirect investor) if we have specifically determined to accept that request, but we are not required to accept the request. We do not generally exercise that discretion and will usually process a withdrawal request unless the Trust is suspended or becomes 'not liquid' or if we believe that exercising the discretion is in the best interests of unit holders of the relevant Trust as a whole.

We will notify you (or your Service Operator if you are an indirect investor) of any decision to suspend a Trust.

In the rare event that the Trust becomes 'not liquid' (as that term is defined in the Corporations Act), you (or your Service Operator if you are an indirect investor) may only withdraw from that Trust if we make a withdrawal offer in accordance with the procedures set out in the Corporations Act. We are not required to make such an offer. If you are an indirect investor, any offer to withdraw will be made to your Service Operator.

### 3. BENEFITS OF INVESTING IN THE ONEPATH & OPTIMIX WHOLESALE TRUSTS

Please refer to the PDS for the particular Trust.

### 4. RISKS OF MANAGED INVESTMENT SCHEMES

Please refer to the PDS for the particular Trust.

### 5. HOW WE INVEST YOUR MONEY

#### Standard Risk Measure

Each Trust has a risk level attached to it. The risk level indicates historically the number of negative annual returns over any 20 year period. The seven risk levels are:

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

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

The Standard Risk Measure is not a complete assessment of all forms of investment risk. For instance, it does not detail the potential size of a negative return or that the potential for a positive return may still be less than an investor may require in order to meet their obligations. Further, it does not take into account the impact of administration 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 the relevant Trust. For more information on Standard Risk Measure, please refer to [onepath.com.au/superandinvestments](http://onepath.com.au/superandinvestments)

#### Labour standards and environmental, social and ethical considerations

This section describes how labour standards, Environmental, Social and Corporate Governance (ESG) factors and ethical issues are considered when selecting, retaining or realising mainstream equities, property and infrastructure securities.

The product issuer for OptiMix and OnePath branded investment schemes appoint external specialists to invest the underlying assets. We do not currently support the screening of investments based on ethical considerations and labour standards are not specifically considered when selecting, retaining or realising investments.

However, the product issuer does assess the ESG credentials of managers within our manager selection process. We undertake a formal assessment of each manager's approach to the integration of ESG matters when assessing, selecting and monitoring investment managers, and actively encourage these managers to employ and enhance, where appropriate, their ESG integration practices.

This may include for example, exploring how the manager:

- utilises ESG factors for idea generation
- assesses the risks of political or regulatory change within a sector
- considers social or environmental risks and opportunities within a company's supply chain.

For more information on our Responsible investment framework, please refer to OnePath's Responsible Investment Position Statement which can be obtained from our website at [onepath.com.au/aboutOnePath/responsible-investment.aspx](http://onepath.com.au/aboutOnePath/responsible-investment.aspx)

#### OnePath Wholesale Geared Australian Share Index Trust

The OnePath Wholesale Geared Australian Share Index Trust is invested to replicate its underlying index and is passively managed. Index or passive managers are essentially long-term, and in some circumstance, near permanent investors given they are required to replicate an index. Unlike active equity managers, passive managers are generally unable to take direct action and sell out of companies that demonstrate poor ESG characteristics. Therefore, active management of environmental and social factors is not a feature of these investment options. However, governance issues are considered, with company engagement and exercising ownership rights (proxy voting) the primary mechanism for effecting responsible investment.

We incorporate ESG considerations by:

- assessing and monitoring the extent of active ownership by the underlying investment manager in the form of company engagement and demonstration of investment stewardship; and
- engaging and actively encouraging managers to enhance their proxy voting practices.

For more information on our Responsible investment framework, please refer to OnePath's Responsible Investment Position Statement.

## 6. FEES AND OTHER COSTS

### Transaction costs

Transaction costs are costs incurred by the Trust that relate to the Trust's underlying investments (including the costs incurred by the Trust's underlying investment managers). Transaction costs are an additional cost to you, but are deducted from the assets of the Trust rather than as a fee charged to you. Transaction costs are made up of explicit and implicit costs.

Explicit costs include, but are not limited to, the following:

- Brokerage costs – the amount paid to a broker when buying and selling underlying securities, e.g. shares and derivatives. For example trading costs charged by brokers on purchases or sales of shares, stamp duty charged on security purchases etc. These costs are incurred when the underlying fund managers actively trade investments as part of the ongoing management of the investment
- Custody fees – fees paid to a custodian to hold underlying assets and to manage transaction settlements
- Borrowing costs – costs that arise when an underlying manager borrows money to fund the purchase of an asset
- Stamp duty – a State/Territory based tax imposed on certain transactions (e.g. the transfer of certain assets or property)
- Buy-Sell Spreads – are incurred by underlying fund managers when investing in securities.

Implicit costs include, but are not limited to, the following:

- Bid/Offer spreads – the difference between the price a buyer is willing to pay (the bid price) and the price a seller is willing to accept (the ask price) for a particular security. These are usually incurred by investment managers buying and selling fixed income securities, foreign currency conversions and listed equities
- Derivative costs – costs relating to Over the Counter (OTC) derivative trades of the underlying fund.

Transaction costs of the Trust are funded both from the assets of the Trust and from the Buy-Sell Spread which is charged to individual investors when they acquire units in, or withdraw from, the Trust (or when their Service Operator acquires units in or withdraws from the Trust on their behalf). The Buy-Sell Spreads charged to individual investors are retained by the Trust to partially offset the gross transaction costs incurred by the Trust. No part of the Buy-Sell Spread is paid to us or to an underlying investment manager.

The following table sets out the estimated transaction costs for each Trust.

These costs are based on estimated costs for the financial year ended 30 June 2020 and may vary in the future. **It is important to remember that past costs are not a reliable indicator of future costs.**

Trust	Transaction Costs		
	(A) Estimated gross costs (% p.a.)	(B) Estimated transaction costs recovered from buy-sell spread (% p.a.)	(C = A – B) Estimated net transaction costs affecting returns (% p.a.)
<b>OnePath Wholesale Trusts</b>			
OnePath Wholesale Australian Share Trust	0.15%	0.02%	0.13%
OnePath Wholesale Balanced Trust	0.44%	0.01%	0.43%
OnePath Wholesale Blue Chip Imputation Trust	0.20%	0.02%	0.18%
OnePath Wholesale Capital Stable Trust	0.20%	0.01%	0.19%
OnePath Wholesale Diversified Fixed Interest Trust	0.17%	0.04%	0.13%
OnePath Wholesale Diversified Credit Trust (previously known as OnePath Wholesale Diversified High Yield Trust)	0.08%	0.05%	0.03%
OnePath Wholesale Emerging Companies Trust	0.28%	0.05%	0.23%
OnePath Wholesale Geared Australian Shares Index Trust – Class B Units	0.13%	0.01%	0.12%
OnePath Wholesale Global Emerging Markets Share Trust	0.17%	0.05%	0.12%
OnePath Wholesale High Growth Trust	0.26%	0.01%	0.25%
OnePath Wholesale Managed Growth Trust	0.45%	0.01%	0.44%
OnePath Wholesale Property Securities Trust	0.07%	0.02%	0.05%
OnePath Wholesale Select Leaders Trust	0.28%	0.02%	0.26%
OnePath Wholesale Sustainable Australian Share Trust	0.12%	0.02%	0.10%
OnePath Tax Effective Income Trust – Wholesale Class	0.08%	0.00%	0.08%
<b>OptiMix Wholesale Trusts</b>			
OptiMix Wholesale Australian Fixed Interest Trust – Class A Units	0.09%	0.05%	0.04%
OptiMix Wholesale Australian Fixed Interest Trust – Class B Units	0.09%	0.05%	0.04%
OptiMix Wholesale Australian Share Trust – Class A Units	0.12%	0.02%	0.10%
OptiMix Wholesale Australian Share Trust – Class B Units	0.12%	0.02%	0.10%
OptiMix Wholesale Balanced Trust – Class A Units	0.50%	0.01%	0.49%
OptiMix Wholesale Balanced Trust – Class B Units	0.50%	0.01%	0.49%
OptiMix Wholesale Conservative Trust – Class A Units	0.42%	0.02%	0.40%
OptiMix Wholesale Conservative Trust – Class B Units	0.42%	0.02%	0.40%
OptiMix Wholesale Global Share Trust – Class A Units	0.02%	0.01%	0.01%
OptiMix Wholesale Global Share Trust – Class B Units	0.02%	0.01%	0.01%
OptiMix Wholesale Global Smaller Companies Share Trust – Class A Units	0.46%	0.04%	0.42%
OptiMix Wholesale Global Smaller Companies Share Trust – Class B Units	0.46%	0.04%	0.42%
OptiMix Wholesale Growth Trust – Class A Units	0.43%	0.02%	0.41%
OptiMix Wholesale Growth Trust – Class B Units	0.43%	0.02%	0.41%
OptiMix Wholesale High Growth Trust – Class A Units	0.29%	0.01%	0.28%
OptiMix Wholesale High Growth Trust – Class B Units	0.29%	0.01%	0.28%
OptiMix Wholesale Moderate Trust – Class A Units	0.48%	0.02%	0.46%
OptiMix Wholesale Moderate Trust – Class B Units	0.48%	0.02%	0.46%
OptiMix Wholesale Property Securities Trust – Class A Units	0.07%	0.02%	0.05%
OptiMix Wholesale Property Securities Trust – Class B Units	0.07%	0.02%	0.05%



## Buy-Sell Spreads

The following table lists the Buy-Sell Spreads for each Trust as at 1 December 2020. The Buy-Sell Spreads may change between the time you read this Additional Information Guide and the day you acquire units in the Trust (or when your service operator acquires units on your behalf if you are an indirect investor). It is important to remember that past costs are not a reliable indicator of future costs.

OnePath Wholesale Trusts	Buy spread %	Sell spread %
OnePath Wholesale Australian Share Trust	0.10%	0.10%
OnePath Wholesale Balanced Trust	0.03%	0.03%
OnePath Wholesale Blue Chip Imputation Trust	0.09%	0.09%
OnePath Wholesale Capital Stable Trust	0.05%	0.05%
OnePath Wholesale Diversified Fixed Interest Trust	0.13%	0.13%
OnePath Wholesale Diversified Credit Trust (previously known as OnePath Wholesale Diversified High Yield Trust)	0.00%	0.40%
OnePath Wholesale Emerging Companies Trust	0.19%	0.19%
OnePath Wholesale Geared Australian Shares Index Trust – Class B Units	0.04%	0.04%
OnePath Wholesale Global Emerging Markets Share Trust	0.14%	0.14%
OnePath Wholesale High Growth Trust	0.04%	0.04%
OnePath Wholesale Managed Growth Trust	0.03%	0.03%
OnePath Wholesale Property Securities Trust	0.11%	0.11%
OnePath Wholesale Select Leaders Trust	0.05%	0.05%
OnePath Wholesale Sustainable Australian Share Trust	0.10%	0.10%
OnePath Tax Effective Income Trust – Wholesale Class	0.00%	0.00%

OptiMix Wholesale Trusts	Buy spread %	Sell spread %
OptiMix Wholesale Australian Fixed Interest – Class A Units	0.12%	0.04%
OptiMix Wholesale Australian Fixed Interest – Class B Units	0.12%	0.04%
OptiMix Wholesale Australian Share – Class A Units	0.10%	0.10%
OptiMix Wholesale Australian Share – Class B Units	0.10%	0.10%
OptiMix Wholesale Balanced – Class A Units	0.03%	0.03%
OptiMix Wholesale Balanced – Class B Units	0.03%	0.03%
OptiMix Wholesale Conservative – Class A Units	0.02%	0.02%
OptiMix Wholesale Conservative – Class B Units	0.02%	0.02%
OptiMix Wholesale Global Share – Class A Units	0.08%	0.06%
OptiMix Wholesale Global Share – Class B Units	0.08%	0.06%
OptiMix Wholesale Global Smaller Companies Share – Class A Units	0.11%	0.11%
OptiMix Wholesale Global Smaller Companies Share – Class B Units	0.11%	0.11%
OptiMix Wholesale Growth – Class A Units	0.04%	0.04%
OptiMix Wholesale Growth – Class B Units	0.04%	0.04%
OptiMix Wholesale High Growth – Class A Units	0.04%	0.04%
OptiMix Wholesale High Growth – Class B Units	0.04%	0.04%
OptiMix Wholesale Moderate – Class A Units	0.03%	0.03%
OptiMix Wholesale Moderate – Class B Units	0.03%	0.03%
OptiMix Wholesale Property Securities – Class A Units	0.28%	0.17%
OptiMix Wholesale Property Securities – Class B Units	0.28%	0.17%

## 7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

### Tax Information

The following information is a brief summary of some of the taxation issues relevant to Australian tax residents who are individual investors, based on current tax legislation effective as at the date of this PDS. Any future changes in tax legislation or administrative practices could affect the tax treatment of your investment. We recommend that you seek independent tax advice specific to your individual circumstances and note that any tax information is of a general nature and should not be viewed or relied upon as taxation advice. You should note that managed investment schemes do not pay tax on behalf of investors.

The summary below is based on the assumption that the terms of each investor's master trust or wrap service are such that those master trusts or wrap services are ignored for all income tax purposes. Your Service Provider can confirm this.

The Government enacted a regime for the taxation of eligible 'managed investment trusts' (MIT), known as the 'attribution managed investment trust' (AMIT) regime. We have made an election to treat the Fund as an AMIT from 1 July 2017.

An important aspect of the AMIT tax regime is that tax is based on attribution. The taxable income of an AMIT will flow through to investors based on the amount and character of which the responsible entity 'attributes' to the investor, rather than being necessarily based on the share of the trust income to which the investor is presently entitled and is therefore distributed. Attribution to an investor from an AMIT can include amounts such as interest income, dividend income (franked and unfranked), net realised capital gains, other Australian income and foreign income (including tax offsets such as franking credits and foreign income tax offsets). Such an attribution is made on a fair and reasonable basis.

Another important aspect of the AMIT tax regime is that it enables upward tax cost base adjustments in the event that the amount distributed to an investor is lower than the taxable income that is attributed to that investor. In the event the amount distributed to an investor exceeds the taxable income attributed to the investor, such excess (the 'non-assessable amount') will reduce the cost base/reduced cost base of an investor's units. To the extent that distributions of non-assessable amounts in respect of a unit exceed the cost base of that unit, the excess will be taxable to the investor as a capital gain.

It is no longer necessary to distribute all taxable income in order to ensure tax is not imposed on an AMIT, and therefore we may decide to accumulate income, in which case the income will not be distributed but will be reflected in the price of units. However, you will still be assessed on all taxable income attributed to you, even if you do not receive it.

In addition to distributions from the trust, if you withdraw or transfer your units, this is considered a disposal of units for tax purposes requiring you to calculate a capital gain or loss (as applicable). If you held the units for 12 months or more before disposal, you may be entitled to a capital gains tax discount of 50% on any capital gain component if you are an Australian tax resident individual.

At the end of each year, we will issue to investors an AMIT Member Annual (AMMA) Statement. The AMMA Statement will set out the amounts of income attributed by each Trust, and any capital gains or losses from the disposal of units in the Trusts to assist Australian tax resident individual investors with the preparation of their tax return.

If you are an indirect investor your Service Provider will provide you with the necessary tax information at year end. Investors that are not

Australian tax resident individuals should seek their own independent tax advice in relation to their Australian tax return obligations.

There is a legislative process for investors to object to an attribution. Should this occur please contact us before lodging an objection with the Commissioner of Taxation.

### Tax File Number (TFN) or Australian Business Number (ABN)

#### Direct Investors

If you have an ABN and are making this investment in the course of a business or enterprise carried out by you, you may wish to quote the ABN of that enterprise (rather than your TFN). Providing your TFN or ABN is not compulsory. However, if you do not supply your TFN or ABN, and you do not have a TFN exemption, we are obliged to withhold tax from your distributions at the highest marginal tax rate plus Medicare Levy. By quoting your TFN or ABN, you authorise us to apply it to all of your investments.

#### TFN, ABN or exemption

If you are eligible to claim an exemption you must specify the exemption being claimed on the Application Form, for example:

Type 1: Age, disability support or service pension

Type 2: Wife, widow, special needs pensions, carer or parenting (singles) payments

Type 3: Company which is not required to lodge a tax return or non-resident investor.

#### Indirect investors

You are not required to supply us with your TFN. However, your Service Operator may ask you to supply your TFN. Please refer to the offer document the Service Operator has provided to you.

### GST

All fees and costs disclosed in this Additional Information Guide are shown inclusive of any applicable Goods and Services Tax (GST) less any entitlement to a reduced input tax credit available to the Trust, unless stated otherwise.

### Foreign Account Tax Compliance Act (FATCA) & Common Reporting Standards (CRS)

FATCA is United States (US) tax legislation that assists the US Internal Revenue Service (IRS) to identify and collect tax from US citizens or US residents for tax purposes that invest in certain financial accounts through non-US entities. If you are a US resident for tax purposes, you should note that OnePath Funds Management is a 'Foreign Financial Institution' under FATCA. We comply with our FATCA obligations, as determined by either the FATCA regulations or any inter-governmental agreement (IGA) entered into by Australia and the US for the purposes of implementing FATCA and any Australian laws and regulations relating to the IGA. Under these obligations, we will have to obtain and disclose information about certain clients to the Australian Taxation Office (ATO) or IRS. In order for us to comply with our obligations, we will also request that you provide certain information about yourself, including your US Taxpayer Identification Number (if applicable).

Since the introduction of FATCA and CRS, we must obtain and disclose information about certain investors to the ATO or US Internal Revenue Service. Accordingly, all applicants will be required to answer certain FATCA and CRS questions as part of their application.

As part of your application, your adviser may request identification documents and complete the FATCA and CRS questions contained in the relevant FSC/FPA Identification Form for the type of account you are opening.

## 8. HOW TO APPLY

Please refer to the PDS for the particular Trust.

## 9. OTHER INFORMATION

### The Trusts' Constitution

Each Trust's constitution sets out the rights of members of the Trust and our main duties, powers and rights as responsible entity.

### Main rights of unitholders of the Trust under the constitution

The rights and obligations of unitholders are set out in each Trust's constitution, the Corporations Act and related legislation and Australian Securities and Investments Commission (ASIC) policy. They include:

- rights to share in the income and capital of the Trust;
- rights to attend at and vote at members' meetings;
- rights to withdraw from the Trust;
- rights to receive information about the Trust.

Each Trust's constitution limits a unitholder's liability in relation to the Trust to the value of the units held by that unitholder. However, as the courts have not yet conclusively determined the liability of unitholders, we cannot state with certainty that liability is limited to a unitholder's holding in all circumstances.

### Our duties, powers and rights as responsible entity

Our powers and duties in relation to each Trust are set out in the constitution relating to each Trust, the Corporations Act and other laws and general trust law. As responsible entity, we:

- have broad powers to accept or reject an application for any reason;
- have limited powers to determine when a Trust's assets will be valued and how they may be valued;
- may allow withdrawals to be satisfied via in specie transfer of a Trust's assets in certain circumstances;
- have broad powers to invest a Trust's assets, to determine a Trust's investment policy and to appoint third parties to assist in the management of a Trust;
- have a right to charge fees and recover expenses;
- are entitled to be indemnified out of a Trust's assets for liabilities we incur in the proper performance of our duties;
- may unilaterally amend the constitution if we reasonably consider that the amendments will not adversely affect members' rights.

### Compliance Plan

The Trust has a formal compliance plan that sets out the procedures we must follow to ensure that we comply with the Trust's constitution and the Corporations Act. The compliance plan must be independently audited annually.

## The Custodian for the Trusts

We have appointed JPMorgan Chase Bank, N.A. (Sydney branch) as custodian to hold the assets of each Trust pursuant to a Custody and Related Services Agreement. We may also hold certain Trust assets, including cash.

## Withdrawing or Blocking Access to your investment

Unless prohibited under Australian law, we may withdraw your investment if we think that you have not used it appropriately or for any other reason we, acting reasonably, consider appropriate. If we intend to withdraw your investment on this basis, we will give you notice in writing to the address shown on our record.

However, we will not give you prior notice before withdrawing your investment if we consider that immediate closure is necessary to protect us or you from suffering financial loss (for example, as a result of suspected fraudulent activity).

When the units are withdrawn, we will send you a cheque for the net proceeds, and close the underlying account.

## Anti-Money Laundering and Counter-Terrorism Legislation

The *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (the AML/CTF Act) requires us to identify you and verify your identity before we can provide you with certain prescribed services.

As a minimum we require verification of your identity on payment of benefits to you, your beneficiaries or on rollover to another provider.

Generally, your financial adviser will undertake these steps, but to enable them to do so you will need to provide certain documents (such as your passport or current driver's licence) for sighting and verification. If you are requesting these services without an adviser, you will need to include certified copies of these documents with your transaction request.

The OnePath Wholesale Application Form provides a full list of the types of documents that will satisfy these requirements. If you do not provide identifying documents we will not be able to process your transaction.

We may also request further information from you. You must provide all information to us, which we reasonably require in order to manage our money-laundering, terrorism-financing or economic and trade sanctions risk, or to comply with any laws or regulations in Australia or any other country.

We may disclose information to any law enforcement, regulatory agency or court, as required by applicable laws and regulations.

We may delay, block or refuse to process any transaction without incurring any liability if we suspect that:

- the transaction may breach any laws or regulations in Australia or any other country
- the transaction involves any person (natural, corporate or governmental) that is sanctioned or is connected, directly or indirectly, to any person that is sanctioned under economic and trade sanctions imposed by the United States of America, the European Union or any other country
- the transaction may directly or indirectly involve the proceeds of, or be applied for the purposes of, conduct which is unlawful in Australia or any other country.

## Confirmation of transactions

### Direct investors

You can request confirmation of your previous transactions and any other additional information about your investments in the following convenient ways:

- contact Customer Services on 1800 031 810 between 9.00am to 5.00pm (AEST) weekdays and have your query answered over the phone or request written confirmation of the transactions to be sent to you
- email us at [wholesale.unittrust@onepath.com.au](mailto:wholesale.unittrust@onepath.com.au)

### Indirect investors

Information about your investment in the Trust will be provided by your Service Operator. Enquiries regarding your investment should be directed to your Service Operator.

## Your Privacy

In this section 'we', 'us' and 'our' refers to OnePath Funds Management Limited.

### Direct investors

We are committed to ensuring the confidentiality and security of your personal information. Our Privacy Policy details, how we manage your personal information, is available on request or may be downloaded from [onepath.com.au/superandinvestments/privacy-policy.aspx](http://onepath.com.au/superandinvestments/privacy-policy.aspx)

We collect your personal information (including sensitive information) from you in order to manage and administer our products and services and we may need to disclose it to certain third parties. Without your personal information, we may not be able to process your application/contributions or provide you with the products or services you require.

Unless you consent to such disclosure we will not be able to consider the information you have provided.

### Providing your information to others

The parties to whom we may routinely disclose your personal information (including sensitive information) include:

- an organisation that assists us to detect and protect against consumer fraud,
- organisations, including those in an alliance with us, to distribute, manage and administer our products and services, carry out business functions and undertake analytics activities,
- organisations performing administration and compliance functions in relation to the products and services we provide,
- organisations providing medical or other services for the purpose of the assessment of any insurance claim you make with us (such as reinsurers),
- our solicitors or legal representatives,
- organisations maintaining our information technology systems,
- organisations providing mailing and printing services,
- persons who act on your behalf (such as your agent or financial adviser),
- regulatory bodies, government agencies, law enforcement bodies and courts.

We will also disclose your personal information in circumstances where we are required by law to do so.

For example, there are disclosure obligations to third parties under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

### Information Required by Law

We may be required by relevant laws to collect certain information from you. Details of these laws and why they require us to collect this information are contained in our Privacy Policy at [onepath.com.au/superandinvestments/privacy-policy.aspx](http://onepath.com.au/superandinvestments/privacy-policy.aspx)

### Overseas recipients

We may disclose information to recipients (including service providers and related companies) which are (1) located outside Australia and/or (2) not established in or do not carry on business in Australia. You can find details about the location of these recipients in our Privacy Policy at [onepath.com.au/superandinvestments/privacy-policy.aspx](http://onepath.com.au/superandinvestments/privacy-policy.aspx)

### Marketing and privacy

We may use your personal information (including sensitive information) to send you information about our financial products or services from time to time.

We may disclose your personal information (including sensitive information) to our related companies or organisations in an arrangement or alliance with us.

If you do not want us to use and disclose your information as set out above, phone Customer Services on 133 665.

Where you wish to authorise any other parties to act on your behalf, to receive information and/or undertake transactions please notify in writing.

If you give us personal information about someone else, please show them a copy of this document so that they may understand the manner in which their personal information may be used or disclosed by us in connection with your dealings with us.

### Privacy Policy

Our Privacy Policy contains information about:

- when we may collect information from a third party,
- how you may access and seek correction of the personal information we hold about you,
- and how you can raise concerns that we have breached the Privacy Act or an applicable code and how we will deal with those matters.

You can contact us about your information or any other privacy matter as follows:

#### OnePath

GPO Box 5367  
Sydney NSW 2001  
Phone 133 665  
Email [privacy.officer@ioof.com.au](mailto:privacy.officer@ioof.com.au)

We may charge you a reasonable fee for this.

If any of your personal information is incorrect or has changed please let us know by contacting Customer Services. More information can be found in our Privacy Policy which can be obtained from our website at [onepath.com.au/superandinvestments/privacy-policy.aspx](http://onepath.com.au/superandinvestments/privacy-policy.aspx)

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