

ONEANSWER  

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INVESTMENT  

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PORTFOLIO

(Only available to investors who  
joined prior to 1 July 2013)

Product Disclosure Statement – Product Book

1 December 2020

# ONEANSWER INVESTMENT PORTFOLIO

## Entity details in this Product Disclosure Statement (PDS)

Name of legal entity	Registered numbers	Abbreviated term used throughout the PDS
OnePath Funds Management Limited (Issuer)	ABN 21 003 002 800, AFSL 238342	OnePath Funds Management, OnePath

## IMPORTANT INFORMATION

From 1 July 2013 new investors are not being accepted into OneAnswer Investment Portfolio. This PDS is only applicable to investors who joined prior to 1 July 2013.

OnePath Funds Management is the issuer of this Product Disclosure Statement (PDS) and the incorporated material which is comprised of the OneAnswer Frontier Investment Portfolio Additional Information Guide, the Buy-Sell Spread Guide and the OneAnswer Hedge Funds Guide.

The issuer is a company within the IOOF Group of companies, 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 investments in the OneAnswer Investment Portfolio. Investments made into OneAnswer Investment Portfolio are subject to investment risks and other risks. This could involve delays in the repayment of principal and loss of income or principal invested.

This PDS contains general information only and does not take into account your objectives, financial situation or needs. This PDS explains the main features of OneAnswer Investment Portfolio and should not be used as a substitute for financial advice. You should read the PDS carefully to assess whether the information is appropriate, having regard to your objectives, financial situation and needs, and speak to a financial adviser before making an investment decision.

OnePath Funds Management is responsible for the content of this PDS and the OneAnswer Frontier Investment Portfolio Additional Information Guide, the Buy-Sell Spread Guide and the OneAnswer Hedge Funds Guide.

The underlying fund managers have each provided their consent to being named and have consented to the information provided by them being included in this PDS in the form and context in which it is included. They have not withdrawn their consent at the time of preparation of this PDS. The underlying fund managers take no responsibility for any other information in this PDS or the OneAnswer Frontier Investment Portfolio Additional Information Guide, the Buy-Sell Spread Guide and the OneAnswer Hedge Funds Guide.

In relation to information provided about hedge funds, we have relied on information provided by the responsible entity of the underlying wholesale hedge fund and cross references are made to the relevant responsible entity's disclosure document as applicable. Each responsible entity of the relevant underlying wholesale hedge fund has consented to the disclosure of the information in Part Two of this PDS and in the OneAnswer Hedge Funds Guide relating to its hedge fund, and has not withdrawn its consent at the time of preparation of this PDS.

In this PDS and the OneAnswer Frontier Investment Portfolio Additional Information Guide the terms 'us', 'we' and 'our' refer to OnePath Funds Management. The terms 'investment fund' and 'investment option' refer to the registered managed investment schemes offered under this PDS including the managed investment scheme through which ANZ Term Deposits are offered. The term 'OneAnswer Investment Portfolio' refers to both OneAnswer Investment Portfolio and OneAnswer Investment Portfolio//Select, unless otherwise stated.

The invitation to invest in OneAnswer Investment Portfolio is only available to persons receiving this PDS in Australia.

### Important additional information for ANZ OneAnswer investors

In this PDS, references to OneAnswer Investment Portfolio are also intended to apply to ANZ OneAnswer Investment Portfolio, unless stated otherwise, and references to OneAnswer Investment Portfolio//Select are also intended to apply to ANZ OneAnswer Investment Portfolio//Select, unless stated otherwise.

If you are investing through an ANZ financial adviser, you will be investing into ANZ OneAnswer.

### Important additional information for OneAnswer Investment Portfolio//Select investors

Information in this PDS about fees and charges is not relevant for OneAnswer Investment Portfolio//Select investors. Those investors should refer to Part Three – OneAnswer Investment Portfolio//Select Fees and Charges Guide for information about the fees and charges applicable to OneAnswer Investment Portfolio//Select.

# THE PURPOSE OF THIS PRODUCT DISCLOSURE STATEMENT (PDS) IS TO GIVE YOU THE INFORMATION YOU NEED TO MAKE AN INVESTMENT DECISION.

This PDS is issued in relation to:

- OneAnswer Investment Portfolio.  
Only applicable for OneAnswer Investment Portfolio investors who joined prior to 1 July 2013. No new investors are being accepted into OneAnswer Investment Portfolio.
- OneAnswer Investment Portfolio//Select.  
Only applicable for OneAnswer Investment Portfolio//Select investors who joined prior to 15 November 2010. No new investors are being accepted into OneAnswer Investment Portfolio//Select.

The PDS for OneAnswer Investment Portfolio and OneAnswer Investment Portfolio//Select is comprised of:

- Part One – Product Book (this book)
- Part Two – OneAnswer Investment Funds Guide
- Incorporated material – refer below.

In addition, for OneAnswer Investment Portfolio//Select only:

- Part Three – OneAnswer Investment Portfolio//Select – Fees and Charges Guide.

Before making any investment decision, you should read this Product Book carefully together with the relevant parts of the PDS and the incorporated material in their entirety.

If you have not received all relevant parts of the PDS for either OneAnswer Investment Portfolio or OneAnswer Investment Portfolio//Select, please contact Customer Services.

Additional information relevant for both OneAnswer Investment Portfolio and OneAnswer Investment Portfolio//Select can be found in the incorporated material, which is comprised of:

- OneAnswer Frontier Investment Portfolio Additional Information Guide
- Buy-Sell Spread Guide
- OneAnswer Hedge Funds Guide.

You may be referred to the incorporated material for specific terms and conditions in relation to an investment in OneAnswer Investment Portfolio.

The OneAnswer Frontier Investment Portfolio Additional Information Guide, Buy-Sell Spread Guide and the OneAnswer Hedge Funds Guide are publicly available and free of charge by contacting your financial adviser, visiting our website at [onepath.com.au/superandinvestments-forms-and-brochures](http://onepath.com.au/superandinvestments-forms-and-brochures) or by contacting Customer Services.

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# WHAT ARE THE KEY FEATURES?

Outlined below are the key features of OneAnswer Investment Portfolio

<b>A wide choice of investment funds (for more information refer to Part Two – OneAnswer Investment Funds Guide)</b>	
<b>A choice of cash options</b>	ANZ Term Deposits – access to six ANZ Term Deposit options with competitive interest rates and terms ranging from 3 months to 5 years. ANZ Cash Advantage – access to an at call investment fund which offers a competitive interest return.
<b>Multi-manager investment funds</b>	OnePath Diversified Multi-manager funds – a range of diversified funds which combine the benefits of expert active manager diversification with index funds. OptiMix – a selection of multi-manager investment funds. The OptiMix process carefully selects a number of complementary investment managers to manage the underlying investments within each asset class.
<b>Single manager investment funds</b>	Diversified and single sector investment funds – access to an extensive range of diversified and single sector investment funds offered by OnePath and other fund managers as well as index funds and alternative funds. A small number of the investment funds offered are classed as Funds of Hedge Funds and additional information about the underlying investments of those funds is included in Part Two of this PDS and in the OneAnswer Hedge Funds Guide. This includes information about how the assets are valued, the periodic reporting that will be provided for the investment fund, details of the underlying fund's investment strategy, structure, manager, liquidity, leverage, derivatives, short-selling and withdrawals.
<b>Flexible fee arrangements*</b>	
<b>Fees, costs and ongoing Fee rebates</b>	You may be charged an Ongoing Fee and if your account balance is less than \$10,000 you will be charged an Investor Fee. You may be able to benefit from an Ongoing Fee rebate as your account balance grows. Rebates reduce the Ongoing Fee payable. You should note other fees and costs may apply.
<b>Advice fees</b>	You can negotiate a fee for advice with your financial adviser which will be transparent to you.
<b>Minimum amounts</b>	
<b>Minimum balance</b>	\$250 per investment fund and \$1,000 per ANZ Term Deposit.
<b>Other transactions<sup>§</sup></b>	There are no minimum amounts for additional investments, regular investments, switching, withdrawals and regular withdrawals except in relation to ANZ Term Deposits.
<b>Convenient features to help you manage your investment</b>	
<b>Regular Investment Plan<sup>§</sup></b>	Watch your balance grow by investing regularly (monthly or quarterly) and conveniently using direct debit from your financial institution account.
<b>Regular Draw-down Plan<sup>§</sup></b>	Create a regular withdrawal plan to provide you with a regular stream of income (each month or quarter) into your financial institution account.
<b>Switching<sup>§</sup></b>	Tailor your investment by conveniently switching between investment funds as your financial objectives change over time. You can do this online.
<b>Auto-Rebalance Plan<sup>§</sup></b>	Automatically rebalance your investment fund allocation back to your nominated investment on a regular basis.
<b>Dollar Cost Averaging Plan<sup>§</sup></b>	Manage and spread the timing risk of investing by establishing a plan to switch into your selected investment funds over time.
<b>Borrowing to Invest</b>	OneAnswer Investment Portfolio offers you the opportunity to apply a margin loan to your account. We currently have arrangements in place with a number of lenders, including ANZ. For more information visit anz.com All loans will be subject to the particular requirements of the lender. Margin lending, or gearing, involves borrowing money to invest. This provides the opportunity to magnify your investment return over time, potentially increasing your returns, although it will also increase any losses if financial markets are performing poorly. To determine whether a margin loan is appropriate for you, please speak to your financial adviser who will also be able to provide details of the margin lending products available through OneAnswer Investment Portfolio, as well as loan application forms.

## Convenient services to help you get the most from your investment

### Online access

Track and manage your account online. You were automatically registered for Account Access upon joining OneAnswer Investment Portfolio. Account Access allows you to:

- view your investment details, including your balance and recent transaction history and transaction confirmations
- view your ANZ Term Deposit details if applicable, including interest rate and maturity date
- transact online
- make changes to your personal details and your OneAnswer investment details.

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### Keeping you informed

As an investor in OneAnswer Investment Portfolio, you will receive:

- a Quarterly Transaction Statement
- an Annual Tax Statement
- a range of investor communications
- access to onepath.com.au website, which includes education and information about investment performance and legislative updates, as well as useful calculators and investment tools.

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### Easy investment methods<sup>§</sup>

OneAnswer Investment Portfolio has a range of payment methods to make it easy for you to make an investment. Additionally, BPAY<sup>®</sup> and Internet banking (EFT) payment methods can be utilised at your convenience, 24 hours a day, seven days a week. Additional investments can be made via the following options:

- BPAY<sup>®</sup>
- Internet banking (EFT)
- Cheque
- Direct Debit

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\* For full details of the fees and costs that may apply to your investment, refer to the section 'Fees and other costs' on pages 11 to 28 of this book. For OneAnswer Investment Portfolio//Select investors there is only one fee option available and this is described in OneAnswer Investment Portfolio//Select Fees and Charges Guide.

§ Please refer to page 6 for more information about ANZ Term Deposit options and the restrictions and conditions that apply.

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# HOW DOES ONEANSWER INVESTMENT PORTFOLIO WORK?

OneAnswer provides you with innovative choices to enable you to tailor an investment that suits your needs.

## Investment choices offered through OneAnswer

Using the extensive range of investment funds offered by OneAnswer, you can create an investment profile to help you achieve your investment goals.

With a choice of over 80 investment funds, simply select which investment funds you want to invest in and the proportion to be invested in each.

### More information?

Refer to the important information about how we invest your money in the OneAnswer Investment Funds Guide for details of the investment funds offered through OneAnswer.

## Making investments<sup>†</sup>

Additional investments can be made by cheque, Internet banking (EFT), direct debit, BPAY® or online via Account Access at onepath.com.au. For ANZ Term Deposits, additions can only be made using an Additional Investment form accompanied by a cheque or direct debit instructions.

We are not bound to accept your application.

### More information?

Refer to 'How do I make an additional investment?' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

## Investing in ANZ Term Deposit options<sup>§</sup>

Through OneAnswer you can access a range of ANZ Term Deposit options. These offer competitive interest rates and a choice of 3, 6 and 12 months, or 2, 3, and 5 year investment terms. These options give you the security of investing with ANZ, one of Australia's largest banks. You can view current interest rates at onepath.com.au

ANZ Term Deposit options work a little differently to other investment funds in OneAnswer. The Regular Investment Plan, Dollar Cost Averaging Plan, Auto-Rebalance Plan and Regular Draw-down Plan are not available for ANZ Term Deposits. An additional investment or switch in to ANZ Term Deposits will be processed as a new term deposit and the minimum of \$1,000 will apply. You cannot make a partial withdrawal or switch from an ANZ Term Deposit. Full withdrawals prior to maturity will incur an early withdrawal adjustment.

Interest earned on ANZ Term Deposits will be credited to ANZ Cash Advantage, an investment fund offered through OneAnswer.

### More information?

Refer to 'ANZ Term Deposits through OneAnswer' in the OneAnswer Investment Funds Guide.

<sup>†</sup> It is important to be aware that any units purchased as a result of an additional investment or reinvestment of distributions or rebates will be issued based on the terms of the PDS current at the time the purchase is made and the investment fund's constitution. You can obtain the latest PDS free of charge by contacting your financial adviser, visiting our website at onepath.com.au/superandinvestments-forms-and-brochures or by contacting Customer Services. Regular and additional investments may incur transaction costs. Please refer to the section 'Fees and other costs' on pages 11 to 28 of this book.

<sup>§</sup> Additional conditions and restrictions apply for ANZ Term Deposit options. Refer to the section 'ANZ Term Deposits through OneAnswer' on page 72 of the OneAnswer Investment Funds Guide.

### Establishing a Regular Investment Plan<sup>†§</sup>

A Regular Investment Plan is a simple and effective way to grow your investment by adding money on a regular basis from outside of your investment. You cannot regularly invest into ANZ Term Deposits options.

You choose:

- how often you invest: monthly or quarterly
- the investment funds you would like to invest into
- the account you want investments to be debited from.

### Establishing a Dollar Cost Averaging Plan<sup>†§</sup>

With a Dollar Cost Averaging Plan, you switch a set amount into your chosen investment fund(s) (except for ANZ Term Deposits) at regular intervals, thereby potentially reducing the risk of investing a single larger amount on a single day.

You choose:

- one investment fund from which to make your regular switches
- the amount of each switch
- which investment funds you are switching into
- how often you would like the switches to occur: monthly or quarterly
- when you would like the Dollar Cost Averaging Plan to end (optional).

### Using auto-rebalance to realign to your chosen investment profile<sup>†‡§</sup>

The Auto-Rebalance Plan works by switching units between investment funds (except for ANZ Term Deposits) in order to realign your investment allocation as per your nominated investment profile.

You choose:

- how often your investment is rebalanced: quarterly, half-yearly or yearly
- a 'tolerance range' that determines when your auto-rebalance switch triggers.

Additional investments, switches or withdrawals may affect your Auto-Rebalance Plan.

### Receiving distribution payments<sup>†§</sup>

You can choose to have distributions from your selected investment funds (except for ANZ Term Deposits) reinvested in further units in your investment fund(s) or paid into your nominated bank or financial institution account.

Any transaction costs applicable to the relevant investment fund will not apply on the reinvestment of distributions<sup>^</sup>. For ANZ Term Deposits interest is automatically credited to ANZ Cash Advantage.

#### More information?

Refer to 'How can I set up a Regular Investment Plan?' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

#### More information?

Refer to 'How do I set up a Dollar Cost Averaging Plan on my investment?' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

#### More information?

Refer to 'How do I add the Auto-Rebalance Plan to my investment?' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

#### More information?

Refer to 'How do I receive my distribution payments?' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

<sup>†</sup> It is important to be aware that any units purchased as a result of an additional investment or reinvestment of distributions or rebates will be issued based on the terms of the PDS current at the time the purchase is made and the investment fund's constitution. You can obtain the latest PDS free of charge by contacting your financial adviser, visiting our website at [onepath.com.au/superandinvestments-forms-and-brochures](http://onepath.com.au/superandinvestments-forms-and-brochures) or by contacting Customer Services. Regular and additional investments may incur transaction costs. Please refer to the section 'Fees and other costs' on pages 11 to 28 of this book.

<sup>‡</sup> Switching involves the withdrawal of units from one investment fund and the purchase of units into another investment fund. Withdrawals and switches may incur transaction costs and you may realise a capital gain or loss. You may want to discuss this with your financial adviser.

<sup>§</sup> Additional conditions and restrictions apply for ANZ Term Deposit options. Refer to the section 'ANZ Term Deposits through OneAnswer' on page 72 of the OneAnswer Investment Funds Guide.

<sup>^</sup> However, you may be subject to tax on the distribution that is reinvested.

### Receiving regular withdrawals from your investment<sup>†§</sup>

A Regular Draw-down Plan enables you to make regular withdrawals from your specified investment funds (except for ANZ Term Deposits).

You choose:

- when to start and stop receiving payments
- how often payments from your investment are made: monthly or quarterly.

The Regular Draw-down Plan does not apply to the OnePath Income fund.<sup>Δ</sup> Investors in OnePath Income can receive a regular payment of \$20 or more via the Regular Withdrawal Plan.

### Making a withdrawal<sup>†§</sup>

You can make a request to withdraw from your investment at any time, if the relevant investment fund is liquid. You may wish to speak to your financial adviser before you decide to make a withdrawal. For ANZ Term Deposits, partial withdrawals cannot be made and withdrawals made prior to maturity will incur an early withdrawal adjustment.

In certain exceptional circumstances, depending on the investment fund, we are not required to accept your withdrawal request.

We may vary the minimum balance of an investment fund at any time without notice. Certain investment fund constitutions allow us to redeem all of your units in the investment fund and return your money to you if (depending on the constitution):

- the balance of an investment fund is less than \$250 (or other minimum we choose)
- the balance of an investment fund after making a withdrawal will be less than \$250 (or other minimum we choose)
- we vary the minimum balance and give you 30 days' notice that we will redeem your units if your balance is below the minimum balance.

### Switching between investment funds<sup>‡§</sup>

As your financial objectives change over time, we make it easy for you to tailor your OneAnswer investment. For your convenience you can switch between investment funds online at any time via Account Access at [onepath.com.au](http://onepath.com.au) or by written request.

Any units purchased as a result of the switch will be issued based on the terms of the PDS current at the time the purchase is made and the relevant investment fund's constitution. You can obtain the latest PDS free of charge by contacting your financial adviser, visiting our website at [onepath.com.au/superandinvestments-forms-and-brochures](http://onepath.com.au/superandinvestments-forms-and-brochures) or by contacting Customer Services.

#### More information?

Refer to 'How can I receive a regular payment from my investment?' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

#### More information?

Refer to 'How do I withdraw money from my investment?' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

#### More information?

Refer to 'How do I switch investment funds?' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

<sup>‡</sup> Switching involves the withdrawal of units from one investment fund and the purchase of units into another investment fund. Withdrawals and switches may incur transaction costs and you may realise a capital gain or loss. You may want to discuss this with your financial adviser.

<sup>§</sup> Additional conditions and restrictions apply for ANZ Term Deposit options. Refer to the section 'ANZ Term Deposits through OneAnswer' on page 72 of the OneAnswer Investment Funds Guide.

<sup>Δ</sup> This investment option was closed to new investors from 18 September 2017.

<sup>†</sup> It is important to be aware that any units purchased as a result of an additional investment or reinvestment of distributions or rebates will be issued based on the terms of the PDS current at the time the purchase is made and the investment fund's constitution. You can obtain the latest PDS free of charge by contacting your financial adviser, visiting our website at [onepath.com.au/superandinvestments-forms-and-brochures](http://onepath.com.au/superandinvestments-forms-and-brochures) or by contacting Customer Services. Regular and additional investments may incur transaction costs. Please refer to the section 'Fees and other costs' on pages 11 to 28 of this book.



# HOW DO I MAKE CHANGES AND TRANSACT?

## What can I do online?

Your time is precious, so we offer a range of services and facilities to make managing your investments easier.

The easiest way to manage your OneAnswer investment is to go online. Simply go to the login page at [onepath.com.au](http://onepath.com.au) and use your User ID and password to access your account.

When you invested, you were automatically registered for Account Access and received a User ID and a temporary password, which you can change at your discretion.

### Information at your fingertips

- Keep up to date with market commentaries, investment fund summaries and investor updates.
- Explore our online calculators.
- Access our educational tools.

### Tracking your investment

- View your investment details, including your balance and recent transaction history.
- View your ANZ Term Deposit details if applicable, including interest rate and maturity date.
- Make changes to your personal details and your OneAnswer investment details.
- Monitor the progress of your transactions.
- View your Quarterly Statements online.

### Managing your account online

- View your investment details, including your balance and recent transaction history.
- Switch between investment funds at any time.
- Make changes to your personal details and your OneAnswer investment details.
- Monitor the progress of your transactions.
- View your Quarterly Statements online.

## Where do I locate the forms to maintain and make changes to my investment?

Any forms you require to maintain and make changes to your investment are available by contacting your financial adviser, visiting our website at [onepath.com.au/superandinvestments-forms-and-brochures](http://onepath.com.au/superandinvestments-forms-and-brochures) or by contacting Customer Services.

## Can my financial adviser make changes on my behalf?

You may authorise your financial adviser to make certain transactions on your behalf, including:

- switching between investment funds
- adding or amending an Auto-Rebalance Plan
- adding or amending a Dollar Cost Averaging Plan.

Your financial adviser is not permitted to make withdrawals or amend your bank account details.

If you would like to authorise your adviser to transact on your behalf, complete the 'Adviser transaction authority' in the Application Form.

### Contact your financial adviser

If you would like to confirm your financial adviser's contact details or would like to contact a financial adviser if you do not already have one, please call Customer Services.

## How can I make additional investments to my OneAnswer Investment Portfolio?

You can make additional investments to your OneAnswer Investment Portfolio using BPAY®, internet banking (EFT), direct debit, cheque or online via Account Access at [onepath.com.au](http://onepath.com.au). The exception to this is ANZ Term Deposits where additions can only be made by direct debit, cheque or online.

### BPAY®

You can make investments from a transaction account. You will need to quote a biller code and a unique reference number. Details were provided to you with the confirmation of investment. Please note this method cannot be used for ANZ Term Deposits.

### Internet banking (EFT)

You can make investments from a financial institution account. Details were provided to you with the confirmation of investment. Please note this method cannot be used for ANZ Term Deposits.

### Direct Debit

Please complete the Additional Investment Form and specify your bank or financial institution account details.

### Cheque

Please complete an Additional Investment Form and send to us with your cheque. Cheques should be made payable to 'OnePath Funds Management – OneAnswer'.

## I have a query or would like to request further information. Who can I contact?

We look forward to helping you grow, manage and protect your investments. Our Customer Services team is here to help, contact them directly:

Phone 133 665

Email [customer@onepath.com.au](mailto:customer@onepath.com.au)

Write to OneAnswer  
GPO Box 5306  
Sydney NSW 2001

# WHAT RISKS SHOULD I BE AWARE OF?

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. Before investing, you should consider the level of risk involved with a particular investment and whether the potential returns justify those risks.

When considering 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 investment may be affected by changes in the economic and political climate or changes to legislation, particularly in relation to taxation.

The level of risk you face will vary depending on a range of factors, including your age, investment timeframes, your risk tolerance and what other investments you hold.

Other risks associated with investing through OneAnswer Investment Portfolio will depend on the particular investment funds you choose. This includes risks associated with:

- investing globally, including currency risks
- alternative assets that behave differently to traditional assets such as shares, fixed interest and cash
- gearing – where a fund borrows money in order to invest a greater amount
- derivatives that are used to gain exposure to an investment market or to protect against changes in the values of financial products
- securities lending practices where some fund managers may engage in lending of securities to third parties at a fee
- short-selling strategies used by some fund managers – the selling of the stock which the investment manager does not hold
- long/short strategies used by some fund managers – where the manager will short-sell when they expect a decline in the securities' value while purchasing securities they expect will increase in value
- liquidity risk – where an investment may not be able to be sold to realise enough cash to fund a withdrawal
- counterparty risk – where the other party in a derivative transaction may not be able to meet its financial obligations
- changes to investment funds – where an investment fund is added or removed or an existing fund's characteristics may be changed.

All investment products are generally subject to some or all of the risks described above.

Your financial adviser can help you establish an investor profile that suits your needs to manage these risks.

## More information?

You should read the important information about 'Risks' before making a decision. Go to the section 'What are my investment risks?' in the OneAnswer Investment Funds Guide.

# FEES AND OTHER COSTS

The 'Fees and other costs' and 'Additional explanation of fees and costs' sections in this Product Book (pages 11 to 28) are not relevant for OneAnswer Investment Portfolio//Select investors who should refer to the OneAnswer Investment Portfolio//Select Fees and Charges Guide.

## 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 product issuer 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 ([moneysmart.gov.au](http://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, from the returns on your investment or from the assets of the managed investment schemes as a whole.

Taxes are set out in another part of this document.

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

Fees and costs for particular investment funds are set out in the 'Additional explanation of fees and costs' section of this book.

In OneAnswer Investment Portfolio, we offer two different fee payment options. You would have selected an option when you opened your account. The options are:

- a. to pay contribution fees upfront, at the time when you make each investment into the managed investment scheme. This is referred to as the Entry Fee option; or
- b. to pay contribution fees later (for example, on the withdrawal of your investment or by way of other increased fees). This is referred to as the Nil Entry Fee option.

**Note:** You may pay more in total fees if you choose to pay contribution fees later.

## OneAnswer Investment Portfolio

Type of fee or cost	Amount		How and when paid
	Option to pay contribution fees upfront	Option to pay contribution fees later	
<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	Nil	Not applicable.
<b>Contribution Fee</b> The fee on each amount contributed to your investment.	Nil	Nil	Not applicable.
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment.	Nil	Nil	Not applicable.
<b>Exit Fee</b> The fee to close your investment.	Nil	Nil	Not applicable.
<b>Management costs<sup>^</sup></b>			
The fees and costs for managing your investment. The amount you pay for specific investment options is shown on pages 14 to 17.	<b>Ongoing Fees<sup>†</sup></b> ANZ Term Deposits and ANZ Cash Advantage – Nil Fee range for other investment funds – 0.93% p.a. to 2.14% p.a.	<b>Ongoing Fees<sup>†</sup></b> ANZ Term Deposits and ANZ Cash Advantage – Nil Fee range for other investment funds – 1.78% p.a. to 2.99% p.a.	<b>Ongoing Fees</b> This fee is included in the daily calculation of the unit price and is deducted from the assets of each investment fund monthly.
	<b>Ongoing Fee rebate<sup>‡</sup></b> Ongoing Fee rebates may apply, thereby reducing the above Ongoing Fees.	<b>Ongoing Fee rebate<sup>‡</sup></b> Ongoing Fee rebates may apply, thereby reducing the above Ongoing Fees. <b>Nil Entry Fee rebate<sup>‡</sup></b> A rebate of 0.85% p.a. will apply immediately to each additional or regular investment made from 13 April 2019.	<b>Ongoing Fee rebate</b> Rebates are calculated and credited as additional units to your OneAnswer Investment Portfolio account on or about the quarterly anniversary of your account opening. The rebate reduces the effective Ongoing Fees charged. Please refer to 'Ongoing Fee rebate' on page 18 of this book. Please refer to 'Nil Entry Fee option rebate' on page 19 of this book.

Type of fee or cost	Amount		How and when paid
	Option to pay contribution fees upfront	Option to pay contribution fees later	
<b>Management costs<sup>^</sup> (continued)</b>			
	<b>Investor Fee</b> An Investor Fee of \$48 p.a. applies to balances under \$10,000.	<b>Investor Fee</b> An Investor Fee of \$48 p.a. applies to balances under \$10,000.	<b>Investor Fee</b> This fee is deducted from your balance annually in arrears. Please refer to 'Investor Fee' on page 19 of this book.
	<b>Indirect Costs<sup>#</sup></b> Between 0% and 0.98% p.a.  Indirect costs for some investment funds include performance-related fees which range from 0% to 0.51% p.a. depending on the investment fund. The performance-related fees for each investment fund are shown on page 21 of this book.	<b>Indirect Costs<sup>#</sup></b> Between 0% and 0.98% p.a.  Indirect costs for some investment funds include performance-related fees which range from 0% to 0.51% p.a. depending on the investment fund. The performance-related fees for each investment fund are shown on page 21 of this book.	<b>Indirect Costs<sup>#</sup></b> Indirect costs are variable and are deducted from the underlying assets of the investment fund as and when they are incurred. 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. Performance-related fees are deducted from the underlying assets of the investment fund when due and payable.
	<b>Expense Recovery<sup>^</sup></b> Up to 0.04% p.a. depending on the investment fund chosen	<b>Expense Recovery<sup>^</sup></b> Up to 0.04% p.a. depending on the investment fund chosen	<b>Expense Recovery<sup>^</sup></b> Deducted from the assets of the investment funds on one day during the financial year and reflected in the unit price.
<b>Service Fees<sup>§</sup></b>			
<b>Switching Fee*</b> The fee for changing investment options.	Nil	Nil	Not applicable.

\* You may also incur a buy-sell spread when your money moves in or out of an investment fund. Please refer to 'Buy-sell spreads' on page 20 of this book.

<sup>^</sup> In addition to the Management costs, we are entitled to recover expenses incurred in the proper performance of our duties as responsible entity of the relevant investment fund including the administration or management of the investment fund. These reimbursable expenses include charges, fees, expenses, commissions, liabilities and losses associated with the investment fund. An expense recovery may be charged to recover various costs incurred by the investment funds to implement government regulatory reforms. Where this is charged we expect it to be charged on one day during the financial year. During the 12 months to 30 June 2020, the expense recovery was zero. We estimate that for the 12 months to 30 June 2021, we will not need to recover any expenses and therefore the expense recovery will be zero.

<sup>†</sup> Ongoing Fees are expressed as a percentage of gross assets unless otherwise indicated.

<sup>‡</sup> The Nil Entry Fee rebate will apply to additional and regular investments made from 13 April 2019. Please refer to the 'Nil Entry Fee option rebate' section on page 19 for restrictions which apply to units purchased before 26 March 2007 and between 26 March 2007 and 13 April 2019. This rebate is not applicable to investments in ANZ Term Deposits and ANZ Cash Advantage. This rebate is not payable in relation to units purchased prior to 26 March 2007.

<sup>#</sup> The indirect cost amounts set out above are based on the indirect costs determined for the 12 months ended 30 June 2020. Some components of these costs have been estimated.

<sup>§</sup> Other service fees may apply. Please refer to 'Service fees' on page 20 of this book.

# ADDITIONAL EXPLANATION OF FEES AND COSTS

## Total Ongoing Fees and Costs for each investment fund

The following table lists the total Ongoing Fees and costs for each investment fund offered through OneAnswer Investment Portfolio. These costs include the indirect cost amounts determined for the 12 months ended 30 June 2020 and may vary in future. **\*\* It is important to remember that past costs are not a reliable indicator of future costs.**

**Note:** The Indirect Costs in the following table are equal to the costs affecting returns in the table on pages 25 to 28 and any applicable performance-related fees listed in the table on page 21.

As previously stated, your account may be subject to other fees and costs in addition to the total Ongoing Fees and costs for each applicable investment fund listed below.

Investment fund	Ongoing Fee (% p.a.) <sup>††</sup>		Indirect Costs <sup>##</sup> (% p.a.)	Total (% p.a.)	
	Entry Fee option <sup>*</sup>	Nil Entry Fee option <sup>†</sup>		Entry Fee option	Nil Entry Fee option <sup>†</sup>
<b>Multi-manager investment funds</b>					
<b>Investor Profile 2 – Conservative</b>					
OnePath Capital Stable <sup>ll</sup>	1.09	1.94	0.19	1.28	2.13
OnePath Conservative <sup>ll</sup>	1.09	1.94	0.34	1.43	2.28
OptiMix Australian Fixed Interest	1.20	2.05	0.04	1.24	2.09
OptiMix Conservative	1.30	2.15	0.40	1.70	2.55
<b>Investor Profile 3 – Moderate</b>					
OnePath Balanced <sup>§††</sup>	1.24	2.09	0.43	1.67	2.52
OptiMix Moderate <sup>††</sup>	1.36	2.21	0.46	1.82	2.67
<b>Investor Profile 4 – Growth</b>					
OnePath Active Growth <sup>§††</sup>	1.24	2.09	0.46	1.70	2.55
OnePath Managed Growth <sup>††</sup>	1.24	2.09	0.44	1.68	2.53
OptiMix Balanced <sup>††</sup>	1.38	2.23	0.49	1.87	2.72
OptiMix Growth	1.43	2.28	0.41	1.84	2.69
<b>Investor Profile 5 – High growth</b>					
<b>Property</b>					
OptiMix Property Securities	1.42	2.27	0.05	1.47	2.32
<b>Australian shares</b>					
OptiMix Australian Shares	1.42	2.27	0.10	1.52	2.37
<b>Global shares</b>					
OptiMix Global Emerging Markets Shares <sup>††</sup>	1.79	2.64	0.33	2.12	2.97
OptiMix Global Shares	1.60	2.45	0.01	1.61	2.46
<b>Multi-sector</b>					
OnePath High Growth	1.24	2.09	0.25	1.49	2.34
OptiMix High Growth	1.51	2.36	0.28	1.79	2.64

Investment fund	Ongoing Fee (% p.a.) <sup>††</sup>		Indirect Costs <sup>##</sup> (% p.a.)	Total (% p.a.)	
	Entry Fee option <sup>*</sup>	Nil Entry Fee option <sup>†</sup>		Entry Fee option	Nil Entry Fee option <sup>†</sup>
<b>Single-manager investment funds</b>					
<b>Investor Profile 1 – Defensive</b>					
ANZ Cash Advantage	Nil	Nil	Nil	Nil	Nil
ANZ Term Deposits	Nil	Nil	Nil	Nil	Nil
<b>Investor Profile 2 – Conservative</b>					
Kapstream Absolute Return Income	1.13	1.98	0.07	1.20	2.05
OnePath Diversified Fixed Interest	1.09	1.94	0.13	1.22	2.07
Pendal Monthly Income Plus	1.39	2.24	0.09	1.48	2.33
Perpetual Conservative Growth <sup>ll-</sup>	1.44	2.29	0.18	1.62	2.47
Schroder Fixed Income <sup>**</sup>	1.09	1.94	0.13	1.22	2.07
UBS Diversified Fixed Income <sup>ll</sup>	1.17	2.02	0.00	1.17	2.02
Vanguard Conservative Index <sup>**</sup>	0.93	1.78	0.02	0.95	1.80
Vanguard Diversified Bond Index <sup>**</sup>	0.94	1.79	0.00	0.94	1.79
<b>Investor Profile 3 – Moderate</b>					
Colonial First State Global Credit Income <sup>††</sup>	1.14	1.99	0.20	1.34	2.19
Schroder Real Return <sup>ll</sup>	1.44	2.29	0.06	1.50	2.35
T. Rowe Price Dynamic Global Bond <sup>-††</sup>	1.06	1.91	0.98	2.04	2.89
UBS Defensive <sup>ll</sup>	1.44	2.29	0.06	1.50	2.35
Vanguard Balanced Index <sup>**</sup>	0.97	1.82	0.02	0.99	1.84
<b>Investor Profile 4 – Growth</b>					
Bentham Global Income	1.44	2.29	0.02	1.46	2.31
BlackRock Scientific Diversified Growth <sup>ll-</sup>	1.34	2.19	0.49	1.83	2.68
BlackRock Tactical Growth <sup>ll-††</sup>	1.44	2.29	0.72	2.16	3.01
OnePath Alternatives Growth <sup>†-</sup>	1.54	2.39	0.54	2.08	2.93
OnePath Diversified Credit	1.09	1.94	0.03	1.12	1.97
OnePath Tax Effective Income <sup>§</sup>	1.24	2.09	0.08	1.32	2.17
Perpetual Balanced Growth <sup>ll-</sup>	1.54	2.39	0.25	1.79	2.64
Schroder Balanced <sup>ll</sup>	1.44	2.29	0.11	1.55	2.40
UBS Balanced <sup>ll</sup>	1.54	2.39	0.10	1.64	2.49
Vanguard Growth Index <sup>**</sup>	1.01	1.86	0.02	1.03	1.88

Investment fund	Ongoing Fee (% p.a.) <sup>††</sup>		Indirect Costs <sup>##</sup> (% p.a.)	Total (% p.a.)	
	Entry Fee option <sup>*</sup>	Nil Entry Fee option <sup>†</sup>		Entry Fee option	Nil Entry Fee option <sup>†</sup>
Single-manager investment funds (continued)					
Investor Profile 5 – High growth					
<b>Property</b>					
OnePath Global Property Securities Index	1.17	2.02	0.03	1.20	2.05
OnePath Property Securities <sup>§</sup>	1.24	2.09	0.05	1.29	2.14
Vanguard Australian Property Securities Index	0.93	1.78	0.00	0.93	1.78
<b>Australian shares</b>					
Ausbil Australian Emerging Leaders <sup>†††</sup>	1.39	2.24	0.30	1.69	2.54
Bennelong Australian Equities <sup>**</sup>	1.44	2.29	0.16	1.60	2.45
BlackRock Scientific Australian Equity	1.34	2.19	0.01	1.35	2.20
Colonial First State Imputation <sup>†††</sup>	1.44	2.29	0.27	1.71	2.56
Fidelity Australian Equities <sup>**</sup>	1.49	2.34	0.03	1.52	2.37
Greencap Broadcap <sup>‡</sup>	1.44	2.29	0.64	2.08	2.93
Investors Mutual Australian Shares <sup>  </sup>	1.44	2.29	0.00	1.44	2.29
Merlon Australian Share Income	1.54	2.39	0.20	1.74	2.59
Nikko AM Australian Shares <sup>††</sup>	1.44	2.29	0.26	1.70	2.55
OnePath Australian Shares <sup>§</sup>	1.24	2.09	0.13	1.37	2.22
OnePath Blue Chip Imputation <sup>¶§</sup>	1.24	2.09	0.18	1.42	2.27
OnePath Emerging Companies <sup>††</sup>	1.24	2.09	0.23	1.47	2.32
OnePath Geared Australian Shares Index <sup>‡</sup>	1.79	2.64	0.12	1.91	2.76
OnePath Select Leaders	1.24	2.09	0.26	1.50	2.35
OnePath Sustainable Investments – Australian Shares	1.24	2.09	0.10	1.34	2.19
Pendal Australian Shares <sup>**</sup>	1.44	2.29	0.07	1.51	2.36
Pendal Smaller Companies <sup>††</sup>	1.61	2.46	0.39	2.00	2.85
Perennial Value Shares <sup>  </sup>	1.44	2.29	0.15	1.59	2.44
Perpetual Australian Shares <sup>†††</sup>	1.54	2.39	0.32	1.86	2.71
Perpetual Ethical SRI	1.76	2.61	0.08	1.84	2.69
Schroder Australian Equity <sup>  </sup>	1.44	2.29	0.03	1.47	2.32
Vanguard Australian Shares Index	0.93	1.78	0.00	0.93	1.78
<b>Global shares</b>					
Altrinsic Global Equities <sup>**</sup>	1.66	2.51	0.00	1.66	2.51
Antipodes Global (Long only) <sup>†††</sup>	1.42	2.27	0.38	1.80	2.65
Arrowstreet Global Equity (Hedged) <sup>†††</sup>	1.49	2.34	0.33	1.82	2.67
BlackRock Scientific International Equity	1.44	2.29	0.14	1.58	2.43
Magellan Global <sup>¶  </sup>	1.94	2.79	0.03	1.97	2.82
MFS Global Equity	1.44	2.29	0.04	1.48	2.33
OnePath Global Emerging Markets Shares	1.34	2.19	0.12	1.46	2.31
OnePath Global Shares <sup>§</sup>	1.34	2.19	0.07	1.41	2.26
OptiMix Global Smaller Companies Shares	1.69	2.54	0.42	2.11	2.96
Pendal Core Hedged Global Shares <sup>†††</sup>	1.44	2.29	0.34	1.78	2.63
Platinum Asia <sup>**</sup>	2.14	2.99	0.50	2.64	3.49



Investment fund	Ongoing Fee (% p.a.) <sup>††</sup>		Indirect Costs <sup>##</sup> (% p.a.)	Total (% p.a.)	
	Entry Fee option <sup>*</sup>	Nil Entry Fee option <sup>†</sup>		Entry Fee option	Nil Entry Fee option <sup>†</sup>
Single-manager investment funds (continued)					
Investor Profile 5 – High growth (continued)					
Global shares (continued)					
Platinum International	2.14	2.99	0.08	2.22	3.07
Stewart Investors WorldWide Sustainability	1.79	2.64	0.15	1.94	2.79
T. Rowe Price Global Equity**	1.79	2.64	0.00	1.79	2.64
Vanguard International Shares Index	0.95	1.80	0.00	0.95	1.80
Vanguard International Shares Index (Hedged)	0.95	1.80	0.01	0.96	1.81
Walter Scott Global Equity (Hedged)**	1.82	2.67	0.10	1.92	2.77
Multi-sector					
Vanguard High Growth Index**	1.05	1.90	0.02	1.07	1.92
Infrastructure					
Colonial First State Global Listed Infrastructure <sup>††</sup>	1.49	2.34	0.74	2.23	3.08
RARE Infrastructure Value**	1.64	2.49	0.23	1.87	2.72

## Some components of the indirect costs determined for the previous complete financial year have been estimated.

\* In the Entry Fee option, you will be charged the full Ongoing Fee of the Nil Entry Fee option and will receive an Ongoing Fee rebate of 0.85% p.a. (excluding investments in ANZ Cash Advantage and ANZ Term Deposits). The Ongoing Fees shown in the tables above are net of this rebate. Please refer to 'Entry Fee option' on page 19 for more information. The Ongoing Fee rebate of 0.85% p.a. is not applicable to ANZ Term Deposits or ANZ Cash Advantage.

† In the Nil Entry Fee option, a rebate of 0.85% p.a. will be paid immediately for each additional or regular investment made from 13 April 2019, effectively reducing the Ongoing Fee to the level of the Entry Fee option (excluding ANZ Cash Advantage and ANZ Term Deposits). Please refer to 'Nil Entry Fee option rebate' on page 19 for more information. This Nil Entry Fee rebate is not applicable to ANZ Term Deposits or ANZ Cash Advantage.

|| In some circumstances, the fee charged to these investment funds is higher than the fee stated. However, you will be paid an Ongoing Fee rebate to ensure the net fee you pay is in line with the fee stated.

§ A portion of the Ongoing Fee is charged under the expense clause of the relevant investment fund's constitution. The remainder is charged under the management fee clause.

†† During the financial year ended 30 June 2020 there were extraordinary trading costs incurred in a number of investment markets. This was a result of market uncertainty resulting from COVID-19. Increases in buy-sell spreads went some way to offsetting these costs. These conditions lead to extraordinary transaction costs which are included above but are not expected to be incurred in future years.

\*\* For these investment funds, the maximum Switching Fee that may be charged is 5% of the amount switched. Please note we do not currently charge a Switching Fee. Please refer to the 'Maximum fees and charges table' on page 23 of this book for more information.

^ For example, for every \$1,000 invested in OnePath Blue Chip Imputation (Entry Fee option), an Ongoing Fee of \$12.40 will be charged each year. This example is for illustrative purposes only.

‡ This is the Ongoing Fee charged on the net assets of the relevant investment fund. Assuming a gearing ratio of 50%, this would represent an Ongoing Fee on gross assets of 0.90% p.a. in the Entry Fee option and 1.32% p.a. in the Nil Entry Fee option.

# A performance-related fee may be payable in relation to this investment fund and where payable in the previous complete financial year this has been included above. Please refer to 'Performance-related fees' on page 21 of this book for further details.

~ This investment option has indirect costs in addition to the transaction costs included on pages 25 to 28.

‡‡ The Ongoing Fees for OptiMix and OnePath investment funds are estimated investment fees for a complete financial year ending 30 June and may vary during the year.

Some investment funds are not available through all financial planning groups. Please speak to your adviser about the investment funds available to you.

## Further information

### Ongoing Fee rebate

Ongoing Fee rebates apply to balances over \$100,000, thereby reducing the Ongoing Fees payable. This rebate is based on your total balance within a fee option (excluding investments in ANZ Term Deposits and ANZ Cash Advantage).

The rebates are calculated on a progressive basis and are set out in the following table:

Investment balance tier	Ongoing Fee rebate
First \$100,000	Nil
Next \$100,000	0.20% p.a.
Next \$100,000	0.40% p.a.
Amounts over \$300,000	0.60% p.a.

Rebates are calculated monthly based on your account balance on or about the monthly anniversary of your investment start date. It is credited as additional units to your OneAnswer Investment Portfolio on or about the quarterly anniversary of your investment start date, or on full withdrawal. You can choose to have all rebates paid into one investment fund or across all applicable investment funds. Where rebates are credited as additional units, transaction costs will apply to the purchase. Alternatively, you can choose to have these rebates paid into your financial institution account. In most cases, rebates should be treated as assessable income for tax purposes; however, there may be circumstances where this is not the appropriate treatment. You should seek tax advice specific to your circumstances.

Further rebates apply to your investment based on the fee option you select. These are outlined in further detail below, together with examples of how these rebates are calculated (assuming no change in investment value).

### Entry Fee option rebate

If you choose the Entry Fee option, you will be charged the full Ongoing Fee of the Nil Entry Fee option and will receive an Ongoing Fee rebate of 0.85% p.a. (excluding investments in ANZ Term Deposits and ANZ Cash Advantage). This rebate is in addition to the Ongoing Fee rebate for balances over \$100,000. The rebate is paid at the same time and in the same manner as the Ongoing Fee rebate outlined opposite.

#### Example: Rebate calculations for the Entry Fee option

Johnston selected the Entry Fee option and has the following investments:

• ANZ Cash Advantage	\$30,000*
• OnePath Balanced	\$140,000
• OnePath Australian Shares	\$60,000
• OptiMix Moderate	\$60,000
• Vanguard Australian Property Securities Index	\$60,000

**Johnston's balance** **\$350,000**

His Ongoing Fee rebate is calculated as follows:

Investment balance tier	Rebate calculation	Ongoing Fee rebate
First \$100,000	$\$100,000 \times 0.00\% \text{ p.a.}$	\$0
Next \$100,000	$\$100,000 \times 0.20\% \text{ p.a.}$	\$200
Next \$100,000	$\$100,000 \times 0.40\% \text{ p.a.}$	\$400
Amounts over \$300,000	$\$20,000 \times 0.60\% \text{ p.a.}$	\$120
<b>Total rebate</b>		<b>\$720 p.a.* (\$180 per quarter)</b>

\* The Ongoing Fee rebate does not apply to investments in ANZ Cash Advantage.

In addition to the above Ongoing Fee rebate, Johnston receives a rebate of 0.85% p.a. on the balance of his investment, excluding his investment in ANZ Cash Advantage as calculated below:

$\$320,000 \times 0.85\% \text{ p.a.} = \$2,720 \text{ p.a.}$  (\$680 per quarter)

This rebate represents the difference between the Ongoing Fee of the Nil Entry Fee option and the Ongoing Fee applicable to his investment in the Entry Fee option.

In this example, Johnston will receive a rebate of \$860 (\$180 + \$680) on each quarterly anniversary of his investment.

**Note:** This example is illustrative only and should not be regarded as a forecast for your investment, nor regarded as indicative of future performance.

### Nil Entry Fee option rebate

If you choose the Nil Entry Fee option, a 'Nil Entry Fee rebate' of 0.85% p.a. applies to each additional or regular investment.

Units purchased before 26 March 2007 are not eligible for this rebate. Units purchased between 26 March 2007 and 13 April 2019 are eligible for this rebate after four years of each investment.

The rebate is calculated on the balance of each investment (excluding investments in ANZ Term Deposits and ANZ Cash Advantage). This rebate is in addition to the Ongoing Fee rebate for balances over \$100,000. The rebate is paid at the same time and in the same manner as the Ongoing Fee rebate outlined on the previous page. For the purposes of calculating the Nil Entry Fee rebate, the account balance excludes investments in ANZ Cash Advantage and ANZ Term Deposits.

#### Example: Rebate calculations for the Nil Entry Fee option

Gemma has the following investments:

• OnePath Global Emerging Markets	\$40,000
• Vanguard Diversified Bond Index	\$60,000
• OnePath Geared Australian Shares Index	\$60,000
• Pandal Australian Shares	\$90,000

**Gemma's balance** **\$250,000**

Her Ongoing Fee rebate is calculated as follows:

Investment balance tier	Rebate calculation	Ongoing Fee rebate
First \$100,000	$\$100,000 \times 0.00\% \text{ p.a.}$	\$0
Next \$100,000	$\$100,000 \times 0.20\% \text{ p.a.}$	\$200
Next \$100,000	$\$50,000 \times 0.40\% \text{ p.a.}$	\$200
Amounts over \$300,000	$\$0 \times 0.60\% \text{ p.a.}$	\$0
<b>Total rebate</b>		<b>\$400 p.a.* (\$100 per quarter)</b>

As her investment has been invested for over four years, Gemma also receives a Nil Entry Fee rebate as calculated below:

$\$250,000 \times 0.85\% \text{ p.a.} = \$2,125 \text{ p.a.}$  (\$531.25 per quarter).

In this example, Gemma will receive a rebate of \$631.25 (\$100 + \$531.25) on each quarterly anniversary of her investment.

**Note:** This example is illustrative only and should not be regarded as a forecast for your investment, nor regarded as indicative of future performance.

### Contribution Fees (Entry Fee)

No Entry Fees apply.

### Investor Fee

This is an account keeping fee of \$48 p.a. where your total balance (excluding investments in ANZ Cash Advantage and ANZ Term Deposits) is under \$10,000. For investments solely in ANZ Cash Advantage and ANZ Term Deposits this fee will not apply.

The fee is accrued monthly on or about the monthly anniversary of your investment start date. The fee is deducted annually, or pro-rated upon full withdrawal from OneAnswer. The Investor Fee is accrued and deducted proportionately across your investment funds.

If you have invested prior to 20 September 2004 this fee will not apply to your current investment, including additional investments.

### Withdrawal Fees

No Withdrawal Fees apply.

## Service fees

### Switching

There are currently no fees for switching between any of the investment funds.

### Buy-sell spreads

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

A Buy-sell spread, currently up to a maximum of 1.00%, may apply to amounts invested or withdrawn from an investment fund. This may vary in future. These spreads are incorporated in the buy and sell unit prices.

The buy and sell spreads for each investment fund are available in the Buy-Sell Spread Guide at [onepath.com.au/superandinvestments-forms-and-brochures](http://onepath.com.au/superandinvestments-forms-and-brochures)

For example, for every \$1,000 that you invest in the Vanguard Growth Index fund, the buy-sell spread you incur is currently 0.04% or \$0.40. This amount is reflected in the 'buy' unit price at the time the units are purchased.

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 0.04% or \$0.40. This means that total spread cost for the example \$1,000 investment will be 0.08% or \$0.80.

## Indirect costs

Indirect costs include any amounts that have been deducted from your investment and covers amounts that have reduced the return on your investment but are not charged as a fee.

In the event that we obtain updated indirect costs we will publish these costs on our website at [onepath.com.au/superandinvestments/product-updates](http://onepath.com.au/superandinvestments/product-updates) (or issue a new PDS). As the PDS may not always reflect the latest indirect costs, please refer to our website for the most current information.

### Transaction costs

Transaction costs relate to the investment of assets into the underlying funds and/or securities of each investment fund. Transaction costs are an additional cost to you, however they are deducted from the assets of the investment fund at the time they are incurred and are reflected in the unit price of each investment fund, rather than as a fee deducted from your account. Total transaction costs are referred to as gross transactions costs and in certain circumstances may be offset by amounts recovered by the buy-sell spread.

Where a buy-sell spread is charged for an investment fund, the amounts recovered by this charge are used to help offset some of the gross transaction costs incurred by the investment fund.

Gross transaction 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 the assets of the underlying funds and to manage transaction settlements.
- **Stamp duty** – generally levied on the transfer of assets or property.
- **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 offer price) for a particular security. These are usually incurred by investment managers buying and selling fixed income securities, foreign currency conversions and listed equities.

The table on pages 25 to 28 provides a breakdown of the transactions costs for each investment fund.

## Performance-related fees

We do not charge performance-related fees directly. However, performance-related fees may be payable from the underlying investment fund to the fund manager. These are referred to as 'performance-related fees' and increase the indirect costs. These are an additional cost to you.

The fund manager may charge a performance-related fee if the underlying fund outperforms the relevant investment benchmark. Any change in a performance-related fee will change that investment fund's indirect costs. The underlying investment funds with performance-related fees, their relevant benchmarks and performance-related fees for the 12 months ended 30 June 2020 are noted in the following table.

Benchmark	Performance fee <sup>‡</sup>	Performance-related fee % p.a. <sup>^</sup>
<b>Antipodes Global (Long only)</b>		
MSCI All Country World Net Index in AUD.	15% of outperformance above the benchmark.	0.00
<b>Ausbil Australian Emerging Leaders</b>		
70% S&P/ASX Midcap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index.	15.375% of outperformance above the benchmark plus a hurdle of 0.85% p.a. <sup>†</sup>	0.00
<b>Greencape Broadcap</b>		
S&P/ASX 300 Accumulation Index.	15% of outperformance above the benchmark.	0.51
<b>Magellan Global</b>		
Dual Hurdle of the MSCI World Net Total Return (AUD) ("Index Relative Hurdle") and the yield of 10-year Australian Government Bonds ("Absolute Return Hurdle").	10% of the excess return above the higher of the Index Relative Hurdle and the Absolute Return Hurdle over each 6 monthly period ending 31 December and 30 June, subject to the High Water Mark being met for the relevant period.	0.03
<b>OnePath Alternatives Growth*</b>		0.20 <sup>#</sup>
For the underlying funds:		
For the GMO Systematic Global Macro fund the benchmark is the Bloomberg AusBond Bank Bill Index.	20.142% of outperformance above the benchmark after the management fee is charged.	0.00
For the Man AHL Alpha fund the performance fee is not linked to a benchmark index.	25% of the increase in net asset value over the previous highest closing net asset value subject to a High Water Mark.	1.42

‡ For example, for every \$1,000 you invested in the Magellan Global fund, a \$0.30 performance-related fee would have been charged for the 12 months ended 30 June 2020. This example is illustrative only.

<sup>^</sup> The performance-related fees are based on the performance fees of the underlying investment managers for the 12 months ended 30 June 2020. **Past costs are not a reliable indicator of future costs.** The performance fee payable may differ from year to year.

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

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

# The performance-related fee for OnePath Alternatives Growth is 0.20% p.a., based on the weighted average of the performance-related fees of the underlying investments.

Performance-related fees are reflected as a reduction in the returns generated by the underlying investment fund. Therefore, the value of your investment in the applicable investment fund will be impacted by any performance fee.

The performance fee for Antipodes Global (Long only) and Magellan Global is accrued daily and payable half yearly. The performance fee for Ausbil Australian Emerging Leaders is accrued daily and payable monthly in arrears. The performance fee for Greencape Broadcap is accrued daily and payable quarterly in arrears. For OnePath Alternatives Growth, the performance fee for GMO Systematic Global Macro is payable half yearly and the performance fee for Man AHL Alpha (AUD) fund is calculated and accrued daily and payable annually in arrears as at 30 June.

## Borrowing costs

Borrowing costs are costs that arise when an underlying fund manager borrows money to fund the purchase of an asset.

Borrowing costs are recovered from the assets of the underlying investment option and are an additional cost to you.

Borrowing costs for the previous complete financial year were incurred by the following investment funds:

- OnePath Alternatives Growth\* – 0.01% p.a.
- BlackRock Scientific Diversified Growth – 0.04% p.a.
- BlackRock Tactical Growth – 0.06% p.a.
- Colonial First State Global Credit Income – 0.01% p.a.
- Stewart Investors WorldWide Sustainability – 0.01% p.a.
- OnePath Geared Australian Shares Index – 1.78% p.a.

\* Estimated based off an allocation of 26% to the Fulcrum Diversified Absolute Return Fund.

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

## Financial adviser payments

### Adviser Service Fee

This is an optional fee that is agreed between you and your financial adviser.

You can agree with your financial adviser that we will pay them (or their licensee) an Adviser Service Fee (ASF) for their services in relation to your investment and we will deduct this amount from your investment. You choose whether the fee will be deducted by withdrawing units across all your investment funds, or by withdrawing units from one nominated investment fund. The ASF deducted from your investment is inclusive of any applicable GST.

You cannot nominate ANZ Term Deposits as the fund from which the Adviser Service Fees (ASF) are deducted. Note that investments in ANZ Term Deposits will be included in the total account balance when calculating a percentage\* based ASF.

There are two ways you can choose to have this fee paid:

- **Ongoing Adviser Service Fee** – This fee may be charged on an ongoing basis as a percentage of your balance or a set dollar amount per annum. This fee will be calculated and deducted from your balance on or about the monthly anniversary of your investment. You can terminate this fee at any time by notifying us in writing. In the event of your death, we will cease deducting any ASFs upon receiving formal confirmation (e.g. an original certified copy of the death certificate or Grant of Probate document). We will then refund any ASFs deducted since the date of death back to your account.
- **One-off Adviser Service Fee** – This fee may be charged on a one-off basis as a set dollar amount or as a percentage\* of either:
  - your investment at the time of your initial or additional investment
  - your total balance at any other time.

Where this fee is being charged at the time of your investment it will be deducted after your investment has been processed.

### Example: How an ongoing ASF is calculated

If you have a \$10,000 total balance and have requested an ongoing ASF of 1% p.a., the amount deducted from your investment would be \$100 p.a. ( $\$10,000 \times 1\%$ ) or \$8.33 per month.

**Note:** This example is illustrative only.

\* If any part of your investment is borrowed or sourced from a loan, then you cannot nominate a percentage based Adviser Service Fee.

## Other financial adviser payments

We may make payments to dealer groups, financial advisers or other third parties based on commercial arrangements we have with these parties. These payments may in some cases be made to related entities. The types of payments include payments to enable educational support and practice development services for advisers and payments to third parties to distribute our products. These payments are made by us and not charged to you or your OneAnswer account.

## Fees for the closed ANZ Flexible Term Deposit Fund (ANZ FTD Fund)

ANZ FTD Fund is closed to new investment except for Regular Investment Plans and Auto-Rebalance Plans established by existing clients prior to 12 April 2010. The fees and charges for ANZ FTD Fund are identical to the fees and charges described for ANZ Cash Advantage on pages 11 to 28 of this book.

### Other fees and additional information

#### GST

The fees and costs disclosed in this document that you may be charged are shown inclusive of any applicable GST less any entitlement to a Reduced Input Tax Credit (RITC) available to the relevant investment funds, unless otherwise stated.

#### Dishonour Fee

Currently, a \$10 fee is charged to your OneAnswer Investment Portfolio account where any payment made by direct debit is dishonoured (for example, insufficient funds are available in the account debited).

#### Processing fee

Your financial institution may charge a processing fee each time you make a contribution using the Regular Investment Plan. This amount will vary depending on your financial institution.

#### Differential fees

We may negotiate differential fees with 'wholesale' clients as defined in the *Corporations Act 2001*, which may result in rebates being paid to these investors. These rebates will be paid from our own money and will not affect other investors. Rebates may be treated as assessable income for tax purposes, however you should seek tax advice specific to your circumstances.

#### Multiple classes of units

Multiple classes of units can be issued for certain investment funds offered through OneAnswer Investment Portfolio that may provide different fee arrangements. Such classes of units are on offer to investors in OneAnswer Frontier Investment Portfolio and for investors who qualify as wholesale clients under the *Corporations Act 2001*.

#### Payments from underlying fund managers and related parties

We or a related party may receive a fund manager payment from underlying fund managers based on funds under management. These amounts are already considered when we determine the fees and charges for each investment fund. These payments come from each fund manager's resources and are not an additional fee to you. These fund manager payments are up to a maximum of 0.75% p.a. of funds under management in the relevant underlying fund.

A related party of the Trustee may receive payments from Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) (ANZ) of up to 0.45% p.a. (plus any applicable GST) of the amounts held in the ANZ Cash Advantage investment option invested with ANZ and/or in ANZ Term Deposits invested with ANZ. These payments are not an additional charge to you.

Where alternative asset exposure is obtained through underlying Swaps, we do not receive a fund manager payment from the underlying investment managers of the alternative assets. For further information about the Swap arrangements, please refer to 'OptiMix and OnePath investment funds – alternative asset exposure' in the OneAnswer Investment Funds Guide.

## Expenses

The Ongoing Fees of the investment funds include ongoing fees and charges of the underlying investment fund as advised to us at the time of writing this PDS.

In addition to the Ongoing Fees and charges of the underlying investment fund, underlying fund managers may incur expenses which they are able to recover from the underlying fund. These expenses may vary over time, can change without notice and will be passed on to investors. These may affect the return of an investment fund. We will communicate these changes to investors within a reasonable time frame when we are made aware of these changes. In certain circumstances this may be after these expenses have already been passed through to investors.

Under the constitution of each OneAnswer investment fund, we are entitled to recover costs incurred in the performance of our duties as responsible entity of the investment fund and in the administration and management of the investment fund.

These reimbursable expenses include charges, fees, expenses, commissions, liabilities and losses associated with the relevant investment fund.

Where alternative asset exposure is obtained through underlying Swap arrangements (Swaps), the investment returns produced from the Swaps are net of all applicable fees and expenses. For further information about the Swaps, please refer to 'OptiMix and OnePath investment funds – alternative asset exposure' in the OneAnswer Investment Funds Guide.

### Alterations to fees

We reserve the right to change any of our fees and charges from their present levels without your consent.

The fees contained in this PDS are up to date at the time of its preparation. For updated information please visit our website at [onepath.com.au](http://onepath.com.au)

### Maximum fees and charges

Each investment fund's constitution (including the scheme through which ANZ Term Deposits are offered) allows us to charge higher fees as outlined in the table below.

Maximum fee*	
Entry Fee	5% of application money for OptiMix Global Emerging Markets Shares, Merlon Australian Share Income, Pandal Monthly Income Plus, Perpetual Ethical SRI and Stewart Investors WorldWide Sustainability. 8% of application money for all other investment funds.
Withdrawal Fee	5% of redemption price for all investment funds.
Management Fee (p.a.) <sup>^</sup>	4.4% (inclusive of GST) of investment funds' gross asset value.
Switching Fee <sup>‡</sup>	5% of redemption price for all investment funds.
Investor Fee (p.a.)	\$130 <sup>†</sup> for all investment funds.
Dishonour Fee	Actual cost incurred by us for the dishonour.

\* These fee maximums apply to investments made after 20 September 2004. Prior to that, different maximums applied and continue to apply for those investments.

<sup>^</sup> The maximum management fee is 4% (inclusive of GST) for the following investment funds: OnePath Property Securities Trust, OnePath Australian Share Trust, OnePath Diversified Fixed Interest Trust

<sup>‡</sup> For certain investment funds, we may elect to charge a switching fee of \$54.50 per switch. The investment funds for which this does not apply are noted on the fees table on page 13 of this book. Please note we do not currently charge a Switching Fee.

<sup>†</sup> This amount is adjusted by changes to the Consumer Price Index (CPI) since September 2004.

## Example of annual fees and costs for a balanced investment option

The tables below provide an example of how the fees and costs in a balanced investment option for this product can affect your investment over a one-year period. You should use these tables to compare this product with other managed investment products.

### Entry Fee option

Example – OnePath Managed Growth		Balance of \$50,000 with total contributions of \$5,000 during the year
Contribution Fees	Nil	There is no charge.
<b>PLUS</b> Management costs	1.24% p.a. ongoing fees <sup>§</sup> plus 0.44% p.a. indirect costs plus 0.00% p.a. expense recovery <sup>^</sup>	And, for every \$50,000 you have in the balanced investment option you will be charged an estimated \$840* each year.
<b>EQUALS</b> Cost of balanced investment option		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 <sup>†</sup> during that year, you will be charged estimated fees of \$840 <sup>‡</sup> . <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b>

<sup>^</sup> No expense recovery fee was deducted for the 12 months to 30 June 2020. We estimate that for the 12 months to 30 June 2021 we will not need to recover any expenses and therefore the expense recovery will be zero.

\* Ongoing Fee rebates apply when your balance exceeds \$100,000. Please refer to 'Ongoing Fee rebate' on page 18 of this book.

<sup>†</sup> You may also incur a buy-sell spread when your money moves in or out of an investment fund. Please refer to 'Buy-sell spreads' on page 20 of this book. You may also incur an investor fee of \$48 p.a. if your account balance is under \$10,000. Please refer to page 19 of this book for further information.

<sup>#</sup> 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.

<sup>§</sup> The Ongoing Fee for OptiMix and OnePath investment funds are estimated investment fees for a complete financial year ending 30 June and may vary during the year.

### Nil Entry Fee option

Example – OnePath Managed Growth		Balance of \$50,000 with total contributions of \$5,000 during the year
Contribution Fees	Nil	There is no charge.
<b>PLUS</b> Management costs	2.09% p.a. ongoing fees <sup>§</sup> less 0.85% p.a. rebate* plus 0.44% p.a. indirect costs plus 0.00% p.a. expense recovery <sup>^</sup>	And, for every \$50,000 you have in the balanced investment option you will be charged an estimated \$840* each year.
<b>EQUALS</b> Cost of balanced investment option		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 <sup>†</sup> during that year, you will be charged estimated fees of \$840 <sup>‡</sup> . <b>What it costs you will depend on the investment option you choose and the fees you negotiate.</b>

<sup>^</sup> No expense recovery fee was deducted for the 12 months to 30 June 2020. We estimate that for the 12 months to 30 June 2021 we will not need to recover any expenses and therefore the expense recovery will be zero.

\* Ongoing Fee rebates apply when your balance exceeds \$100,000. A rebate of 0.85% p.a. will also apply immediately for the Nil Entry Fee option to each additional or regular investment made from 13 April 2019. Please refer to 'Ongoing Fee rebate' on page 18 of this book and 'Nil Entry Fee option rebate' on page 19 of this book.

<sup>†</sup> You may also incur a buy-sell spread when your money moves in or out of an investment fund. Please refer to 'Buy-sell spreads' on page 20 of this book. You may also incur an investor fee of \$48 p.a. if your account balance is under \$10,000. Please refer to page 19 of this book for further information.

<sup>#</sup> 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.

<sup>§</sup> The Ongoing Fee for OptiMix and OnePath investment funds are estimated investment fees for a complete financial year ending 30 June and may vary during the year.



## Transaction Costs for each investment fund

The following table lists the transaction costs for each investment fund offered through OneAnswer Investment Portfolio. These costs are determined for the 12 months ended 30 June 2020 and may vary in future.<sup>##</sup> It is important to remember that past costs are not a reliable indicator of future costs.

Investment fund	Transaction Costs		
	(D) Gross costs (% p.a.)	(E) Costs recovered from buy-sell spread (% p.a.)	(F = D – E) Costs affecting returns (% p.a.)
<b>Multi-manager investment funds</b>			
<b>Investor Profile 2 – Conservative</b>			
OnePath Capital Stable	0.20	0.01	0.19
OnePath Conservative	0.36	0.02	0.34
OptiMix Australian Fixed Interest	0.09	0.05	0.04
OptiMix Conservative	0.42	0.02	0.40
<b>Investor Profile 3 – Moderate</b>			
OnePath Balanced	0.44	0.01	0.43
OptiMix Moderate	0.48	0.02	0.46
<b>Investor Profile 4 – Growth</b>			
OnePath Active Growth	0.47	0.01	0.46
OnePath Managed Growth	0.45	0.01	0.44
OptiMix Balanced	0.50	0.01	0.49
OptiMix Growth	0.43	0.02	0.41
<b>Investor Profile 5 – High growth</b>			
<b>Property</b>			
OptiMix Property Securities	0.07	0.02	0.05
<b>Australian shares</b>			
OptiMix Australian Shares	0.12	0.02	0.10
<b>Global shares</b>			
OptiMix Global Emerging Markets Shares	0.44	0.11	0.33
OptiMix Global Shares	0.02	0.01	0.01
<b>Multi-sector</b>			
OnePath High Growth	0.26	0.01	0.25
OptiMix High Growth	0.29	0.01	0.28

Investment fund	Transaction Costs		
	(D) Gross costs (% p.a.)	(E) Costs recovered from buy-sell spread (% p.a.)	(F = D – E) Costs affecting returns (% p.a.)
<b>Single-manager investment funds</b>			
<b>Investor Profile 1 – Defensive</b>			
ANZ Cash Advantage	Nil	Nil	Nil
ANZ Term Deposits	Nil	Nil	Nil
<b>Investor Profile 2 – Conservative</b>			
Kapstream Absolute Return Income	0.08	0.01	0.07
OnePath Diversified Fixed Interest	0.17	0.04	0.13
Pendal Monthly Income Plus	0.17	0.08	0.09
Perpetual Conservative Growth	0.21	0.06	0.15
Schroder Fixed Income	0.20	0.07	0.13
UBS Diversified Fixed Income	0.07	0.07	0.00
Vanguard Conservative Index	0.04	0.02	0.02
Vanguard Diversified Bond Index	0.04	0.04	0.00
<b>Investor Profile 3 – Moderate</b>			
Colonial First State Global Credit Income	0.29	0.09	0.20
Schroder Real Return	0.13	0.07	0.06
T. Rowe Price Dynamic Global Bond	1.17	0.22	0.95
UBS Defensive	0.15	0.09	0.06
Vanguard Balanced Index	0.04	0.02	0.02
<b>Investor Profile 4 – Growth</b>			
Bentham Global Income	0.21	0.19	0.02
BlackRock Scientific Diversified Growth	0.53	0.07	0.46
BlackRock Tactical Growth	0.74	0.07	0.67
OnePath Alternatives Growth	0.29	0.07	0.22
OnePath Diversified Credit	0.08	0.05	0.03
OnePath Tax Effective Income	0.08	0.00	0.08
Perpetual Balanced Growth	0.29	0.07	0.22
Schroder Balanced	0.21	0.10	0.11
UBS Balanced	0.16	0.06	0.10
Vanguard Growth Index	0.04	0.02	0.02

Investment fund	Transaction Costs		
	(D) Gross costs (% p.a.)	(E) Costs recovered from buy-sell spread (% p.a.)	(F = D – E) Costs affecting returns (% p.a.)
Single-manager investment funds (continued)			
Investor Profile 5 – High growth			
<b>Property</b>			
OnePath Global Property Securities Index	0.05	0.02	0.03
OnePath Property Securities	0.07	0.02	0.05
Vanguard Australian Property Securities Index	0.01	0.01	0.00
<b>Australian shares</b>			
Ausbil Australian Emerging Leaders	0.40	0.10	0.30
Bennelong Australian Equities	0.24	0.08	0.16
BlackRock Scientific Australian Equity	0.08	0.07	0.01
Colonial First State Imputation	0.31	0.04	0.27
Fidelity Australian Equities	0.10	0.07	0.03
Greencap Broadcap	0.23	0.10	0.13
Investors Mutual Australian Shares	0.10	0.10	0.00
Merlon Australian Share Income	0.30	0.10	0.20
Nikko AM Australian Shares	0.45	0.19	0.26
OnePath Australian Shares	0.15	0.02	0.13
OnePath Blue Chip Imputation	0.20	0.02	0.18
OnePath Emerging Companies	0.28	0.05	0.23
OnePath Geared Australian Shares Index	0.13	0.01	0.12
OnePath Select Leaders	0.28	0.02	0.26
OnePath Sustainable Investments – Australian Shares	0.12	0.02	0.10
Pendal Australian Shares	0.17	0.10	0.07
Pendal Smaller Companies	0.49	0.10	0.39
Perennial Value Shares	0.25	0.10	0.15
Perpetual Australian Shares	0.36	0.04	0.32
Perpetual Ethical SRI	0.19	0.11	0.08
Schroder Australian Equity	0.12	0.09	0.03
Vanguard Australian Shares Index	0.01	0.01	0.00

Investment fund	Transaction Costs		
	(D) Gross costs (% p.a.)	(E) Costs recovered from buy-sell spread (% p.a.)	(F = D – E) Costs affecting returns (% p.a.)
Single-manager investment funds (continued)			
Investor Profile 5 – High growth (continued)			
<b>Global shares</b>			
Altrinsic Global Equities	0.15	0.15	0.00
Antipodes Global (Long only)	0.48	0.10	0.38
Arrowstreet Global Equity (Hedged)	0.41	0.08	0.33
BlackRock Scientific International Equity	0.20	0.06	0.14
Magellan Global	0.04	0.04	0.00
MFS Global Equity	0.13	0.09	0.04
OnePath Global Emerging Markets Shares	0.17	0.05	0.12
OnePath Global Shares	0.09	0.02	0.07
OptiMix Global Smaller Companies Shares	0.46	0.04	0.42
Pendal Core Hedged Global Shares	0.37	0.03	0.34
Platinum Asia	0.57	0.07	0.50
Platinum International	0.14	0.06	0.08
Stewart Investors WorldWide Sustainability	0.27	0.12	0.15
T. Rowe Price Global Equity	0.09	0.09	0.00
Vanguard International Shares Index	0.01	0.01	0.00
Vanguard International Shares Index (Hedged)	0.02	0.01	0.01
Walter Scott Global Equity (Hedged)	0.15	0.05	0.10
<b>Multi-sector</b>			
Vanguard High Growth Index	0.03	0.01	0.02
<b>Infrastructure</b>			
Colonial First State Global Listed Infrastructure	0.84	0.10	0.74
RARE Infrastructure Value	0.30	0.07	0.23

## Some components of the transaction costs determined for the financial year ended 30 June 2020 have been estimated.

# WHAT ELSE DO I NEED TO KNOW?

**This section details further information you need to know about how OneAnswer Investment Portfolio works.**

## Structure of OneAnswer Investment Portfolio

When you invest in an investment fund (other than ANZ Term Deposits), you are purchasing units in a managed investment scheme for which OnePath Funds Management is the responsible entity. Your money is pooled together with that of other investors and you receive income in proportion to your holdings in the overall investment fund. The investment funds may invest in direct assets or in another underlying fund(s) offered by OnePath Funds Management or external fund managers.

When you invest in ANZ Term Deposit options you acquire an interest in a managed investment scheme for which OnePath Funds Management is the responsible entity. However, your money is not pooled with other investors in a unitised vehicle, instead you will have complete beneficial interest in your ANZ Term Deposit investment and you will receive income as if you held the term deposit with ANZ Bank.

## Responsible Entity and constitutions

As the responsible entity of the investment funds, we are responsible for the operation of the funds and for complying with their respective constitutions, as well as the *Corporations Act 2001*. The constitution of each investment fund limits your liability in relation to the fund to the value of the units you hold or have subscribed for. The courts, however, are yet to determine conclusively the effectiveness of these provisions.

## Tax information

Information about taxes is set out in the section 'What else do I need to know?' under the heading 'Tax information' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

## Unit prices

### **For all investment funds (except ANZ Cash Advantage and ANZ Term Deposits)**

When you invest in an investment fund, you buy 'units' in that fund. Each unit has a 'unit price'. The number of units you buy is equal to the amount you invest, divided by the current 'application' unit price.

Unit prices for each investment fund are normally determined each Sydney business day. A business day is any day other than a Saturday, Sunday or bank or public holiday in NSW.

The unit price is calculated as being equal to the value of the proportion of all net assets in the scheme, or attributed to each class, divided by the number of units held by investors in the scheme, or class, adjusted for applicable transaction costs (buy-sell spread).

As the value of the assets in an investment fund rises and falls, in general, so too does the value of the unit price, and therefore the value of your investment.

When you withdraw from an investment fund, you redeem 'units' from that investment fund. The number of units you sell is equal to the amount to be withdrawn, divided by the 'redemption' unit price.

The value of your account is always calculated based on the 'redemption' unit price.

In exceptional circumstances, for some investment funds, the calculation of unit prices may be suspended to protect investors' interests. For example, if significant market volatility and/or significant internal or external events result in an inability to value an investment fund.

### **How can you calculate your account balance?**

Your account balance is calculated by multiplying the number of units you have in each investment fund by the 'redemption' unit price for each fund. As the unit prices are calculated on a daily basis, the value of your account may change daily. Number of units held × unit price that day = account balance.

**Example:** 1,000 units held at \$1.75 per unit equals to an account balance of \$1,750.

This example is illustrative only.

### **For ANZ Cash Advantage\***

The unit price is \$1 and this figure is not expected to change. However, if there is a change to the value of the fund's assets, the unit price may change accordingly. The unit price is equal to the value of all the assets in the investment fund (in your class), less liabilities and income that has accrued in the current distribution period, divided by the number of units investors hold in your class.

\* The unit price methodology of ANZ FTD Fund is identical to ANZ Cash Advantage which is described above. ANZ FTD Fund is closed to new investment except for Regular Investment Plans and Auto-Rebalance Plans established by existing clients prior to 12 April 2010.

### **For ANZ Term Deposits**

Unit prices are not struck for ANZ Term Deposits. Monies held in ANZ Term Deposits earn interest and the interest is passed on to the investor who is entitled to that interest. Current ANZ Term Deposit interest rates can be found at [onepath.com.au](http://onepath.com.au) or by contacting Customer Services.

### **Valuation of investment fund assets**

The constitution for each investment fund provides the basis by which the fund's assets are valued. Generally, assets will be valued on the basis of their market value, however, there may be circumstances when assets may be valued on a different basis. Generally, assets that are traded on a financial market, for example Australian shares, are valued daily. Other assets, for example direct property or mortgages, may be valued less frequently.

### Unit pricing permitted discretions policy

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 exercise, 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 policy free of charge by contacting Customer Services.

Where insufficient data is available from fund managers to enable us to accurately calculate unit prices for an investment fund, we may use appropriate market indices to calculate unit prices (indexation). In exercising this procedure we follow industry standard practice to ensure the fair and equitable treatment of investors.

### 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 this 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. This threshold may be subject to change.

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

## Processing transactions

Our cut off time for transactions is 12 noon (AEST).

Generally, your application, withdrawal or switch will be processed on the same day (using the unit price applicable on that day or prevailing interest rate on that day for ANZ Term Deposits) if we receive your completed documentation and (where applicable) any application money at our Sydney office by 12 noon (AEST) on that business day. If received after 12 noon (AEST), or on a day that is not a business day, any application, withdrawal or switch will generally have an effective date of the next business day (and will be processed on the basis of the unit price or prevailing interest rate for ANZ Term Deposits applicable on that day). Where application money is paid by direct debit, processing will occur on the business day we receive funds from your financial institution. Where application money is paid by BPAY®, the effective date will be the business day we receive confirmation that the monies have been received by us.

If we are unable to issue units (or process your investment) in the relevant investment fund immediately upon receiving your application, we are generally required to pay the money into a trust account, and return the monies to the source of payment if we do not issue the units to you. In certain limited circumstances we may hold your money in a trust account. This may occur if your application is incomplete. Redemption requests and any

deductions required by law are also similarly processed using a holding account.

We will retain any interest payable by our bank on these accounts to meet, among other things, bank fees and other bank administrative costs we incur in operating them.

## Distributions

Distributions are earnings from your investment and may include income and net capital gains. Your 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 you do not receive any distributions.

The distribution frequency for each investment fund varies between monthly and annually and is shown in Part Two – OneAnswer Investment Funds Guide. In certain circumstances an investment fund may be required to pay a distribution at times other than the frequency noted.

### For all investment funds (except ANZ Cash Advantage and ANZ Term Deposits)

The distribution amount you receive is based upon the number of units you hold (in your class) at the end of the distribution period and the amount per unit to be distributed from the investment funds.

The unit price of an investment fund will be reduced on the day following a distribution, reflecting the amount of the distribution and any market movement of the underlying investments.

Please note that when you invest in an investment fund, the unit price may include income and realised capital gains that have not yet been distributed. If you invest just prior to the end of a distribution period, you may receive a portion of your investment back as a distribution at the end of the period. Please speak to your financial adviser or tax adviser regarding any tax implications this may have for you.

### ANZ Cash Advantage<sup>†</sup>

For ANZ Cash Advantage, the distributions (interest) you receive are based on the number of units you hold during an interest period and the number of days those units have been held. The current interest rate applying to ANZ Cash Advantage can be found at [onepath.com.au](http://onepath.com.au) or by calling Customer Services.

<sup>†</sup> The distribution methodology of ANZ FTD Fund is identical to ANZ Cash Advantage which is described above. ANZ FTD Fund is closed to new investment except for Regular Investment Plans and Auto-Rebalance Plans established by existing clients prior to 12 April 2010.

### ANZ Term Deposits

ANZ Term Deposits do not pay distributions as described above. For ANZ Term Deposits, the interest you receive from each term deposit is based on the amount invested, the term nominated as well as the prevailing interest rate applicable at the time the investment was made. The current interest rates applying to ANZ Term Deposits can be found at [onepath.com.au](http://onepath.com.au) or by contacting Customer Services.

Interest is payable at maturity for the 3, 6 and 12 month ANZ Term Deposit options. For terms greater than 12 months, interest is paid annually on the anniversary date of the investment and at maturity. All interest payments will be invested in ANZ Cash Advantage on your behalf. If you are not invested in ANZ Cash Advantage we will automatically establish this investment fund for you at the time the interest is paid. By investing in ANZ Term Deposits, you authorise us to establish a holding in ANZ Cash

Advantage to permit payments of earned interest and where applicable, principal. As the terms and conditions of the ANZ Cash Advantage fund differ from those of ANZ Term Deposits you should refer to the information on ANZ Cash Advantage contained in this PDS and Incorporated Material.

A reduction in the interest rate payable applies where your ANZ Term Deposit is broken prior to the maturity date. The reduction in the interest rate will depend on the percentage of the original term elapsed when your withdrawal is made.

For further information on ANZ Term Deposits including the Early Withdrawal Adjustment, please refer to the OneAnswer Investment Funds Guide.

## 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.

## Cooling-off period

When you invest in OneAnswer Investment Portfolio, you 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 investment within 14 days or the earlier of:

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

If you cancel your investment within the cooling-off period, the amount you receive will be adjusted for any changes in the unit price of the investment fund, less any administrative transaction costs. If you want to cancel your initial or additional application, you can notify us in writing.

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 an investor (such as, changing your investment options).

Generally, cooling-off rights will apply in relation to initial and additional investments and when switching between investment funds. However, cooling-off will not apply to investments made using the Regular Investment Plan, to reinvested distributions and rebates and to switches made under the Dollar Cost Averaging and Auto-Rebalance Plans, nor will it apply to wholesale clients within the definition of the Corporations Act.

## How can we help?

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

Our Customer Services team is your first point of contact for any enquiries, complaints or feedback. We will do our best to resolve your concerns promptly, fairly and consistently, and keep you informed on our progress.

If you're not satisfied with the response to your complaint or feedback, you can escalate your concerns to our Complaints Resolution Centre below:

Phone 133 665

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

In writing OnePath Funds Management Limited  
GPO Box 5306  
Sydney NSW 2001

## 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. Otherwise, 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. AFCA provide a fair and independent financial services complaint resolution that is free to consumers.

Website [afca.org.au](http://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 so you should act promptly or consult the AFCA website to investigate the time limit relevant to when your circumstances expires.

## Confirming transactions

Investments, switches and withdrawals from your OneAnswer Investment Portfolio are confirmed in writing by us at the time of the transaction.

You can request confirmation of your transactions and any other additional information about your OneAnswer Investment Portfolio at any time by contacting Customer Services or view your transaction history online at [onepath.com.au](http://onepath.com.au)

## Adding, closing and changing investment funds

Where we add or close investment funds within OneAnswer Investment Portfolio we will notify new and existing members as soon as practicable, or as required by law, via [onepath.com.au](http://onepath.com.au) and/or regular investor communications. Information on investment funds added to OneAnswer will be made available on our website at [onepath.com.au/superandinvestments/product-updates](http://onepath.com.au/superandinvestments/product-updates)

## How to obtain up to date information

Information in this PDS is subject to change from time to time. If the change is not materially adverse to investors, we will publish the information on our website at [onepath.com.au/superandinvestments/product-updates](http://onepath.com.au/superandinvestments/product-updates). Please ensure you have the most up to date information by regularly visiting this webpage. You may also request paper copies of any published information free of charge by contacting your financial adviser or Customer Services.

We will issue a supplementary or new PDS if the change or omission is materially adverse to investors. We may also notify you of material changes or significant events via regular or specific investor communications.

## Continuous disclosure obligations

As each of the investment funds is a 'disclosing entity', we are subject to ongoing reporting and disclosure obligations.

Every quarter you will receive a consolidated statement outlining:

- your account balance
- your transaction history
- investment fund performance.

After the end of each financial year you will also receive a statement containing information you need to complete your annual tax return.

Copies of documents lodged with the Australian Securities and Investments Commission (ASIC) in relation to any of the investment funds may be obtained from, or inspected at, any ASIC office or can be obtained by contacting Customer Services. These include:

- the annual financial report most recently lodged with ASIC before the date of this PDS
- any half-yearly financial report lodged with ASIC after the lodgement of the above annual report and before the date of this PDS
- any continuous disclosure notices given by the relevant investment fund after the lodgement of the above annual report and before the date of this PDS.

Any new continuous disclosure notices in relation to an investment fund will be made available on our website at [onepath.com.au/superandinvestments/product-updates](http://onepath.com.au/superandinvestments/product-updates) in accordance with ASIC's good practice guidance on website disclosure. Please visit this webpage regularly to ensure you have all material information in relation to an investment fund. You may also request paper copies of such material information free of charge by contacting your financial adviser or Customer Services.

## Direct Debit Request Service Agreement

If you would like to set up a regular direct debit you must read and agree to the Direct Debit Request Service Agreement. For more information refer to the section 'What else do I need to know?' under the heading 'Direct Debit Request Service Agreement' in the OneAnswer Frontier Investment Portfolio Additional Information Guide.

## Privacy

In this section 'we', 'us' and 'our' refers to OnePath Funds Management Limited. We are committed to ensuring the confidentiality and security of your personal information. Our Privacy Policy details how we manage your personal information and is available on request or may be downloaded from [onepath.com.au/superandinvestments/privacy-policy](http://onepath.com.au/superandinvestments/privacy-policy)

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 and may not be able to provide you with the product or service you have requested.

## Providing your information to others

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

- organisations that assist us and/or IOOF 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* (Cth).

## 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](http://onepath.com.au/superandinvestments/privacy-policy)



## 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 and at [onepath.com.au/superandinvestments/privacy-policy](http://onepath.com.au/superandinvestments/privacy-policy)

## 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 us 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**

Phone 133 665

In writing GPO Box 5367  
Sydney NSW 2001

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](http://onepath.com.au/superandinvestments/privacy-policy)

**Customer Services**

Phone 133 665 weekdays between 8.30am and 6.30pm (AEST)

Email [customer@onepath.com.au](mailto:customer@onepath.com.au)

**Adviser Services (For use by financial advisers only)**

Phone 1800 804 768

Email [adviser@onepath.com.au](mailto:adviser@onepath.com.au)

**Address**

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Sydney NSW 2001

347 Kent Street

Sydney NSW 2000

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