

PortfolioOne Superannuation and Pension Service

Product Update

Issued: 1 July 2019

This Product Update is to be read in conjunction with the PortfolioOne Superannuation and Pension Service (Service) Product Disclosure Statement (PDS), which from 16 February 2015 is comprised of:

- the PDS dated 1 July 2014
- the Supplementary PDS dated 16 February 2015; and
- any other disclosure documents issued by OnePath Custodians Pty Limited (Trustee) in connection with the Service.

These documents are available from your adviser or the Trustee free of charge on request or at portfolioone.onepath.com.au

Australian Financial Complaints Authority (AFCA) replaces the Superannuation Complaints Tribunal (SCT)

Our commitment to ensuring our products and services meet your expectations means we value your feedback regarding how we are performing. Your adviser is your first point of contact for enquiries, raising complaints or providing feedback.

Alternatively, you can contact us directly via phone, email or in writing and we will endeavour to resolve your concerns quickly and fairly.

Phone	1800 005 043
Email	wrap@portfolioone.onepath.com.au
Address	Locked Bag 50, Australia Square NSW 1215

If your concerns have not been resolved to your satisfaction, you can lodge a complaint with the **Australian Financial Complaints Authority (AFCA)** who provides fair and independent financial services complaint resolution that is free to consumers.

Website	afca.org.au
Email	info@afca.org.au
Telephone	1800 931 678 (free call) 9am to 5pm (AEST), weekdays

In writing	Australian Financial Complaints Authority Limited GPO Box 3, Melbourne VIC 3001
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Time limits may apply to complain to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

Administration Expense Recovery

The Administration Expense Recovery is a reimbursement of the out of pocket costs that the Trustee is entitled to recover from the Fund, in accordance with the Trust Deed and relevant law. These costs will be deducted from time to time from your Cash Account. The Trustee is entitled to recover previously unrecovered costs as well as ongoing costs as they are incurred.

The Administration Expense Recovery was approximately 0.01% p.a. of your account balance for the 12 months to 30 June 2019. The Administration Expense Recovery is also estimated to be approximately 0.01% p.a. for the 12 months to 30 June 2020.

Protecting low super balances

The Government has introduced a 3% annual cap on fees, including administration and investment fees, for super accounts with balances of less than \$6,000 on the last day of the financial year. Where an impacted super account has been held by you for only part of the year, this fee cap will be calculated pro-rata based on the 3% annual fee cap and the number of days you held the account during the financial year.

Inactive low balance accounts

Your superannuation account may be treated as an 'inactive low-balance account' if:

- we have not received a contribution or rollover from you, or on your behalf, in the last 16 months to this account
- your account balance is less than \$6,000
- you do not satisfy a condition of release in relation to your account; and
- insurance is not being provided through your account.

However, your superannuation account will not be an 'inactive low-balance account' in certain circumstances, including (but not limited to) if you:

- change investment option(s)
- alter your insurance cover; or
- make or amend a non-lapsing beneficiary nomination.

You can also give a written notice to the Australian Taxation Office (ATO) or your superannuation fund declaring that you're not a member of an inactive-low balance account.

Where your benefits become an inactive low-balance account, we are required to transfer them to the ATO within certain timeframes.

Please contact the ATO for further information about inactive low-balance accounts.

Work test exemption for recent retirees

The 'work test exemption' means that you can make voluntary contributions in a financial year if all of the following conditions are satisfied:

- you have not met the 'work test' for that financial year
- you have met the 'work test' for the previous financial year
- you had a total superannuation balance below \$300,000 on 30 June of the previous financial year; and
- you have not already relied on the 'work test exemption' for a previous financial year.

This will give recent retirees additional flexibility to get their finances in order as they transition to retirement.

Contributing into superannuation and contribution caps

You must meet eligibility rules before most types of contributions can be accepted into your account. There are also limits on amounts that can be contributed (called contribution caps). There can be significant tax consequences if these caps are exceeded.

You can find the latest 'key superannuation rates and thresholds' by visiting the ATO's website at ato.gov.au/Rates

Holding sufficient cash

Before transacting on your account, you must have sufficient available cash in your Cash Account. If there is insufficient available cash in your Cash Account to meet any minimum pension payments, fees and/or costs, pending transactions in Australian listed securities or if the available cash in your Cash Account drops below \$1,000, we reserve the right to sell down your investment holdings to meet those payments and replenish your Cash Account to a balance of at least \$2,500.

In these circumstances, money will be drawn from the following investments, starting with the highest balance, in the following order:

- daily transacting managed fund(s)
- non-daily transacting managed fund(s)
- Australian listed securities; or
- term deposits.

Consolidated Reporting

Consolidated reporting is one of the key benefits of the PortfolioOne Superannuation and Pension Service. You and your adviser have direct access to a detailed and up-to-date picture of your account at any time online through the client portal, making it easier for you to make informed investment decisions and for your adviser to manage and administer your account.

We will now prepare and make available online a detailed statement on the value of your account, and any transactions that have taken place, twice per year:

- as at 30 June (your annual statement); and
- as at 31 December (your half-yearly statement).

If you have received a benefit payment from your superannuation account, we will provide you with a payment summary statement online to assist you in completing your income tax return.

We also prepare an annual report about the management, financial performance and position of the Retirement Portfolio Service superannuation fund for the period to 30 June each year and make this available online.

Further information

If you have any questions or would like further information, please contact Client Services on:

Phone: 1800 005 043

Email: wrap@portfolioone.onepath.com.au

This PortfolioOne Superannuation and Pension Service Product Update is issued by OnePath Custodians Pty Limited (ABN 12 008 508 496, RSE L0000673, AFSL 238346) (Trustee) for the PortfolioOne Superannuation and Pension Service. This information is of a general nature and has been prepared without taking into account your objectives, financial situation or needs. You should consider whether the information is appropriate for you having regard to your objectives, financial situation and needs. We recommend that you read the relevant PDS, this information and any other current disclosure documents, available by calling Client Services or visiting portfolioone.onepath.com.au, before deciding to continue to hold the product.

An investment in the products issued by the Trustee is subject to investment risk and other risks. This could involve delays in the repayment of capital and loss of income or principal invested. Neither, the Trustee or any other related or associated company, guarantee the repayment of capital, the performance of, or any rate of return, of the investment.

The Cash Management Service is issued by Macquarie Bank Limited (ABN 46 008 583 542 AFSL 237 502).