



# OneAnswer Pension

Additional Information Guide

15 November 2010

The purpose of this incorporated material is to give you more information and/or specific terms and conditions referred to in the OneAnswer Personal Super and Pension Product Disclosure Statement (PDS) and OneAnswer Frontier Personal Super and Pension PDS dated 15 November 2010.

We recommend you read this guide together with the PDS and the incorporated material contained in the OneAnswer Investment Funds Guide before making an investment decision.

In this book the term 'OneAnswer' refers to the OneAnswer, OneAnswer Frontier, OneAnswer //Select, ANZ OneAnswer and ANZ OneAnswer //Select series of products.

This guide is publicly available on our website at [onepath.com.au](http://onepath.com.au) > Forms & brochures or may be obtained free of charge on request by contacting Customer Services on 133 665.

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# How does OneAnswer Pension work?

## How can I invest?

### Consolidating superannuation benefits

If you have more than one superannuation account, you may consolidate your superannuation benefits by rolling them into OneAnswer Personal Super before starting a OneAnswer Pension account.

**Step 1:** Consider the OneAnswer Personal Super and Pension PDS carefully and speak to your financial adviser before investing.

**Step 2:** Complete and attach the Superannuation Transfer and Consolidation Form (included in the OneAnswer Pension application booklet) to a completed OneAnswer Pension Application Form.

### No superannuation savings

If you do not have eligible superannuation savings, you will need to contribute money into a superannuation account before you can start a OneAnswer Pension account.

Once you have made a contribution to superannuation, it can only be transferred to a OneAnswer Pension account if you are eligible under superannuation law to access your superannuation money.

**Step 1:** Consider the OneAnswer Personal Super and Pension PDS carefully and speak to your financial adviser before investing.

**Step 2:** Complete and attach the Superannuation Transfer and Consolidation Form (included in the OneAnswer Pension application booklet) to a completed OneAnswer Pension Application Form.

When you transfer your initial investment from OneAnswer Personal Super to OneAnswer Pension we will write to you to confirm the transfer at its completion.

## What type of pension best suits my needs?

### OneAnswer Pension

The Federal Government has put rules in place to restrict when your superannuation benefits can be used to establish a pension. These rules are known as 'preservation'.

Your ability to purchase a pension will depend on the classification of your superannuation benefits among the following categories:

**Unrestricted non-preserved** – these amounts may be used to purchase a pension.

**Restricted non-preserved** – these amounts may be accessed on leaving the service of a contributing employer or when preserved benefits are payable.

**Preserved** – these amounts can only be accessed on meeting a condition of release.

Conditions of release include:

- permanent retirement\* on or after you reach your preservation age (see the table following)
- reaching age 60 and subsequently ceasing a gainful employment<sup>†</sup> arrangement
- reaching age 65, whether you have retired or not
- your inability to be gainfully employed due to permanent incapacity<sup>‡</sup>
- terminal medical condition<sup>§</sup>
- severe financial hardship (conditions apply)
- reaching your preservation age (payment restricted to a transition to retirement pension).

Some of these conditions of release may not apply to temporary residents.

OneAnswer Pension can be commenced prior to age 55 with an unrestricted non-preserved benefit.

\* 'Permanent retirement' means ceasing an arrangement of gainful employment and never intending to be gainfully employed for ten or more hours weekly.

† 'Gainful employment' means being employed or self-employed for gain or reward in any business, trade, profession, vocation, calling, occupation or employment.

‡ 'Permanent incapacity' means the Trustee must be reasonably satisfied that you are unlikely, because of ill health (whether physical or mental) to ever again engage in gainful employment for which you are reasonably qualified by education, training or experience.

§ 'Terminal medical condition' means that the following circumstances exist:

- a) two registered medical practitioners have certified, jointly or separately, that the person suffers from an illness, or has incurred an injury, that is likely to result in the death of the person within a certification period that ends not more than 12 months after the date of the certification
- b) at least one of the registered medical practitioners is a specialist practicing in an area related to the illness or injury suffered by the person
- c) for each of the certificates, the certification period has not ended.

## Preservation age

The table below shows your preservation age which depends on your date of birth.

Date of birth	Preservation age
Before 1 July 1960	55
Between 1 July 1960 and 30 June 1961	56
Between 1 July 1961 and 30 June 1962	57
Between 1 July 1962 and 30 June 1963	58
Between 1 July 1963 and 30 June 1964	59
After 30 June 1964	60

## Transition to retirement pension

If you have reached your preservation age, OneAnswer Pension allows you to invest your superannuation benefits in a transition to retirement pension even if you are still working.

A transition to retirement pension will allow you to commence a regular income stream despite the preservation status of your current superannuation benefits.

Transition to retirement pensions are subject to a maximum annual income payment equal to 10% of the account balance upon commencement and on 1 July of each year thereafter.

## Am I eligible for the Super to Pension transfer bonus?

If you transfer your entire OneAnswer superannuation account balance to OneAnswer Pension\* in the same investment funds, allocations and amounts, you may be entitled to a 'Super to Pension transfer bonus'. The bonus includes a portion of any unrealised capital gains tax (CGT) held by the super fund in the investment funds transferred by you, and some of the transaction costs incurred in the transfer process.

If you are eligible, the bonus will appear in your OneAnswer Pension account and form part of the opening account balance.

Super to Pension transfer bonuses will be processed daily except for suspended funds (processed twice weekly). Where a transfer occurs after the end of quarter, your transfer may be delayed and will be processed shortly thereafter. The effective date of the transfer into OneAnswer Pension will be the date the transfer is processed.

To arrange for the Super to Pension transfer bonus to apply for you, please tick the box on the relevant OneAnswer Pension Application Form.

\* We expect this to be available for transfers from OneAnswer Personal Super to OneAnswer Frontier Pension from 2011.

## How do I switch investment funds?

OneAnswer Pension allows you to switch all or part of your investment between any of the investment funds offered in the OneAnswer Investment Funds Guide including ANZ Prime Cash Management Account (ANZ Prime CMA). The minimum switch across one or more MoneyForLife investment funds is at least \$25,000 for an initial switch and \$10,000 for subsequent switches.

You can request a switch:

- online through Account Access
- by completing a Switch Request Form. This form is available from the OnePath website at [onepath.com.au](http://onepath.com.au) or by contacting Customer Services on 133 665 and can be mailed or faxed back to us.

Please speak to your financial adviser before changing your investment strategy. Your financial adviser may also submit an online request to switch on your behalf.

## How do I add the auto-rebalance facility to my investment?

By selecting the auto-rebalance facility, you can also choose to automatically rebalance your investment fund allocation back to your nominated investment profile. Please speak to your financial adviser before deciding on or changing your investment allocation.

The auto-rebalance facility works by switching units between investment funds, excluding MoneyForLife investment funds, in order to realign your investment allocation as per your nominated investment profile.

You may nominate a tolerance level to prevent a rebalance for significantly low amounts. If you do not nominate a tolerance level, auto-rebalances will only occur where the difference between your investment allocation and investment profile is greater than 5%.

For example, you initially invest 50% into Fund A and 50% into Fund B and you want to maintain this investment profile. Over time, unit price movements and transactions made on your account may change your investment allocation so that Fund A is now 60% and Fund B is 40%. If this change is outside your nominated tolerance level, the auto-rebalance facility will automatically rebalance your profile at the frequency you nominate, to your initial Fund A 50% and Fund B 50% investment profile.

## Frequency of auto-rebalancing

You can choose to auto-rebalance your investment either:

- quarterly (22 February, 22 May, 22 August and 22 November)
- half-yearly (22 May and 22 November)
- yearly (22 May).

Auto-rebalancing occurs on the dates above or the next Sydney business day and will occur after all other transactions on your account have been processed.

You can request to auto-rebalance your investment by either:

- completing the relevant section on the OneAnswer Pension Application Form
- adding this facility to your account at a later date by completing the auto-rebalance section on the Switch Request Form. This form is available from the OnePath website at [onepath.com.au](http://onepath.com.au) or by contacting Customer Services on 133 665 and can be mailed or faxed back to us.

## Terms and conditions – auto-rebalancing facility

- Currently, no fee is charged for using this facility. However, any Entry Fees, Withdrawal Fees or transaction costs that currently apply when switching, will continue to apply.
- All switches, additional investments or withdrawals may affect an investment into an investment fund which you have not selected as part of your auto-rebalance investment fund allocation. We will cancel the auto-rebalance facility on your investment if you fully redeem from an investment fund.
- An auto-rebalance only takes place when your investment allocation differs from your nominated profile by at least the selected tolerance level at the next auto-rebalance date. The default tolerance level is 5%. For example, if your nominated investment profile is to be invested in Fund A 50% and Fund B 50%, then auto-rebalance will be triggered when your investment in Fund A or Fund B is at least 5% higher or lower, e.g. Fund A 56% and Fund B 44%. Regardless of market performance, auto-rebalancing will occur automatically at your nominated frequency.
- You can amend or cancel your auto-rebalance facility by notifying us at least two weeks prior to the next auto-rebalance date. Amendments to your nominated auto-rebalance profile can be made by completing the auto-rebalance section on the Switch Request Form. To cancel your auto-rebalance facility, simply notify us in writing.
- The auto-rebalance facility is not available for any of the MoneyForLife investment funds. You can choose to use the facility but it will exclude your MoneyForLife investment funds and only rebalances amongst your other investment funds.

## How do I set up a Dollar Cost Averaging Plan on my investment?

The Dollar Cost Averaging Plan aims to take the guesswork out of when to invest, by allowing you to invest a set amount on a regular basis. This may help to manage and spread the risk of investing.

You can invest into any investment fund, except a MoneyForLife investment fund, within OneAnswer Pension and then nominate an amount to be switched into your target investment funds on a monthly or quarterly basis. These dollar cost averaging switches occur on the 22nd of each month or the next Sydney business day.

To establish the Dollar Cost Averaging Plan, you nominate the total amount to be switched each month or quarter and the amounts to be switched to each target investment fund, using either dollars (\$) or percentages (%).

If we receive your request to establish a Dollar Cost Averaging Plan before the 17th of the month, your first dollar cost averaging switch can occur in that month or alternatively, you can nominate a future month for your Dollar Cost Averaging Plan to commence.

You can also nominate an optional end date for your Dollar Cost Averaging Plan. If no end date is specified, your Dollar Cost Averaging Plan will continue until there are insufficient funds to process a dollar cost averaging switch.

## Terms and conditions – Dollar Cost Averaging Plan

- Currently, no fee is charged for using this facility. However, any Entry Fees, Withdrawal Fees or transaction costs that currently apply when switching, will continue to apply.
- Other switches or withdrawals you make may affect the operation of your Dollar Cost Averaging Plan. We will notify you in advance in the event that there may be insufficient funds to process a dollar cost averaging switch. You may choose to make an additional investment or switch to ensure your Dollar Cost Averaging Plan continues.
- You can choose to cancel your Dollar Cost Averaging Plan at anytime by notifying us at least two weeks prior to your next dollar cost averaging switch. Your Dollar Cost Averaging Plan will automatically be cancelled if there are insufficient funds available to process a dollar cost averaging switch or if you fully withdraw or switch out of your nominated dollar cost averaging investment fund.
- The Dollar Cost Averaging Plan cannot be used in conjunction with the auto-rebalance facility.
- You cannot use the Dollar Cost Averaging Plan to invest into any of the MoneyForLife investment funds.

## How do I nominate a beneficiary?

When you set up your pension you need to decide what should happen with your OneAnswer Pension in the event of your death.

You can either:

- nominate your spouse as a reversionary pensioner to enable your pension payments to continue to be made to them
- make a binding or non-binding nomination. You can cancel or change this at any time.

When making your decision, you should speak to your financial adviser about the tax treatment of your death benefit which depends on whether a death benefits dependant or non-dependant receives the benefit. Death benefits paid to dependants may be paid as a lump-sum or an income stream (conditions apply).

### Nomination of a reversionary pensioner

A reversionary pensioner can only be nominated at the commencement of your OneAnswer Pension account.

You can nominate your spouse, (including a de facto spouse who lives with you on a bona fide domestic basis as a couple - same or different sex), as a reversionary pensioner. In the event of your death, your pension will continue to be paid to your surviving spouse.

If your reversionary pensioner dies before you or is no longer your spouse, the Trustee will normally pay your benefit in accordance with a valid binding nomination or where a binding nomination does not exist, in accordance with any valid non-binding nomination.

Your benefit in respect to the income guarantee provided by MoneyForLife cannot be paid in accordance with a binding or non-binding nomination. Consequently, if your reversionary pensioner dies or is no longer your spouse, any potential guarantee that may have been applicable to them will cease.

For information on how your benefit will be paid where no valid nomination has been made or where a nomination is defective, please refer to further information on beneficiary nomination on this and the next page.

If you decide to nominate your spouse as a reversionary pensioner, it is important to note that a valid reversionary nomination will override any valid binding or non-binding nomination.

To nominate your spouse as a reversionary pensioner please complete the relevant section of the OneAnswer Pension Application Form.

**Note:** Nominating a reversionary pensioner will attract higher fees for your MoneyForLife investment funds.

## Binding or non-binding nominations

In OneAnswer Pension you can nominate one or more beneficiaries to receive your death benefit. You can make two types of nominations, either binding or non-binding. The beneficiary(ies) you nominate must be your dependant(s) or your estate.

In certain circumstances you may nominate your child to receive a pension. The rules around when pensions can be paid to a child, including when a child must commute a pension into a lump-sum, are complex and you should speak to your financial adviser for more information.

### Who can be nominated as a beneficiary?

You can nominate one or more beneficiary(ies) to receive your death benefit in the event of your death whilst a member of the Fund.

All beneficiaries must be either:

- a dependant
- your estate (we call this your 'legal personal representative').

Under superannuation law (which includes the Fund's Trust Deed), you cannot nominate persons as beneficiaries who do not fall into one of the above categories.

### Who can be a dependant?

A dependant includes:

- your spouse, including a de facto spouse who lives with you on a bona fide domestic basis as a couple (same or different sex)
- your children (including an adopted child, a step-child or an ex-nuptial child)
- any other person who is financially dependent on you at the time of your death
- any other person with whom you have an 'interdependency' relationship (see following).

### Interdependency relationship

Two persons (whether or not related by family) have an 'interdependency' relationship if:

- they have a close personal relationship
- they live together
- one or each of them provides the other with financial support
- one or each of them provides the other with domestic support and personal care.

An interdependency relationship also includes two persons (whether or not related by family):

- who have a close personal relationship
- who do not meet the other four criteria listed in the paragraph above because either or both of them have a physical, intellectual or psychiatric disability.

## Nominating a beneficiary

You can nominate, cancel or change your nominated beneficiary(ies) by completing the Nomination of Beneficiary Form. You will need to comply with the legal requirements detailed below.

Your nomination may be or become defective if certain events occur, such as marriage or divorce (refer to 'Defective nominations' on page 6 for more examples). You should revise your nomination if any of these events occur. It is very important that you keep your nomination up to date in line with your personal circumstances so that it continues to reflect your wishes.

Your annual statement provides details of any nominations you have made.

## Binding nomination

If you provide us with a binding nomination that satisfies all legal requirements, the Trustee must pay your death benefit to the beneficiaries you have nominated and in such proportions as you have specified, provided:

- the nominated beneficiary(ies) is a dependant or is your legal personal representative at the time of your death
- your binding nomination is current when you die, i.e. the form containing the nomination has been confirmed or amended within three years after the day it was first signed, last confirmed or amended by you
- your binding nomination is in writing and two persons aged 18 years or over who are not nominated beneficiaries have witnessed you signing your nomination.

Your nomination must not be defective.

## Non-binding nomination

You can also provide us with a non-binding nomination which does not have to be confirmed or updated every three years. If you provide us with a non-binding nomination, the Trustee will ordinarily pay your death benefit to the beneficiaries you have nominated and in such proportions as you have specified, provided:

- the nominated beneficiary(ies) is a dependant or is your legal personal representative at the time of your death

- you have not married, entered a de facto or like relationship with a person of either sex or permanently separated from your spouse or partner since making your nomination
- your non-binding nomination has not been revoked and is not defective (see below) for any reason.

It is important to note that a non-binding nomination will not override a valid binding nomination. You must first revoke your existing valid binding nomination.

## Defective nominations (either binding or non-binding)

Your nomination will be defective if:

- it is unclear to the Trustee (e.g. because it is illegible or because the nominated proportions do not total 100%)
- you did not sign or date the form.

Also, a non-binding nomination will be defective if the Trustee receives information before paying the death benefit that, when you made the nomination, you did not understand the consequences of making it.

Your nomination may become partially or fully defective after you make it if a nominated beneficiary dies or ceases to be a dependant while you are still living. You should revise your nomination if any of these events occur.

## No nomination, defective nomination or cancelled nomination

If you do not make a nomination, you do not make a valid nomination, you cancel your existing nomination or to the extent your nomination is defective, the Trustee will pay your death benefit to your legal personal representative, unless your estate is insolvent or a legal personal representative is not appointed within six months or such longer time period the Trustee may allow.

If the above does not apply, the Trustee will pay your death benefit to your spouse or de facto of the opposite sex (equally, if more than one).

If neither of the above apply, the Trustee will pay your death benefit to one or more of your dependants (as determined by the Trustee).

This means that if you do not have either a valid binding or non-binding nomination, you should consider making a will or altering your will to cover your death benefit.

## What pension payment can I receive each year?

### Minimum payment

OneAnswer Pension gives you the flexibility to choose how much you would like your pension payment to be, subject to a minimum limit set by the government.

The minimum annual pension payment is first calculated when you start your pension and is recalculated each year on 1 July using your account balance and age at that date.

We will write to you at the beginning of each new financial year and advise you of your minimum pension payment for that year. If you choose to receive the minimum annual pension payment, we will make pension payments from 1 July at the new minimum level. If your nominated annual pension payment is already higher than the new minimum, your pension payment will remain unchanged from that paid in the previous financial year, unless you have chosen to have your pension payments indexed.

You may estimate your own minimum annual pension payment by multiplying your account balance on 1 July by the appropriate minimum payment percentage for your age (see table below).

### Minimum annual pension payments

Your age	Reduced minimum payment percentages 2010/11	Minimum payment percentages
Under 65	2%	4%
65 to 74	2.5%	5%
75 to 79	3%	6%
80 to 84	3.5%	7%
85 to 89	4.5%	9%
90 to 94	5.5%	11%
95 or more	7%	14%

#### Example: For minimum payment percentages

Christine is 65 and has an investment account balance of \$260,000. Christine would have the following minimum pension payment as at 1 July (subject to rounding to nearest \$10).

Minimum:  $\$260,000 \times 5\% = \$13,000$

Christine may select any annual pension payment amount of \$13,000 or above.

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

Your financial adviser will be able to assist you by assessing your individual needs and financial responsibilities.

### Maximum payment

The only maximums that apply to annual pension payments from OneAnswer Pension are in the following circumstances:

- Nil Entry Fee option – a maximum annual pension payment equal to 20% of the account balance will apply within the first three years of investment. Where your pension commences part way through a year, this maximum will be pro-rated on a daily basis accordingly for that first financial year.
- Transition to retirement pensions – a maximum annual pension payment equal to 10% of the account balance will apply each year (the maximum in this case is not pro-rated).

The maximum pension income payment is first calculated when you start your pension and is recalculated each year on 1 July using your account balance at that date. Conditions apply to MoneyForLife income payments. Please refer to the 'What is MoneyForLife?' section of the PDS.

**Note:** Where your pension commences part way through a year, your minimum and any annual amount you nominate will be pro-rated for the number of days remaining in that financial year. We are required to make at least one pension payment each financial year unless your pension commences on or after 1 June in a financial year. In this case, the first payment may be made after the current financial year has ended but must be made before the next financial year ends.

### Indexation

You can choose to have your pension payments indexed to rise automatically by a fixed percentage each year, provided your payments are above the minimum pension level and subject to a maximum annual pension payment equal to 10% of your account balance if a transition to retirement pension is used.

## When and how can I receive my pension?

You may choose to receive your pension by either:

- arranging regular payments from your nominated investment funds
- using the At-Call Access facility from your ANZ Prime CMA (eligibility conditions apply).

### Nominated investment funds – regular payments

When you complete the OneAnswer Pension Application Form, you may nominate the investment fund(s) from which your pension is to be paid.

Payments are credited to your nominated account on or about the 7th, 14th, 21st or 28th day of the relevant month as per the pension payment date you nominate on the application form.

When an investment fund has insufficient funds to make a payment, we will deduct that pension payment from another investment fund.

The replacement investment fund will be selected according to a hierarchy of funds, from most conservative to least conservative, as per the profiles outlined in the OneAnswer Investment Funds Guide. The payment will be made from one of your other nominated income paying funds (where applicable). If you have more than one fund within a profile, the pension payment will be deducted from the fund with the highest balance in that profile. If you are invested in MoneyForLife investment funds, these will be last in the hierarchy of replacement investment funds so as to ensure that any impact on your Protected Income Base is minimised.

We will advise you in writing when your pension has been paid from a replacement investment fund. If you wish to make a switch to another investment fund, you will need to advise us at least five working days before your next pension payment is due.

When you complete the Application Form, please nominate the account where you would like your pension paid to.

### ANZ Prime CMA At-Call Access facility

If you choose to receive your pension from the At-Call Access facility of your ANZ Prime CMA, you will have access to your pension funds up to your nominated annual pension payment through ANZ branches, ATMs, EFTPOS, ANZ Phone Banking, ANZ Internet Banking and BPAY®.

However, to have transactional capabilities through the At-Call Access facility, you need to be 60 years of age or older and complete an Identification Form.

For the purposes of meeting the minimum annual pension payment and calculating any Centrelink/DVA benefits you may be entitled to, any withdrawal using the At-Call Access facility from your ANZ Prime CMA will be classified as a pension payment.

If you do not withdraw up to your minimum annual payment by the end of the financial year, we will credit any outstanding amount to your other nominated bank account. This account may be another ANZ bank account or an account held with another financial institution.

To open an ANZ Prime CMA with 'At-Call Access', you can either:

- select ANZ Prime CMA on your OneAnswer Pension Application Form and request At-Call Access in the pension details section
- switch all or part of your OneAnswer Pension account balance into ANZ Prime CMA at any time using the Switch Request Form and change how you receive your pension to At-Call Access using the Change of Details Form. These forms are available on the OnePath website or by contacting Customer Services.

When applying for At-Call Access you must complete the Identification Form and send this to OnePath along with the required certified copies of identification and either your Application Form or Change of Details Form. You do not need to complete this form if you do not wish to use the At-Call Access facility.

The effective date of your investment will generally be three days after the date that the correctly completed documentation is received at 347 Kent Street, Sydney NSW 2000.

Upon successfully opening your ANZ Prime CMA you will be provided with an ANZ account number. Existing ANZ customers may be able to link their ANZ Prime CMA to an existing ANZ Access card. Alternatively, you will be provided with an ANZ Access card to enable you to operate the account after it is opened.

The legal owner of each individual ANZ Prime CMA is OnePath Life Limited, and, if eligible, you will be an authorised signatory on that account. ANZ Prime CMA available through OneAnswer Pension is offered by ANZ and is subject to the terms and conditions contained in the ANZ Saving & Transaction Products Terms and Conditions and ANZ Personal Banking Account Fees and Charges booklets available by calling ANZ on 1800 629 174, or from [anz.com](http://anz.com). Please ensure you have read the terms and conditions prior to opening an ANZ Prime CMA.

**Note:** You may only deposit funds into your ANZ Prime CMA as an initial investment or, subsequently, by switching a part or all of your OneAnswer Pension into the account. It is not possible to deposit funds directly into ANZ Prime CMA as you would into a standard bank account.

ANZ Prime CMA regular payments – you can arrange for regular pension payments to be made from your ANZ Prime CMA to another account held with your nominated financial institution. This can be set up through ANZ Internet Banking, by calling ANZ on 1800 629 174 or at an ANZ Branch.

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

**Any forms you require to manage your OneAnswer Pension account are available from the OnePath website at [onepath.com.au](http://onepath.com.au) or by contacting Customer Services on 133 665.**

## How do I change my pension details?

You can change your pension details online using OnePath's Account Access through My OnePath. You can also complete and submit to us a Change of Details form available from, [onepath.com.au](http://onepath.com.au) > Forms & brochures, your financial adviser or by contacting Customer Services on 133 665.

### Nominated account

You can change your nominated account by advising us of the new account details in writing at least seven working days before your next pension payment is due.

### Amount and frequency of payments

You may request a change to your pension payment frequency, payment date and/or amount at any time (above the minimum level set by the government and below the maximum level where applicable).

If you contact us within three days of your next payment date, your request will be completed for that month's payment.

## Managing your At-Call Access facility

Your ANZ Prime CMA balance will consist of:

- **funds that are available at-call** – the total amount available at-call for the financial year is equal to your nominated annual pension payment
- **funds that are in excess of your nominated annual pension payment amount** – these funds are held for investment purposes only and are not available to be withdrawn. You may be able to access these funds by requesting an increase to your nominated annual pension payment on a Change of Details Form or by contacting Customer Services.

Please note that increasing your nominated annual pension payment may impact your Centrelink/DVA entitlements. Please speak with your financial adviser to determine the annual pension payment that is appropriate for you.

The At-Call Access facility is available through ANZ by any of the following methods:

- ANZ branches
- ATMs
- BPAY
- EFTPOS
- ANZ Internet Banking
- ANZ Phone Banking.

For more information about transacting on your ANZ Prime CMA, please refer to the ANZ Saving & Transaction Products Terms and Conditions, and ANZ Personal Banking Account Fees and Charges available from [anz.com](http://anz.com). Alternatively, contact Customer Services, your financial adviser, or call ANZ on 1800 629 174.

ANZ will issue a monthly statement for your ANZ Prime CMA detailing your transaction history, fees and charges and any interest payment information.

## How do I make a withdrawal?

You may withdraw all or part of your OneAnswer Pension account balance at any time by written request. However if it is a transition to retirement pension restrictions apply. Please refer to 'Withdrawing from a transition to retirement pension' on page 10 for further details.

If your account balance falls below \$1,000, we reserve the right to pay your account balance to you or another complying fund.

Withdrawals can be paid to you as a cheque or deposited into your nominated bank account.

The effective date of a withdrawal will be the date the correctly completed withdrawal request is processed. Withdrawals are usually processed within 10 working days after we receive your correctly completed withdrawal request. However, it is possible a greater period of time (up to 30 days) may be necessary to make payments. No withdrawals can be processed in the five working days before your next pension payment is due.

If you withdraw a lump-sum, legislation does not allow your minimum income level to be recalculated based on the new account balance until the following 1 July.

If you withdraw a lump-sum, we may be required by law to ensure you have taken your minimum pension payment (pro-rated) for the current year. Any additional pension payment that is required to be made will be processed before the withdrawal.

A withdrawal will generally consist of two components – taxable and tax-free. You are required to draw down proportionately from these components.

Before withdrawing from your pension, you should speak to your financial adviser and consider any applicable exit fees or tax implications.

You should speak to your financial adviser for further information on terminal medical condition payments as consequences may apply. A terminal medical condition payment to another superannuation or pension fund is not a rollover superannuation benefit and is assessed against the relevant contributions caps.

To withdraw, you must complete a Withdrawal Form. This form is available from the OnePath website at [onepath.com.au](http://onepath.com.au) or by contacting Customer Services on 133 665.

## Withdrawing from a transition to retirement pension

If you are eligible, you can use OneAnswer Pension to commence a transition to retirement pension even if you are still working. This generally operates the same way as an account based (allocated) pension, however additional restrictions on withdrawals apply. Withdrawal restrictions are lifted when you reach 65 years of age or you meet certain conditions of release (whichever occurs first).

Your current superannuation benefits can be classified as preserved, restricted non-preserved and/or unrestricted non-preserved. When commencing a transition to retirement income stream, a cashing order may be applied in respect of the preservation status of your current superannuation benefits. This could have an effect on your ability to access lump-sum withdrawals in the future. For further information, please speak to your financial adviser.

Please note that withdrawals and pension payments from a transition to retirement pension will first reduce your unrestricted non-preserved benefits and then your restricted non-preserved benefits.

Generally, you are permitted to withdraw your benefits to invest the lump-sum into superannuation or to commence another transition to retirement pension.

The following restrictions apply to withdrawing part or all of your transition to retirement pension account balance.

Type of benefits	When you can withdraw this benefit as a lump sum
Unrestricted non-preserved benefits	Any time
Preserved benefits	When you satisfy a condition of release
Restricted non-preserved benefits	When you satisfy a condition of release

Please refer to page 2 of this book for the conditions of release.

It is important to seek financial advice prior to withdrawing from a transition to retirement income stream.

# What else do I need to know?

## Tax information

Tax may apply to your pension at the time of rolling over a superannuation amount, or on benefit payments depending on your age and circumstances.

Many factors can influence the way your OneAnswer Pension is taxed. This section is of a general nature only and based on current tax law, which may change. You should speak to your financial adviser or your tax adviser if you require any further tax information.

### Providing your tax file number (TFN)

Your TFN is confidential and you should know the following before you decide to provide it to us:

- the Trustee is authorised to collect your TFN under taxation and superannuation laws
- if you do provide your TFN to us, we will only use it for legal purposes. This includes finding or identifying your superannuation benefits where other information is insufficient, calculating tax on any superannuation contribution or payment you may be entitled to and providing information to the Commissioner of Taxation, such as reporting details of contributions for the purposes of the co-contribution, lost member reporting and monitoring of contributions caps
- if you do provide your TFN to us, we may provide it to the trustee of another superannuation fund or an RSA provider where the trustee or RSA provider is to receive your transferred benefits in the future
- we will not pass your TFN to any other fund if you tell us in writing that you do not want us to pass it on
- your TFN will be treated as confidential.

You are not required to provide your TFN. Declining to quote your TFN is not an offence. However, if you do not give us your TFN, either now or later:

- we may not be able to accept member contributions, and you may be liable to pay additional tax on concessional contributions
- you may pay more tax on your benefits than you have to (you may get this back at the end of the financial year in your income tax assessment)
- it may be difficult to locate or amalgamate your superannuation benefits in the future.

The purposes for which we can use your TFN and the consequences of not providing it may change in the future as a result of changes to the law.

### Tax on rollovers

Generally, there is no tax paid when rolling over a superannuation amount to start a OneAnswer Pension. However, if we receive a rollover amount that includes an untaxed element, we are required to deduct tax at a rate of 15% on that element. This means that the value of your purchase price will be reduced by an amount equal to this tax liability.

While it is voluntary for members to provide their TFN details to the Fund, if a TFN is not provided rollovers may be taxed further at 31.5%.

### Tax on investment earnings

No tax is paid on the investment or interest earnings of your member account while the earnings remain within OneAnswer Pension.

### Tax on lump sum benefits

#### At age 60 and over

No tax is payable on benefits that you take once you have reached age 60.

#### Under age 60

The benefit will generally consist of only two components, taxable and tax-free. You are required to draw down proportionately from these two components. There will be no tax payable on the tax-free component of the withdrawal. The tax-free component may be increased if the payment qualifies as a disability superannuation benefit.

The table below shows the maximum rates of tax payable on the taxable component of lump-sum withdrawals (where you have provided us with your TFN).

Maximum rate of tax including Medicare levy		
Preservation age to age 59	Amount up to low rate threshold*	0%
	Amount over low rate threshold*	16.5%
Under preservation age		21.5%

\* The low rate threshold of \$160,000 (2010/11) is indexed annually but will only increase in \$5,000 increments.

No tax is payable on lump-sum benefits paid as a terminal medical condition payment, regardless of the member's age.

## Taxation of regular income from OneAnswer Pension

Your regular pension payments will only be taxable if you are under age 60 at the date the payment is made. The payment will generally consist of two components – taxable and tax-free. You are required to draw down proportionately from these components. The tax free and taxable proportions are set on the commencement of your income stream.

No tax is payable on the portion of the payment that is made from the tax-free component of your benefit. The amount that is paid from the taxable component of your benefit will form part of your assessable income and will be taxed at your marginal rate. If you have reached your preservation age or are being paid a disability or death benefit income stream, you will generally be entitled to a 15% tax offset in respect of this amount.

If you received a payment while you were under age 60 at any time in the financial year, we will send you a PAYG Payment Summary at the end of each year showing the income you need to include in your tax return and the tax that has been withheld under PAYG withholding requirements (if any).

## Taxation of death benefits

The tax treatment of death benefits depends on whether a death benefits dependant or non-dependant ultimately receives the benefit.

### Paid to a death benefits dependant

A death benefit may be paid to a death benefits dependant in the form of a lump-sum or a pension. A lump-sum death benefit paid to a death benefits dependant will be tax-free. A death benefits dependant includes a spouse, including a de facto spouse who lives with you on a bona fide domestic basis as a couple (same or different sex), former spouse, child under 18 years of age, or someone who had an interdependency relationship with, or was financially dependent upon the deceased at the time of death.

Where either the deceased or the death benefit beneficiary is age 60 or over, a death benefit pension will be tax-free. Where both the deceased and the death benefit beneficiary are under age 60, the death benefit pension will generally consist of only two components, taxable and tax-free. There will be no tax payable on the tax-free component. Generally, the taxable component will be taxed at the beneficiary's marginal rate with a 15% tax offset available.

### Paid to a non-dependant

A death benefit may only be paid to a non-dependant in the form of a lump-sum. A lump-sum death benefit paid to someone who is not a death benefits dependant will generally consist of a taxable and tax-free component. There is no tax on the tax-free component, and the taxable component will generally be taxed at a maximum rate of 16.5%.

Special tax concessions apply to lump-sum death benefits paid in respect of a person who died in the line of duty as a member of the Defence Force; member of the Australian Federal Police or the police force of a State or Territory or as a protective services officer. A non-dependant who receives a lump sums death benefit in these circumstances is taxed as if they were a death benefits dependant.

### Paid to your estate

A lump-sum payment to your estate will be taxed depending on whether a death benefits dependant or non-dependant finally receives the benefit. Your legal personal representative is responsible for tax arrangements when your estate pays the benefit to your beneficiary(ies).

### Notional tax refund

In some circumstances we are also able to pay an amount in addition to the Death Benefit which notionally represents the amount that would have been included in the Death Benefit, had tax not been payable on the contributions. This is called an 'anti-detriment payment'. For more information you should speak to your financial adviser.

## Centrelink/Department of Veterans' Affairs entitlements

The full balance of your investment in OneAnswer Pension will be counted as an asset under the Centrelink/Department of Veterans' Affairs (DVA) assets tests.

Some of your pension payments may be assessed under the Centrelink/DVA income tests. Please speak to your financial adviser for further details.

## Processing transactions

### New investments

The effective date of your initial investment is generally the date we receive your correctly completed application form and application money (where applicable) at our registered office before 12 noon for OneAnswer Frontier Pension. For OneAnswer Pension (Entry Fee, Nil Entry Fee) all applications must be received by 5pm, except those received for ANZ OneAnswer Pension which must be received by 12 noon. It is anticipated that the cut off times will be aligned to 12 noon in 2011.

If you make an investment by BPAY, the effective date will be the date we receive confirmation that the money has been received by us.

### Switches

Switches are usually processed within seven working days after we receive your correctly completed switch request. However, a longer period of time (up to 30 days) may be necessary to process your request. Generally, the effective date of a switch will be the date the completed switch request is received at our registered office by 12 noon for OneAnswer Frontier Pension. For OneAnswer Pension (Entry Fee, Nil Entry Fee), generally the effective date of a switch will be two business days after the date the correctly completed switch request is received at our registered office, except those received for ANZ OneAnswer Pension which generally have an effective date of the date the completed switch is received by 12 noon. It is anticipated that the cut off times and effective dates will be aligned to 12 noon in 2011.

If you are invested in OneAnswer Pension or OneAnswer Frontier Pension, please note that switches cannot be processed in the five working days before your next pension payment is due.

## Identification requirements upon application

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

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

Please see the OneAnswer Pension application booklet for a list of the types of documents that will satisfy these requirements.

If you do not provide identifying documents we will not be able to process your transaction.

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

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

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

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

### **Customer Services**

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

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

Fax 02 9234 6668

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

Phone 1800 804 768

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

Fax 02 9234 6668

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