

# ASSET ALLOCATION FOR ONEPATH & OPTIMIX WHOLESALE TRUSTS

## PDS UPDATE AND CONTINUOUS DISCLOSURE NOTICE | 8 June 2021

This Product Disclosure Statement (PDS) update and Continuous Disclosure Notice provides important information for current investors and amends the OnePath Wholesale Managed Growth Trust PDS, dated 1 December 2020.

## ASSET ALLOCATION

**Page reference:** 4

**Title reference:** Asset allocation

**Instructions:** replace the table and footnotes with the following information.

### OnePath Wholesale Managed Growth Trust – Fund information

#### Asset allocation

Asset class*	Benchmark (%)	Range (%)
Cash	5	0–23
Fixed interest**	14	0–37
Listed real assets#	7	0–16
Unlisted assets###	4	0–14
Australian shares	23	7–47
International shares^	30	9–49
Alternative investments†	17	1–38

\*The maximum asset allocation to growth assets for the OnePath Managed Growth Fund is 76%.

\*\* Fixed interest comprises Australian and international fixed interest. It may include exposure to government, corporate, inflation protected and/or other securities.

#Listed real assets may include allocations to global listed property and infrastructure securities.

###Unlisted assets includes Australian and global property.

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

†The Alternative investments portfolio may include investments such as alternative credit, hedge funds, infrastructure, private equity and real estate. These assets may require a longer period of time to liquidate (i.e. greater than 30 days).

## ANY QUESTIONS?

If you have any questions or require further information, please:

- call Customer Services on 1800 031 810, weekdays between 9.00am to 5.00pm (AEST)
- email [wholesale.unittrust@onepath.com.au](mailto:wholesale.unittrust@onepath.com.au)

This PDS Update and Continuous Disclosure Notice is issued by OnePath Funds Management Limited (OPFM) (ABN 21 003 002 800, AFSL 238342) as issuer of the OnePath and OptiMix Wholesale Investment Trusts. The information is of a general nature only and has been prepared without taking into account any investor's objectives, financial situation and needs. Before making a decision based on this information, you should consider the appropriateness of the information, having regard to your objectives, financial situation and needs. An investor should read the PDS, which is available free of charge at [onepath.com.au](http://onepath.com.au) or contact Customer Services. OPFM is a member of the IOOF group of companies, comprising IOOF Holdings Ltd (IOOF) (ABN 49 100 103 722) and its related bodies corporate. Neither OPFM, nor any other related or associated company guarantee the repayment of capital, the performance of, or any rate of return of an investment with OPFM. An investment is subject to investment risk, including possible delays in repayment and loss of income and principal invested. Past performance is not an indication of future performance.

# ONEPATH WHOLESALE MANAGED GROWTH TRUST

## Product Disclosure Statement

1 December 2020

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## CONTACT DETAILS

### Customer Services

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## 1. ABOUT ONEPATH FUNDS MANAGEMENT LIMITED

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

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

### Investment management of the Trust

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

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

## 2. HOW THE ONEPATH WHOLESALE MANAGED GROWTH TRUST WORKS

Investments in the Trust may be made by:

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

### Important Information

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

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

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

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

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

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

## Unit Pricing

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

## Investing in and withdrawing from the Trust

### Applications

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

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

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

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

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

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

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

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

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

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

### Withdrawals

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

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

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

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

You should read the important information about Suspensions and when a Trust becomes 'not liquid' before making a decision. Go to section 2 'How the OnePath & OptiMix Wholesale Trusts Work' of the Additional Information Guide. The material relating to Suspensions and when a Trust becomes 'not liquid' may change between the time when you read this PDS and the day when you acquire units in the Trust (or when your Service Operator acquires units on your behalf if you are an indirect investor).

## Distributions

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

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

### Direct investors

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

### Indirect investors

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

### 3. BENEFITS OF INVESTING IN THE ONEPATH WHOLESALE MANAGED GROWTH TRUST

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

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

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

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

#### For indirect investors

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

### 4. RISKS OF MANAGED INVESTMENT SCHEMES

All investments carry risk and different strategies may carry different levels of risk, depending on the assets that make up the strategy. For instance, assets with the highest long-term returns may also carry the highest level of short-term risk. Investors should consider the level and type of risk involved with a particular investment and whether the potential returns justify those risks before investing.

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

- the value of investments will vary
- the returns you receive from your investment will vary and future returns may be different to past returns
- returns are not guaranteed and you may lose some of your money

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

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

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

### Risks associated with investing in the Trust

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

- **Market risk:** Markets can be volatile. Market risk is the risk that your investment may lose value due to fluctuations in market prices.
- **Interest rate risk:** The possibility that the value of your investment may fall due to fluctuations in interest rates.
- **Currency risk:** Currency risk is the risk that your investment may lose value due to a change in price of one currency against another. Your investment may also be affected by the impact of changes in the prices of currencies on the value of foreign securities.
- **Inflation risk:** Inflation is the general increase in consumer prices. Inflation risk is the risk that the purchasing power of your capital and/or interest income may decrease over time due to inflation.
- **Business risk:** The risk that the value of an individual business or entity to which the Trust has exposure may be negatively impacted due to factors such as poor management, lower consumer demand or declining market share.
- **Political or social risk:** The risk that changes in government policy, laws and regulations may adversely affect the Trust's value, and/or tax treatment or the Trust's ability to implement certain investment strategies. This also includes the risk that a political upheaval may adversely affect an investment to which the Trust has exposure (although this is more likely to occur in relation to overseas investments).
- **Derivative risk:** Derivatives may be used by the Trust to hedge or to gain economic exposures. Derivatives (Swaps) may also be used by the Trust to gain exposure to alternative assets. The use of these instruments involves various risks, which are described in this section of the PDS.
- **Liquidity risk:** Liquidity risk is the risk that an asset is unable to be realised in a timely manner and at a fair price, which could lead to the suspension, or delays in the processing, of withdrawals. Liquidity risk also arises in relation to the Swaps, as some of the alternative assets referenced by the Swaps may have different pricing and withdrawal cycles to the Trust.
- **Default risk:** Issuers of the investments to which the Trust has exposure and other entities upon which the Trust's investments depend, may default on their obligations, for instance by failing to make a payment when it becomes due or by failing to return capital. In addition, counterparties to the Trust, including derivatives counterparties, may default on their contractual obligations. Default on the part of these entities could result in financial loss to the Trust.

- **Short-selling strategies:** The Trust's underlying investment managers may sell securities they do not hold on the expectation that they are able to purchase the securities at a lower price. The risk with this strategy is that the price of the securities may rise meaning that the investment manager will need to purchase the securities at a higher price than that at which they were sold, resulting in a loss for the Trust.
- **Manager risk:** A manager appointed to manage the assets of the Trust (including the underlying managers of the alternative assets underlying the Swaps) may not meet their investment objectives, resulting in lower than expected returns for the Trust. This risk is mitigated by diversifying across a range of investment managers and underlying alternative asset managers.
- **Early termination of Swaps risk:** The Swaps are subject to certain early termination and default events. If the Swaps terminate early, the Trust may no longer have exposure to underlying alternative assets, which could impact on the Trust's overall performance.

## 5. HOW WE INVEST YOUR MONEY

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

### OnePath Wholesale Managed Growth Trust – Fund information

#### Description

The Trust is suitable for investors seeking medium to higher returns through investing in a diversified range of asset classes with a bias towards growth assets delivering capital growth with some yield.

#### Investment objective

The Trust aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5.0% p.a., over periods of 10 years or more.

#### Investment strategy

The Trust invests in a diversified mix of Australian and international assets with a strategic bias towards growth assets. The Trust blends active and passive management styles from a selection of leading investment managers.

#### Commencement date

March 1998

#### Minimum time horizon

10 Years

#### Investor profile

Growth – Growth investment trusts are more likely to suit investors who are seeking higher long-term returns, and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

#### Standard Risk Measure

1 Very low	2 Low	3 Low to medium	4 Medium	5 Medium to high	6 High	7 Very high
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### OnePath Wholesale Managed Growth Trust – Fund information (continued)

#### Asset allocation

Asset class*	Benchmark (%)	Range (%)
Cash	3	0–23
Australian fixed interest**	9	0–29
International fixed interest**	8	0–28
Listed Real Assets <sup>#</sup>	6	0–16
Australian shares	27	7–47
International shares <sup>^</sup>	29	9–49
Alternative investments <sup>†</sup>	18	1–38

\* The Trust may occasionally move outside of these ranges and in these circumstances we will seek to rebalance the Trust within a reasonable timeframe. The maximum allocation to growth assets for the OnePath Managed Growth Trust is 93%.

\*\*Fixed interest may include exposure to government, corporate, inflation protected and/or other securities.

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

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

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

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

## The investment process

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

## The Trust investments

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

### Derivatives and swap arrangements

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

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

The counterparty to the underlying Swaps is our related body corporate, Global One Alternative Investments Management Pty Ltd.

Derivatives carry risk. Please refer to 'Risks of managed investment schemes' in this PDS for more information.

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

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

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

### Changing investments

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

## 6. FEES AND OTHER COSTS

### DID YOU KNOW?

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

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

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

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

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

Taxes are set out in another part of this document.

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

## OnePath Wholesale Managed Growth Trust

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the managed investment product</b>		
<b>Establishment Fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution Fee</b> The fee on each amount contributed to your investment by you	Nil	Not applicable
<b>Withdrawal Fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit Fee</b> The fee to close your investment	Nil	Not applicable
<b>Management costs</b>		
The fees and costs for managing your investments.	<b>Management fee**†‡^</b> 0.90% p.a. of the value of your investment in the Trust plus <b>Indirect costs**</b> Estimated to be 0.44% p.a. of the value of your investment in the Trust for the 12 months to 30 June 2020 plus <b>Expense recovery</b> 0% p.a. of value of the Trust for the 12 months to 30 June 2020 and estimated to be 0% p.a. of the value of the Trust for the 12 months to 30 June 2021.	This fee is accrued daily in the unit price and deducted from the assets of the Trust on a monthly basis.  Indirect costs are not an additional fee to you. Rather, they are reflected in the returns payable from the Trust's underlying investments and as such are included in the unit price.  If deducted during a 12 month period, expense recoveries are deducted from the assets of the Trust annually and reflected in the unit price.
<b>Service Fee</b>		
<b>Switching Fee</b> the fee for changing investment options	Nil	Not applicable

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

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

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

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

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

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

## Additional explanation of fees and costs

### Expense recovery and indemnities

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

### Differential fees

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

### Advice fees

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

### Financial adviser payments

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

### Indirect costs

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

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

#### • Indirect costs related to alternative assets

Indirect costs apply in relation to the Trust's exposure to alternative assets via fully-funded total return swaps (Swaps). The estimated indirect costs for the Trust include an estimate of the underlying costs associated with the Swaps for the 12 months to 30 June 2020. That estimate is based on the Trust's benchmark allocation to alternative assets and includes an estimate of the

management fees and performance-related fees paid to the underlying alternative asset managers (based on the weightings of each alternative asset referenced by the Swaps at 30 June 2020) for the same period.

#### • Performance related fees

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

#### • Transaction costs

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

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

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

### Fee changes

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

Type of fee	Maximum amount
Management Fee	2% p.a.* of the gross value of the Trust
Application Fee	8% of the application price
Withdrawal Fee	3% of the withdrawal price
Regular Savings Fee	\$5 per payment adjusted for CPI from 30 June 1999
Dishonour Fee	Up to \$10 per payment adjusted for CPI from 30 June 1999
Adviser Service Fee	In accordance with separate arrangements made from time to time with a member of the Trust

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

## Payments to your Service Operator

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

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

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

## Other fees and charges

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

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

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

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

EXAMPLE: OnePath Wholesale Managed Growth Trust		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0*.
<b>PLUS</b> Management costs	0.90% <sup>†</sup> p.a. plus 0.44% p.a. indirect costs** plus 0% p.a. expense recovery <sup>^^</sup>	<b>And</b> , for every \$50,000 you have in the OnePath Wholesale Managed Growth Trust you will be charged \$670 <sup>†‡§</sup> each year.
<b>EQUALS</b> Cost of fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000* during that year, you would be charged fees of \$670 <sup>†‡§</sup> .

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

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

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

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

^^ A 0% expense recovery was deducted for the 12 months to 30 June 2020. This amount

is estimated to be 0% p.a. for the 12 months to 30 June 2021.

§ We have assumed a constant value during the year. In addition, the calculation of the management costs in the example does not take into account the additional contribution of \$5,000 and is an estimate.

**Note:** The previous Example is illustrative only. There is a calculator provided by ASIC on its MoneySmart website which can be used to calculate the effect of fees and costs on account balances. Go to [www.moneysmart.gov.au](http://www.moneysmart.gov.au)

## 7. HOW MANAGED INVESTMENT SCHEMES ARE TAXED

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

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

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

## 8. HOW TO APPLY

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

### Direct investors

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

### Indirect investors

Indirect investors can invest in the Trust by completing the relevant form(s) available from your Service Operator. You do not need to complete any of our forms. You will not become a unitholder in the Trust but instead, it is generally the Service Operator that invests in the Trust on your behalf that becomes a unitholder in the Trust. Therefore, we do not directly send you confirmation of transactions, distribution statements, annual reports or tax statements. Information about your investment in the Trust will be provided by your Service Operator. Enquiries regarding your investment should be directed to your Service Operator.



## Cooling-off period

### Direct investor

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

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

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

### Indirect investors

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

## Enquiries and Complaints

### Direct investor

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

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

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

Phone 1800 031 810

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

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

### Indirect investor

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

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

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

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

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

Phone 1800 931 678 (free call)

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

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

## 9. OTHER INFORMATION

### Continuous Disclosure Notices

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

Documents include:

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

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

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