

2011 ANZ Annual Statements – additional explanatory notes

JULY 2011

The following explanatory notes are to be read together with your 2011 Annual Statement. If you have any further questions about your Annual Statement please speak to your financial adviser or call Customer Services on 13 38 63.

Contributions tax

All superannuation products

Contributions tax of 15% will apply to any contributions that you claim as a personal tax deduction or pre tax contributions made by your employer (including salary sacrifice contributions).

In calculating the amount of tax payable we may make allowance for deductions available in the fund on transactions such as the payment of insurance premiums.

If you are claiming a personal tax deduction for personal contributions that you made in the Annual Statement period, the related contributions tax will only appear in the Annual Statement if we received your Notice of intent to claim a tax deduction for Super Contributions or vary a previous notice under section 290-170 of ITAA 1997 by the date requested and the notice has been acknowledged by the Trustee.

Tax at a rate of 15% also applies to the untaxed element of a roll-over superannuation benefit and the taxable component of a directed termination payment or a foreign fund transfer.

The tax payable is shown on your Annual Statement.

No Tax File Number (no-TFN) contributions tax

If we do not have your TFN, we are required to deduct no-TFN contributions tax (an additional 31.5% tax) from your concessional contributions upon exiting the fund, commencing a pension or at the end of the financial year. If you provide us with your TFN prior to one of these events, we will not deduct no-TFN contributions tax from your concessional contributions.

Preservation status

Unrestricted non-preserved benefit is the amount of the withdrawal benefit at the close of the reporting period that can be accessed by you at any time.

Restricted non-preserved benefit is the amount of the withdrawal benefit at the close of the reporting period that may be accessed by you if you leave an employer that has contributed to this fund on your behalf, or when preserved benefits are payable.

Preserved benefit is the amount of withdrawal benefit at the close of the reporting period required to be preserved by the Trust Deed and legislation governing your benefits. Generally, you cannot access this amount until age 65, or on retirement on or until after your preservation age (between age 55 and 60, depending on your date of birth).

The preserved amount is net of withdrawal fees and contributions tax payable on contributions that were made up to the date the Annual Statement was generated. Please note, where no-TFN contributions tax is payable, the preserved amount will differ to the withdrawal amount as no-TFN contributions tax payable is deducted from the withdrawal amount and not from the preserved amount.

For more information please contact Customer Services on 13 38 63.

Beneficiary nominations

Binding nominations – applicable to ANZ OneAnswer and ANZ Super Advantage

If you have made a binding nomination for your death benefit, this will appear on your Annual Statement. The Trustee must pay your death benefit according to the nomination, provided it is valid, has not expired and the nominated beneficiary is still a dependant or is your legal personal representative at the time of your death.

You may confirm, amend or revoke your nomination by completing a new Nomination of Beneficiary Form. This form is available from your financial adviser or by contacting Customer Services on 13 38 63.

If your binding nomination is revoked, expires, is invalid or defective and you do not make a new binding nomination, then the Trustee will pay your death benefit to your legal 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.

Non-binding nominations

If our records indicate you have made a non-binding nomination for your death benefit then this will appear on your Annual Statement. If you have made 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 your nomination is not revoked or defective, you have not re-married, entered a de facto or like relationship with a person of either sex or permanently separated from your spouse or partner since making the nomination and the nominated beneficiary is still a dependant or is your legal personal representative at the time of your death.

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

ANZ OneAnswer and ANZ Super Advantage - You may confirm, amend or revoke your nomination by completing a new Nomination of Beneficiary Form. This form is available from your financial adviser or by contacting Customer Services on 13 38 63. If your non-binding nomination is revoked, is invalid or defective and you do not make a new non-binding nomination, then the Trustee will pay your death benefit to your legal 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.

Please refer to the current Product Disclosure Statement and/or the relevant ANZ OneAnswer Additional Information Guide for further information about what a 'defective' nomination is and how your benefit will be paid if the Trustee cannot pay it in accordance with your nomination or you have made no nomination. Other products – please call Customer Services on 13 38 63.

Reversionary beneficiary - applicable to income streams only

If our records indicate you have nominated your spouse as a reversionary pensioner then this will appear on your Annual Statement. If you are a pension member and you have nominated your spouse as your reversionary pensioner, and you pass away, your pension benefits will be paid to them, provided they are still your spouse at the time you pass away. Any valid reversionary nomination will override any binding or non-binding nomination. If your reversionary pensioner dies before you or ceases to be your spouse prior to you passing away, the Trustee will pay your benefit in accordance with your valid binding nomination or, where a valid binding nomination does not exist, in accordance with any valid non-binding nomination you have made.

Please refer to the current Product Disclosure Statement and/or ANZ OneAnswer Pension Additional Information Guide for further information about how the Trustee will pay your benefit if it cannot pay in accordance with your nomination or you have made no nomination. The current Product Disclosure Statement and Additional Information Guide are available from anz.com, your financial adviser or by contacting Customer Services on 13 38 63.

Other products – please call Customer Services on 13 38 63.

Member Fee

The Member Fee is the member account keeping fee charged each month by the fund where applicable.

Superannuation Guarantee Allocation

The Superannuation Guarantee Allocation is the amount of employee entitlement paid by the Australian Taxation Office (ATO) representing a superannuation guarantee shortfall and any interest for the shortfall. This amount includes the 9% obligation and any interest earned. The Superannuation Guarantee Allocation may appear on your Annual Statement as either an addition or deduction. An addition represents a payment from the ATO into your account and a deduction may be the correction of a payment received to your account or the recovery of an overpaid Superannuation Guarantee Allocation by the ATO. This Superannuation Guarantee Allocation amount is determined by the ATO, so you should speak to your financial adviser or contact the ATO in relation to the amount paid.

Government Co-contribution – applicable to ANZ OneAnswer and ANZ Super Advantage

The Government Co-contribution is an incentive from the Australian Government designed to assist eligible individuals to save for their retirement. If you are eligible, for every \$1.00 of non-concessional personal contributions you make, the Government will contribute up to \$1.00 up to a maximum of \$1000.

The co-contribution may appear on your statement as either an addition or deduction. An addition represents a payment from the ATO into your account and a deduction may be the correction of a payment received to your account or the recovery of an overpaid co-contribution by the ATO. Conditions apply, so you should speak to your financial adviser or contact the ATO in relation to the amount paid.

Management charges (ANZ Super Advantage only)

Management charges include the administration fees deducted from your account.

Further information

If you have any questions or would like further information, please:

- call Customer Services on 13 38 63, weekdays between 8.30am and 6.30pm (Sydney time)
- email us at customer@onepath.com.au
- contact your financial adviser.

OnePath Custodians Pty Limited (ABN 12 008 508 496, AFSL 238346, RSE L0000673) is the trustee and issuer of the OnePath MasterFund (ABN 53 789 980 697, SFN 292 916 944, RSE R1001525 (the Fund)). The issuer is a wholly owned subsidiary of Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) (ANZ). ANZ is an authorised deposit taking institution (Bank) under the Banking Act 1959 (Cth). Although the issuer is owned by ANZ it is not a Bank. Except as described in the Product Disclosure Statement (PDS), an investment in the Fund is not a deposit or other liability of ANZ or its related group companies and none of them stands behind or guarantees the issuer or the capital or performance of your investment. Your investment is subject to investment risk, including possible repayment delays and loss of income and principal invested. This information is current at July 2011 but is subject to change. Updated information will be available free of charge by contacting Customer Services on 133 665. The information provided in this document is of a general nature and does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you should consider the appropriateness of the information, having regard to your needs, financial circumstances and objectives. You should read the relevant PDS, available from your financial adviser or by calling Customer Services on 13 38 63, and consider whether that particular product is right for you before making a decision to acquire or continue to hold the product.