

Special arrangements for ANZ OneAnswer

1 SEPTEMBER 2011

As a client of ANZ Financial Planning you will be investing into the ANZ branded version of OneAnswer which is called ANZ OneAnswer. Outlined below are certain specific features available to you as an investor in ANZ OneAnswer.

The ANZ OneAnswer range includes:

- ANZ OneAnswer Investment Portfolio
- ANZ OneAnswer Personal Super
- ANZ OneAnswer Pension

The Product Disclosure Statements through which the above products are offered are the OneAnswer Investment Portfolio PDS dated 15 November 2010 and the OneAnswer Personal Super and Pension PDS dated 15 November 2010 (referred to as OneAnswer PDSs). Please note the information contained in this flyer is not relevant to the OneAnswer Frontier series of products or the OneAnswer //Select series of products.

Additional rebate paid to ANZ OneAnswer clients

The Financial Adviser Commission section of each OneAnswer PDS provides the amount of ongoing commission which may be paid to ANZ Financial Planning (i.e. your adviser) by us (please note these commissions are not deducted from your account, they are paid by us out of the total fees we receive).

ANZ Financial Planning has requested a reduced amount of ongoing commission be paid to them in relation to investments in ANZ OneAnswer and the difference be rebated back to clients of ANZ OneAnswer. This reduction in ongoing commission will be passed on to you in the form of a rebate of Ongoing Fees charged. The maximum Ongoing Fee disclosed in the OneAnswer PDSs will be charged and a fee rebate will be applied to your account. This has the effect of reducing the net Ongoing Fee you pay.

The amount of the ongoing commission rebate is outlined in the table below.

Product	Additional rebate*
ANZ OneAnswer Investment Portfolio	0.15% p.a.
ANZ OneAnswer Personal Super	0.176% p.a.
ANZ OneAnswer Pension	0.15% p.a.

* This rebate is not payable on balances held in ANZ Cash Advantage, ANZ Term Deposits or ING Cash in ANZ OneAnswer Investment Portfolio and ANZ OneAnswer Personal Super. In ANZ OneAnswer Pension this rebate is not payable on ANZ Cash Advantage, ANZ Term Deposits or ANZ Prime CMA. For all other investment funds this rebate is paid on your total account balance.

How is this rebate paid?

This rebate is paid in conjunction with (and in addition to) other Ongoing Fee rebates described in the OneAnswer PDSs. Please refer to the relevant OneAnswer PDS for details of the method of payment.

Anti-Money Laundering and Counter-Terrorism Financing

The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (the AML/CTF Act) requires your financial adviser to identify you and verify your identity. Your financial adviser will need to complete the ANZ Customer Identification Process which verifies to us that sufficient identification information has been collected to confirm your identity.

Contact details

As a client of ANZ OneAnswer there is a dedicated phone number and email address for you to use when you need to contact us.

Information about your ANZ OneAnswer investment can be accessed through anz.com > personal > investment & advice. On the website you will find the latest OneAnswer PDS, product updates and other relevant information. You can also log in to Investor Access to view and update your account details.

Please note the following contact details for use by ANZ OneAnswer clients:

Phone enquiries weekdays between
8.30am and 6.30pm (EST)

Customer Services 13 38 63

Fax 02 9234 6668

Email anz.investments@onepath.com.au

Postal address

ANZ OneAnswer
GPO Box 4028
Sydney NSW 2001

Website anz.com

This information is current as at 1 September 2011 and may be subject to change. This information has been produced by OnePath Funds Management Limited ABN 21 003 002 800, AFSL 238342 (OnePath Funds Management) and OnePath Custodians Pty Limited ABN 12 008 508 496, AFSL 238346, RSE L0000673 (OnePath Custodians) (the 'issuers') and may not be reproduced without the issuers' prior written permission. Before making a decision based on this information, a potential investor should consider its appropriateness having regard to their objectives, financial situation and needs. ANZ OneAnswer Personal Super and ANZ OneAnswer Pension are issued by OnePath Custodians. ANZ OneAnswer Investment Portfolio is issued by OnePath Funds Management. Before acquiring, disposing or deciding whether to continue to hold the product, investors should consider the relevant OneAnswer Product Disclosure Statement (PDS) which is available at anz.com or by calling Customer Services on 13 38 63. Investment performance, earnings and returns are not guaranteed. Past performance is not indicative of future performance.

The issuers are wholly owned subsidiaries of Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (ANZ). ANZ is an authorised deposit taking institution (ADI) under the Banking Act 1959. The issuers are not ADIs. Except as described in the PDSs, an investment in any of the products above is not a deposit or liability of ANZ or any other member of the ANZ Group. Neither ANZ nor any member of the ANZ Group stands behind or guarantees the issuers or the capital or performance of any securities issued to, or assets held by, you. Your investment is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

OneAnswer Investment Portfolio

1 September 2011

Supplementary Product Disclosure Statement No. 1 and update to the incorporated material

This Supplementary Product Disclosure Statement No. 1 (SPDS) and update to the incorporated material (Update):

- supplements the OneAnswer Investment Portfolio Product Disclosure Statement (PDS) (Parts One and Two) dated 15 November 2010
- updates the information in the OneAnswer Investment Portfolio Additional Information Guide (Incorporated Material).

This SPDS should be read in conjunction with the PDS (Parts One and Two). The Update should be read together with the Incorporated Material. You should read the PDS, the SPDS, the Update and the Incorporated Material before making any investment decision in relation to OneAnswer Investment Portfolio. You can obtain a copy of the PDS and the Incorporated Material free of charge by contacting your financial adviser or Customer Services on 133 665.

The issuer of this SPDS and Update is OnePath Funds Management Limited (OnePath Funds Management) (ABN 21 003 002 800, AFSL 238 342). The issuer is responsible for the contents of this SPDS and Update, except for information provided by external fund managers.

OnePath Funds Management 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 (ADI) under the *Banking Act 1959 (Cth)*.

The issuer is not an ADI. Except as described in the PDS, SPDS, the Update and any relevant Incorporated Material, an investment in OneAnswer Investment Portfolio is neither a deposit or liability of ANZ or its related group companies. Neither ANZ nor its related group companies stands behind or guarantees the issuer or the capital or performance of your investment.

Your investment is subject to investment risk, including possible delays in repayment and loss of income and principal invested.

The information contained in this SPDS and Update is general information only and does not constitute financial product advice. You should consider obtaining independent advice before making any investment decision.

The purpose of this SPDS is to update Part One and Part Two of the PDS to provide information on:

1. a change of name for ANZ Flexible Term Deposit Plus to ANZ Cash Advantage and removal of Ongoing Fee
2. six new ANZ Term Deposit options added to OneAnswer Investment Portfolio
3. changes to fees and charges
4. the closure of OnePath Protected Growth Fund No. 2 to new and additional investments
5. updated risks associated with particular investment strategies
6. OptiMix Geared Australian Shares – update to important information
7. OptiMix Global Shares – update to investment profile
8. Schroder Balanced – changes to asset allocation.

The purpose of this Update is to amend the information in the Incorporated Material for:

1. a change of name for ANZ Flexible Term Deposit Plus to ANZ Cash Advantage
2. six new ANZ Term Deposit options added to OneAnswer Investment Portfolio.

SPDS – changes to the PDS

1. Change of name and Ongoing Fee for ANZ Flexible Term Deposit Plus

Change of name to ANZ Cash Advantage

The name ANZ Flexible Term Deposit Plus (ANZ FTD Plus) is changed to ANZ Cash Advantage. There is no change to the investment objective or strategy of the fund.

All references to ANZ Flexible Term Deposit Plus and ANZ FTD Plus are changed to ANZ Cash Advantage throughout Part One and Part Two of the PDS.

Removal of Ongoing Fee

The Ongoing Fee applied to ANZ Cash Advantage (formerly known as ANZ Flexible Term Deposit Plus) is reduced to zero.

Fees and charges

The information in the table under the heading 'Fees and other costs' on pages 20 and 21 of Part One of the PDS has been updated. Refer to the section titled '3. Changes to fees and charges' on pages 6 to 8 of this SPDS for the updated tables.

Ongoing Fees

The information in the table below replaces the Ongoing Fee information for ANZ Cash Advantage (formerly known as ANZ Flexible Term Deposit Plus) in the 'Ongoing Fees' table on pages 22 and 23 of Part One of the PDS:

Single manager investment funds

Investment fund	Ongoing Fee (% p.a.)	
	Entry Fee option*	Nil Entry Fee option†
Profile 1 – Defensive		
ANZ Cash Advantage ^{††}	Nil	Nil

The following footnote is inserted in the footnotes section on page 23 of Part One of the PDS:

†† An Ongoing Fee does not apply to ANZ Cash Advantage. ANZ calculates interest daily on ANZ Cash Advantage. The interest you receive is net of any applicable taxes.

2. ANZ Term Deposits

ANZ Term Deposit options are now available in OneAnswer Investment Portfolio. The terms available are:

- 3 months
- 6 months
- 12 months
- 2 years
- 3 years
- 5 years.

What are the key features?

The following text is inserted into the table beneath the row headed 'Minimum amounts' on page 4 of Part One of the PDS:

Minimum amounts

ANZ Term Deposit[§] Minimum investment \$1,000 (per Term Deposit)

The following footnote is inserted in the footnotes section on page 5 of Part One of the PDS:

§ Additional conditions and restrictions apply for investments in ANZ Term Deposits. Refer to the 'ANZ Term Deposits through OneAnswer' section in this book for information on restrictions applying to ANZ Term Deposits.

How does OneAnswer Investment Portfolio work?

The following text is inserted on page 8 of Part One of the PDS following the section 'Switching between investment funds^{††}':

Restrictions in relation to ANZ Term Deposits

The Regular Investment Plan, Dollar Cost Averaging Plan, auto-rebalance facility and Regular Withdrawal Plan are not available for ANZ Term Deposits. You cannot make an additional investment or switch into an ANZ Term Deposit that has already been established. An additional investment or switch will result in a new ANZ Term Deposit with a new interest rate and maturity date. You cannot request a partial withdrawal or switch from an ANZ Term Deposit. Interest earned on ANZ Term Deposits will be credited to your ANZ Cash Advantage fund.

The following section titled 'ANZ Term Deposits through OneAnswer' is inserted in Part One of the PDS after the section 'Your guide to investment profiles' on page 18:

ANZ Term Deposits through OneAnswer

The following additional information applies to the six ANZ Term Deposit options now available on OneAnswer. There are a number of special features and conditions that apply to the ANZ Term Deposit options. You should read the following information carefully before investing and speak to your financial adviser.

What is the minimum investment?	<p>A minimum of \$1,000 applies to each investment into an ANZ Term Deposit.</p> <p>When investing in an ANZ Term Deposit option, you will be required to also be invested in another OneAnswer fund other than an ANZ Term Deposit. We suggest that a maximum of 70% of the total account balance in OneAnswer is invested in ANZ Term Deposits.</p> <p>Holding another investment fund will ensure that there are sufficient funds outside of ANZ Term Deposits to pay for deductions that may be applicable to your OneAnswer account. For example these may include adviser service fees, other fees and charges or taxes.</p> <p>This suggested maximum will help you manage your ANZ Term Deposits to avoid early withdrawals. Refer to the section 'Early Withdrawal Adjustment' on page 5 of this SPDS.</p>
How do I invest and switch in?	<p>Investing in ANZ Term Deposits can be done by selecting from one of the six available terms in the relevant OneAnswer Application Form.</p> <p>Existing investors in OneAnswer can invest by completing an Additional Investment Form, or by selecting from one of the six available terms in the OneAnswer Switch Request Form.</p> <p>If a switch or additional investment is made into an ANZ Term Deposit for the same term as an existing ANZ Term Deposit then a new ANZ Term Deposit will be established. The prevailing interest rate at the time of the switch or investment will apply.</p> <p>Details of the interest rate and maturity date applicable to your term deposit investment will be available online via Account Access. Current interest rates are available at onepath.com.au or by contacting Customer Services on 133 665.</p>
How is interest calculated?	<p>Interest is payable at maturity for the 3, 6 and 12 month ANZ Term Deposit options. For terms greater than 12 months interest is paid annually on the anniversary start date of the ANZ Term Deposit and at maturity.</p> <p>Interest is calculated daily on your ANZ Term Deposit using the following formula:</p> $\text{Interest} = \text{Deposit balance} \times \text{Interest rate (p.a.)} \times (\text{Term in days}/365).$ <p>'Term in days' is calculated including the day you start your ANZ Term Deposit but excluding the day your term deposit matures.</p> <p>Interest from term deposits will be paid after the deduction of withholding tax if you have not supplied a TFN or ABN or are a non-resident.</p>
How is interest paid?	<p>All interest payments at maturity and annually will be automatically deposited into the ANZ Cash Advantage fund offered through OneAnswer. We will automatically establish this investment fund for you at the time interest is paid.</p> <p>As the terms and conditions of the ANZ Cash Advantage fund differ from those of the ANZ Term Deposit options you should refer to the information on ANZ Cash Advantage contained in the PDS and Incorporated Material.</p> <p>Once interest has been paid to ANZ Cash Advantage you can then access your interest through a normal switch or withdrawal process or leave it invested in ANZ Cash Advantage.</p>
How is the maturity date calculated?	<p>The maturity date is calculated from the date of the initial investment plus the term selected (in months).</p> <p>For example, if a 3 month ANZ Term Deposit commenced on 12 September 2011, the maturity date will be 12 December 2011.</p>

What happens to my ANZ Term Deposit at maturity?

We will send you a Maturity Reminder letter approximately one month prior to your term deposit's maturity date. At this time you will be required to advise us of your maturity instructions. There are two options available to you:

- Reinvest the principal into a new ANZ Term Deposit, with the same investment term. The prevailing interest rate* will apply to this new term deposit. This option will automatically apply in the event that you do not respond to the Maturity Reminder letter.
- Switch the principal out of the ANZ Term Deposit. The principal and final interest payment will be paid into ANZ Cash Advantage within OneAnswer. You can then access your principal and interest through a normal switch or withdrawal process or leave the investment in ANZ Cash Advantage.

We can accept maturity instructions on your ANZ Term Deposit until 12 noon (Sydney time) at least two business days prior to the maturity date.

If no instructions are received the principal will be reinvested into a new ANZ Term Deposit for the same term at the interest rates prevailing on the date of maturity*.

* The interest rates applicable to your new ANZ Term Deposit may vary from the interest rate that applied to your matured ANZ Term Deposit. Current interest rates are available at onepath.com.au or by contacting Customer Services on 133 665.

What happens if I withdraw prior to maturity?

To access monies invested in the ANZ Term Deposit prior to maturity, the entire deposit must be withdrawn. An Early Withdrawal Adjustment will apply to deposits withdrawn prior to maturity. Refer to 'Early Withdrawal Adjustment' on page 5 of this SPDS. In the event of an early withdrawal, proceeds from your ANZ Term Deposit will be invested in the ANZ Cash Advantage fund within OneAnswer. You can access your principal and paid interest through a normal switch or withdrawal process or leave the investment in ANZ Cash Advantage.

A withdrawal of your ANZ Term Deposit can be done by completing an ANZ Term Deposit Break Form which is available from your financial adviser or by contacting Customer Services on 133 665.

What interest rate will apply?

The interest rate that applies to your investment in an ANZ Term Deposit will be determined by the date we receive your correctly completed Application Form, Additional Investment Form or Switch Request Form. Where an amount is automatically reinvested upon the maturity of an ANZ Term Deposit, the interest rate applied to the new ANZ Term Deposit will be that prevailing on the date the previous ANZ Term Deposit matured.

A request received prior to 12 noon (Sydney time) on a business day (excluding weekends and public holidays) will receive the rate applicable for that day. Current interest rates are available at onepath.com.au or by contacting Customer Services on 133 665.

Managing your account and investments in ANZ Term Deposits

Due to the fixed terms that apply to ANZ Term Deposits, there are some OneAnswer features which will be restricted to avoid withdrawals prior to maturity.

Furthermore, any fees and charges must be paid from the other investment funds held in your OneAnswer account. If there are insufficient funds in the non-ANZ Term Deposit investment funds to meet these payments and deductions we may need to break your ANZ Term Deposit to pay any fees and charges payable by you. We will advise you when the allocation to ANZ Term Deposits within your OneAnswer account is greater than 85%.

The following functionality that is currently offered for OneAnswer, will exclude any amounts held in ANZ Term Deposits:

- auto-rebalancing
- Dollar Cost Averaging
- Regular Investment Plan
- Regular Draw-down Plan

Refer to section 'How does OneAnswer Investment Portfolio work?' on pages 6 to 9 of Part One of the PDS for further details.

Other information

ANZ Term Deposits will not operate like other funds available through OneAnswer where monies are pooled together and you receive income and tax obligations in proportion to your holdings in the overall fund. In ANZ Term Deposits, you will have complete beneficial interest to your ANZ Term Deposit investment and you will receive income and pay tax as if you held the term deposit directly with ANZ. Please speak to your adviser about your tax obligations.

Early Withdrawal of your ANZ Term Deposit

If you withdraw your investment in an ANZ Term Deposit option prior to maturity the interest rate payable will be reduced. We refer to this reduction as an 'Early Withdrawal Adjustment'. We will not adjust the interest rate if an early withdrawal is requested in the event of death of the investor.

Early Withdrawal Adjustment

The reduction in the interest rate will depend on the time remaining until maturity as outlined in the table below:

Percentage of term remaining	Interest rate reduction
0 to less than 20%	20%
20% to less than 40%	40%
40% to less than 60%	60%
60% to less than 80%	80%
80% to less than 100%	90%

Withdrawal proceeds

For early withdrawals from an ANZ Term Deposit with terms less than 12 months, the amount you receive will be equal to:

- your principal on deposit, plus
- interest that has accrued to the date of your withdrawal, less
- the amount calculated as an Early Withdrawal Adjustment.

Example: \$10,000 investment into a 12 month ANZ Term Deposit offering 5% interest p.a.

You deposit \$10,000 in an ANZ Term Deposit with a 12 month investment term in OneAnswer Investment Portfolio. The fixed interest rate is 5% pa. Assuming you hold the full deposit to maturity, the total interest payable to your ANZ Cash Advantage fund is \$500 ($\$10,000 \times 5\%$).

If your ANZ Term Deposit is withdrawn after 6 months, the term remaining is 50%, therefore, a reduction of 60% is applied.

- Interest accrued for time invested is \$250.68 or $(\$10,000 \times 5\%) \times 183/365$
- Early Withdrawal Adjustment is \$150.41 or $(\$250.68 \times 60\%)$

Therefore, the total interest paid is \$100.27 or $(\$250.68 - \$150.41)$

The total withdrawal proceeds are **\$10,100.27** or $(\$10,000 + \$250.68 - \$150.41)$

Note: This example is illustrative only

For 2, 3 and 5 year ANZ Term Deposit options, if the deposit is broken after an annual interest payment has been credited but before maturity, the following amounts will be compared:

- a) interest earned taking into account the Early Withdrawal Adjustment for the period (from the start date of the term deposit until the date your term deposit is broken), and
- b) the interest payments already credited to ANZ Cash Advantage on the anniversary.

If a) is less than b), the difference will be deducted from the principal.

If a) is greater than b), the difference will be paid in addition to the principal.

Where the Early Withdrawal Adjustment is greater than any accrued interest, the net amount will be deducted from your initial principal invested.

The full withdrawal of your ANZ Term Deposit prior to maturity will be confirmed in a Switch Confirmation letter that will be sent to you.

Example: \$100,000 investment into a 2 Year ANZ Term Deposit offering 5.5% p.a.

You deposit \$100,000 in an ANZ Term Deposit on 1 January 2011 with a 2 year investment term in OneAnswer Investment Portfolio.

The fixed interest rate is 5.5% p.a. Assuming you hold the full deposit to maturity, the total interest payable to your ANZ Cash Advantage fund is \$11,000 ($\$100,000 \times 5.5\% \times 2\text{yrs}$).

If your ANZ Term Deposit is withdrawn after 13 months, the term remaining is 46%, therefore a reduction of 60% is applied.

- Interest paid in first year is \$5,500 or $(\$100,000 \times 5.5\%)$
- Interest accrued in 2nd year is \$467.12 or $(\$100,000 \times 5.5\%) \times (31/365)$
- Early Withdrawal Adjustment is \$3,580.27 or $(\$5,500 + \$467.12) \times 60\%$

Therefore, the total withdrawal proceeds are **\$96,886.85** or $(\$100,000 + \$467.12 - \$3,580.27)$

Including the \$5,500 of interest earned in the first year, the total amount returned on the \$100,000 investment is **\$102,386.85**

Note: This example is illustrative only.

What are the fees and charges?

The information in the section titled 'What are the fees and charges?' on pages 19 to 29 of Part One of the PDS has been updated to include ANZ Term Deposits. Refer to the section titled '3. Changes to fees and charges' on pages 6 to 8 of this SPDS for the updated information.

What else do I need to know?

Unit prices

The following text is inserted as a new paragraph at the end of the sub-section headed 'Unit prices' on page 30 of Part One of the PDS:

Monies held in ANZ Term Deposits earn interest and do not have a unit price. Current ANZ Term Deposit interest rates can be found at onepath.com.au or by contacting Customer Services on 133 665.

Distributions

The following text is inserted as a new paragraph to the end of the sub-section headed 'Distributions' on page 31 of Part One of the PDS:

For ANZ Term Deposits, the distributions (interest) you receive from each term deposit is based on the amount invested, the term nominated as well as the prevailing interest rate applicable at the time the investment was made.

Interest is payable at maturity for the 3, 6 and 12 month ANZ Term Deposit options. For terms greater than 12 months interest is paid annually on the anniversary date of the investment and at maturity.

All interest payments will be invested in ANZ Cash Advantage on your behalf. If you are not invested in ANZ Cash Advantage we will automatically establish this investment fund for you at the time the interest is paid. By investing in ANZ Term Deposits, you authorise us to establish a holding in ANZ Cash Advantage to permit payments of earned interest and where applicable, principal. A reduction in the interest rate payable applies where your ANZ Term Deposit is broken prior to the maturity date. The reduction in the interest rate will depend on the percentage of the original term elapsed when your withdrawal is made.

As the terms and conditions of the ANZ Cash Advantage fund differ from those of ANZ Term Deposits you should refer to the information on ANZ Cash Advantage contained in the PDS and Incorporated Material.

The current interest rates applying to ANZ Term Deposits can be found at onepath.com.au or by contacting Customer Services on 133 665.

Investment fund profile

The following investment profile is inserted on page 25 of Part Two of the PDS in the section titled 'Profile 1 – Defensive':

ANZ Term Deposits

Investment objective

To provide investors with a fixed rate of return with a choice of investment terms by depositing funds with ANZ.

Investment strategy

To invest in term deposit products issued by ANZ.

Minimum time horizon

There are six terms available ranging from 3 months to 5 years.

Asset allocation

Asset Class	Benchmark (%)	Range (%)
Cash	100	n/a

Registered managed investment schemes

The text in the table below is inserted into the tables on page 79 of Part Two of the PDS under the sub-heading 'Single-manager investment funds':

Single manager investment funds

Investment fund	ARSN	Constitutional name
Profile 1 - Defensive		
ANZ Term Deposits	152 546 024	OneAnswer Separate Account Trust

3. Changes to fees and charges

The information in the section headed 'What are the fees and charges?' on pages 19 to 29 of Part One of the PDS has been updated for the:

- addition of ANZ Term Deposits
- removal of the Ongoing Fee on ANZ Cash Advantage (formerly ANZ Flexible Term Deposit Plus)
- maximum payments to dealer groups, financial advisers or other third parties based on commercial arrangements.

The text in the table below replaces the corresponding rows and columns in the table on pages 20 to 21 of Part One of the PDS. This table does not include other fees and costs. For other fees and costs that have not changed please see the tables on pages 20 and 21 of Part One of the PDS.

Type of fee or cost	Amount		How and when paid
	Entry Fee option (pay Contribution Fees upfront)	Nil Entry Fee option (pay no Contribution Fees upfront)	
Fees when your money moves in or out of the Fund*			
<p>Contribution Fee (Entry Fee)</p> <p>The fee on each amount you contribute to your investment.</p>	<p>ANZ Term Deposits, ANZ Cash Advantage and ING Cash – nil</p> <p>All other investment funds – 4%</p>	<p>Nil</p>	<p>This fee is deducted from any initial, additional or regular investment at the time it is made. This fee is payable to your financial adviser and can be negotiated with your financial adviser.</p> <p>Please refer to ‘Financial adviser commissions’ on page 27 of this book.</p>
<p>Withdrawal Fee</p> <p>The fee on each amount you take out of your investment.</p>	<p>Nil</p>	<p>ANZ Term Deposits, ANZ Cash Advantage and ING Cash – nil (except for amounts switched in from an investment fund where a Withdrawal Fee applies).</p> <p>All other investment funds - up to 3% of the amount withdrawn within the first three years of being invested.</p>	<p>This fee is calculated on the withdrawal amount and is deducted from each withdrawal you make within the first three years of your initial, additional or regular investment.</p> <p>Withdrawal Fees relating to the Regular Draw-down Plan are explained on page 26 of this book.</p> <p>Withdrawal Fees do not apply to reinvested distributions and/or reinvested rebates whilst they remain invested in the same investment fund.</p> <p>Please refer to ‘Withdrawal Fees’ on page 26 of this book.</p>
Management costs			
<p>The fees and costs for managing your investment. These fees include ongoing fees of the underlying fund managers. The amount you pay for specific investment funds is shown on pages 22 and 23 of this book.</p>	<p>Ongoing Fees[†]</p> <p>ANZ Term Deposits and ANZ Cash Advantage – nil</p> <p>ING Cash – 0.95% p.a.</p> <p>Fee range for other investment funds – 1.49% p.a. to 2.90% p.a.</p>	<p>Ongoing Fees[†]</p> <p>ANZ Term Deposits and ANZ Cash Advantage – nil</p> <p>ING Cash – 0.95% p.a.</p> <p>Fee range for other investment funds – 2.34% p.a. to 3.75% p.a.</p>	<p>Ongoing Fees</p> <p>This fee is included in the daily calculation of the unit price and is deducted from the assets of each investment fund monthly.</p> <p>This fee includes an amount payable to your financial adviser and may in some circumstances be rebated or negotiated. Please refer to ‘Financial adviser commissions’ on page 27 of this book.</p> <p>In addition performance fees may also be applicable to specific investment funds. Please refer to ‘Performance fees’ on page 25 of this book.</p>

Type of fee or cost	Amount		How and when paid
	Entry Fee option (pay Contribution Fees upfront)	Nil Entry Fee option (pay no Contribution Fees upfront)	
Management costs			
	<p>Ongoing Fee rebate[†]</p> <p>Ongoing Fee rebates may apply, thereby reducing the above Ongoing Fees.</p> <p>Please refer to 'Ongoing Fee rebate' on page 24 of this book.</p>	<p>Ongoing Fee rebate[†]</p> <p>Ongoing Fee rebates may apply, thereby reducing the above Ongoing Fees.</p> <p>Please refer to 'Ongoing Fee rebate' on page 24 of this book.</p> <p>Nil Entry Fee rebate[†]</p> <p>A rebate of 0.85% p.a. will apply after four years of each initial, additional or regular investment. Please refer to 'Nil Entry Fee option' on page 25 of this book.</p>	
	<p>Investor Fee[†]</p> <p>An Investor Fee of \$48 p.a. applies to balances under \$10,000.</p>	<p>Investor Fee[†]</p> <p>An Investor Fee of \$48 p.a. applies to balances under \$10,000.</p>	<p>Investor Fee[†]</p> <p>This fee is deducted from your balance annually. Please refer to 'Investor Fee' on page 26 of this book</p>
Service fees			
<p>Investment Switching Fee*</p> <p>The fees for changing investment funds.</p>	<p>Contribution (Entry) Fees may apply when switching from ANZ Term Deposits, ANZ Cash Advantage and ING Cash. Please refer to 'Switching' on page 26 of this book.</p> <p>For other investment funds there are currently no switching fees when switching.</p>	<p>Withdrawal Fees will carry across (or the period will commence) when switching to (or from) ANZ Term Deposits, ANZ Cash Advantage and ING Cash. Please refer to 'Switching' on page 26 of this book.</p> <p>For other investment funds there are currently no fees when switching and a switch will not reset your investment start date for the calculation of any applicable Withdrawal Fees and the Nil Entry Fee rebate.</p>	<p>Deducted from amounts switched.</p>

The following text replaces the footnote to Ongoing Fee rebate and Investor Fee denoted by ‡ on page 21 of Part One of the PDS:

‡ Not applicable to investments in ANZ Term Deposits, ANZ Cash Advantage or ING Cash.

Ongoing Fees

The text in the table below is inserted in the table headed 'Single manager investment funds' on page 22 of Part One of the PDS under sub-heading 'Profile 1 - Defensive':

Single manager investment funds

Investment fund	Ongoing Fee (% p.a.)	
	Entry Fee option*	Nil Entry Fee option†
Profile 1 – Defensive		
ANZ Term Deposits††	Nil	Nil

The following footnote is inserted in the footnotes section on page 23 of Part One of the PDS:

†† An Ongoing Fee does not apply to ANZ Term Deposits.

The following text is inserted at the end of the footnote denoted by * on page 23 of Part One of the PDS:

The Ongoing Fee rebate of 0.85% p.a. is not applicable to ANZ Term Deposits.

The following text is inserted at the end of the footnote denoted by † on page 23 of Part One of the PDS:

The Nil Entry Fee rebate of 0.85% p.a. after four years is not applicable to ANZ Term Deposits.

Additional explanation of fees and costs

Ongoing Fee Rebate

The following text is inserted as a new paragraph at the end of the sub-section headed 'Ongoing Fee rebate' on page 24 of Part One of the PDS:

For the purposes of calculating the Ongoing Fee rebate, the account balance excludes investments in ANZ Term Deposits.

Entry Fee option

The following text is inserted as a new paragraph at the end of the sub-section headed 'Entry Fee option' on page 24 of Part One of the PDS:

For the purposes of calculating this Ongoing Fee rebate, the account balance excludes investments in ANZ Term Deposits.

Nil Entry Fee option

The following text is inserted as a new paragraph at the end of the sub-section headed 'Nil Entry Fee option' on page 25 of Part One of the PDS:

For the purposes of calculating Nil Entry Fee rebates, the account balance excludes investments in ANZ Term Deposits.

Investor Fee

The following text is inserted as a new paragraph at the end of the sub-section headed 'Investor Fee' on page 26 of Part One of the PDS:

Investments in ANZ Term Deposits are excluded from the account balance for the purpose of calculating the Investor Fee. For investments solely in ANZ Term Deposits, this fee will not apply.

Withdrawal Fees

The following text replaces the third paragraph under the sub-section headed 'Nil Entry Fee option' on page 26 of Part One of the PDS:

There are no Withdrawal Fees for amounts withdrawn from ANZ Term Deposits, ANZ Cash Advantage or ING Cash where the amount was originally invested in ANZ Term Deposits, ANZ Cash Advantage or ING Cash and no switch from another investment fund was made.

Service Fees

The following text replaces the information under the heading 'Switching' on page 26 of Part One of the PDS:

You can switch between investment funds at any time.

We do not charge Entry and Withdrawal Fees when switching except when switching to or from ANZ Term Deposits, ANZ Cash Advantage or ING Cash. Transaction costs may apply.

- **ANZ Term Deposits, ANZ Cash Advantage and ING Cash (Entry Fee option)**

If you switch from ANZ Term Deposits, ANZ Cash Advantage or ING Cash to any other investment fund, you will pay an Entry Fee on the new investment fund. If you switch from any other investment fund into ANZ Term Deposits, ANZ Cash Advantage or ING Cash, you will not incur any fees. This also applies to auto rebalancing and dollar cost averaging.

- **ANZ Term Deposits, ANZ Cash Advantage and ING Cash (Nil Entry Fee option)**

If you switch from ANZ Term Deposits, ANZ Cash Advantage or ING Cash to any other investment fund, you will commence the three-year Withdrawal Fee period at the time of the switch. If you switch from any other investment fund into ANZ Term Deposits, ANZ Cash Advantage or ING Cash, the three-year Withdrawal Fee period of the initial, additional or regular investment will continue to apply. This also applies to auto rebalancing and dollar cost averaging.

Financial adviser payments

Adviser Service Fee

The following text is inserted at the end of the second paragraph under the sub-section headed 'Adviser Service Fee' on page 27 of Part One of the PDS:

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

Financial adviser commissions

The following text is inserted as a new row to the table between the rows titled 'ANZ Cash Advantage and ING Cash' and 'Other investment funds' under the heading 'Financial adviser commissions' on page 27 of Part One of the PDS:

Fund	Commission	
	Initial	Ongoing p.a.
ANZ Term Deposits	Nil	Nil

Payments from underlying fund managers and related parties

The following text replaces the second paragraph under the heading 'Payments from underlying fund managers and related parties' on page 28 of Part One of the PDS:

We may receive a financial payment or a non-financial benefit from ANZ in relation to amounts held in ANZ Cash Advantage or in relation to investing ANZ Term Deposit options with ANZ. These payments are not an additional charge to you.

Other adviser payments

The text below replaces the paragraph under the sub-heading 'Other adviser payments' on page 27 of Part One of the PDS:

In addition to any initial and ongoing commissions, we may pay additional commissions or make other payments to dealer groups, financial advisers or other third parties based on commercial arrangements. These payments may in some cases be made to related entities. The types of payments include payments to enable educational support and practice development services for advisers and payments to third parties to distribute our products. These payments are made by us and not charged to you or your OneAnswer account. These payments are up to a maximum of 0.30% p.a. of funds under management within OneAnswer Investment Portfolio (inclusive of GST).

4. Fund closure – OnePath Protected Growth Fund No. 2

OnePath Protected Growth Fund No. 2 is closed to new and existing OneAnswer Investment Portfolio investors.

Throughout Parts One and Two of the PDS, all references and information about 'OnePath Protected Growth Fund No. 2' are removed.

5. Risks associated with particular investment strategies

Short-selling and Long/short strategy

The following text is added as a new paragraph to the end of each of the sub-sections headed 'Short-selling' and 'Long/short Strategy' on page 13 of Part One of the PDS:

For the purposes of this section the term 'securities' includes futures, warrants and other derivatives. Fund Managers may use futures and other derivatives to gain exposure to, or protect the portfolio from adverse market movements. They may also short-sell securities or use long/short strategies. Each of these strategies involves risk including loss of income or capital. OnePath and its managers have detailed risk management processes in place to ensure that these risks are appropriately managed.

6. OptiMix Geared Australian Shares

Managing the gearing level of the Wholesale Trust

The following text replaces the fourth paragraph under the heading 'Managing the gearing level of the Wholesale Trust' on page 72 of Part Two of the PDS:

The gearing of the Wholesale Trust will be implemented through leading funding providers (lenders) and will be based on commercial terms. Members of the ANZ Group will be considered as possible lenders. The lenders will receive interest payments and other fees appropriate for providing such facilities and these amounts will be paid by the Wholesale Trust.

Fees

The following text replaces the paragraph under the heading 'Fees' on page 73 of Part Two of the PDS:

Instead of receiving a cash fee, the Responsible Entity of the Wholesale Trust can receive units in the fund as consideration for managing the fund. This assists with the objective of maintaining positive net income for the fund each year after the payment of interest and other expenses. The loan for the gearing is provided on commercial terms, with the costs of borrowing being paid by the Fund. These costs are offset against income earned by the Fund. The costs of the borrowing are determined by a reference rate (margin above) the 90 day Bank Bill Swap Rate (BBSW). Fluctuations in the BBSW result in fluctuations in the cost of borrowing for the Fund. The Fund may also be charged for any undrawn amount from the loan facility provided.

7. OptiMix Global Shares

The following text is inserted under the investment profile for OptiMix Global Shares on page 15 of Part Two of the PDS:

This fund may utilise managers which short sell securities including futures. OptiMix ensures that managers appointed have in place appropriate risk management controls.

8. Schroder Balanced

The following information replaces the asset classes, benchmark and ranges in the table under the sub-heading 'Asset allocation' on page 38 of Part Two of the PDS.

Asset allocation		
Asset class	Benchmark (%)	Range (%)
Cash	8	0-20
Fixed income	15	10-35
Objective based	10	0-20
Higher yield credit	5	0-15
REITs	5	0-10
Australian equities	30	20-40
Global equities	27	20-40

Update to the OneAnswer Investment Portfolio Additional Information Guide

1. Change of name for ANZ Flexible Term Deposit Plus

The name ANZ Flexible Term Deposit Plus (ANZ FTD Plus) is changed to ANZ Cash Advantage. There is no change to the investment objective or strategy of the fund.

All references to ANZ Flexible Term Deposit Plus and ANZ FTD Plus are changed to ANZ Cash Advantage throughout the OneAnswer Investment Portfolio Additional Information Guide.

2. Transacting on ANZ Term Deposits

How do I make an additional investment?

The following text replaces the second paragraph under the sub-section headed 'How do I make an additional investment?' on page 2 of the OneAnswer Investment Portfolio Additional Information Guide:

Where you do not nominate an investment fund(s), additional investments will be allocated to investment funds according to your most recent instruction (excluding ANZ Term Deposits) or your auto-rebalance profile (where you have selected this facility). Please contact Customer Services on 133 665 if you wish to vary your nomination.

The minimum investment into an ANZ Term Deposit is \$1,000. Additional investments cannot be made into an existing ANZ Term Deposit in which you hold an investment. An additional investment into an ANZ Term Deposit with the same term will be invested in a new ANZ Term Deposit with a new interest rate and maturity date applicable at the time of investment.

To make additional contributions on a regular basis, you can also set up a Regular Investment Plan (excluding ANZ Term Deposits) as outlined on page 2.

How can I set up a Regular Investment Plan?

The following text is inserted as a new paragraph at the end of the sub-section headed 'How can I set up a Regular Investment Plan?' on page 2 of the OneAnswer Investment Portfolio Additional Information Guide:

You cannot include ANZ Term Deposits in the investment profile of your Regular Investment Plan.

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

The following text replaces the second paragraph under the heading 'How do I set up a Dollar Cost Averaging Plan on my investment?' on page 3 of the OneAnswer Investment Portfolio Additional Information Guide:

You can invest into any investment fund, except an ANZ Term Deposit, within OneAnswer Investment Portfolio 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.

The following text is inserted as an additional bullet point under the sub-heading 'Terms and conditions – Dollar Cost Averaging Plan' on page 3 of the OneAnswer Investment Portfolio Additional Information Guide:

- You cannot use the Dollar Cost Averaging Plan to invest into any ANZ Term Deposits.

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

The following text replaces the second paragraph under the heading 'How do I add the auto-rebalance facility to my investment?' on page 3 of the OneAnswer Investment Portfolio Additional Information Guide:

The auto-rebalance facility works by switching units between investment funds, excluding ANZ Term Deposits, in order to realign your investment allocation as per your nominated investment profile. Refer to the section titled 'How do I switch investment funds?' on page 6 for more details on the terms and conditions applicable to switching.

The following text is added as a new bullet point at the end of the the sub-section headed 'Terms and conditions – auto-rebalancing facility' on page 4 of the OneAnswer Investment Portfolio Additional Information Guide:

- The auto-rebalance facility is not available for any ANZ Term Deposits. You can choose to use the facility but it will exclude your ANZ Term Deposits and will only rebalance amongst your other investment funds.

How do I receive my distribution payments?

The following text replaces the first paragraph and first two bullet points under the heading 'How do I receive my distribution payments?' on page 4 of the OneAnswer Investment Portfolio Additional Information Guide:

You may choose to have your distributions from each investment fund (except ANZ Term Deposits), either:

- reinvested by converting them into more units in that investment fund, thereby potentially growing your capital
- paid as income into your nominated Australian financial institution account.

Any distributions from ANZ Term Deposits will purchase units in the ANZ Cash Advantage fund.

How can I receive a regular payment from my investment?

The following text is inserted as a new paragraph under the heading 'How can I receive a regular payment from my investment?' on pages 4 and 5 of the OneAnswer Investment Portfolio Additional Information Guide:

You cannot nominate a regular payment to be made from an ANZ Term Deposit.

How do I withdraw money from my investment?

The following text is inserted as a new paragraph at the end of the section headed 'How do I withdraw money from my investment?' on page 5 of the OneAnswer Investment Portfolio Additional Information Guide:

A partial withdrawal from an ANZ Term Deposit is not possible. To access monies invested in the ANZ Term Deposits prior to maturity, the entire deposit must be withdrawn. An Early Withdrawal Adjustment will apply to deposits withdrawn prior to maturity.

How do I switch investment funds?

The following text is inserted as a new paragraph at the end of the section headed 'How do I switch investments?' on page 6 of the OneAnswer Investment Portfolio Additional Information Guide:

A switch into ANZ Term Deposits will establish a new ANZ Term Deposit, with a new interest rate and maturity date applicable at the time of investment. A minimum of \$1,000 applies to each investment into ANZ Term Deposits. A switch out of an ANZ Term Deposit prior to its maturity will mean that the full amount invested in that ANZ Term Deposit will be switched to the ANZ Cash Advantage fund. The interest rate applied to the amount switched will be reduced accordingly. Refer to the section 'ANZ Term Deposits through OneAnswer' in Part One of the PDS for more information.

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Customer Services

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Email customer@onepath.com.au
Fax 02 9234 6668

Adviser Services (For use by financial advisers only)

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OnePath Funds Management Limited
ABN 21 003 002 800 AFSL 238 342



OneAnswer Investment Portfolio

Product Disclosure Statement

15 November 2010

OneAnswer Investment Portfolio

Entity details in this Product Disclosure Statement (PDS)

Name of legal entity	Registered numbers	Abbreviated term used throughout the PDS
OnePath Funds Management Limited (Issuer)	ABN 21 003 002 800, AFSL 238342	OnePath Funds Management
OnePath Australia Limited	ABN 60 000 000 779	OnePath
Australia and New Zealand Banking Group Limited	ABN 11 005 357 522, AFSL 234527	ANZ

Important information

OnePath Funds Management is the issuer of this Product Disclosure Statement (PDS) and the incorporated material which is comprised of the OneAnswer Investment Portfolio Additional Information Guide.

OnePath Funds Management is a wholly owned subsidiary of ANZ. ANZ is an authorised deposit taking institution (Bank) under the *Banking Act 1959* (Cth). Although OnePath Funds Management is owned by ANZ, it is not a Bank. Except as described in the PDS, an investment in OneAnswer Investment Portfolio is not a deposit with, or other liability of, ANZ or its related group companies and none of them stands behind or guarantees OnePath Funds Management 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 PDS contains general information only and does not take into account your objectives, financial situation or needs. This PDS explains the main features of OneAnswer Investment Portfolio and should not be used as a substitute for financial advice. You should read the PDS carefully to assess whether the information is appropriate having regard to your objectives, financial situation and needs, and speak to a financial adviser before making an investment decision.

OnePath Funds Management is responsible for the content of this PDS and the OneAnswer Investment Portfolio Additional Information Guide, except for:

- information about ING Investment Management Limited ABN 23 003 731 959 (INGIM), which is based on information provided by INGIM; and
- information about the external fund managers and the investment strategy, objectives and asset allocation for the underlying funds they operate, which is based on information provided by the external fund managers.

INGIM and the external fund managers have each provided their consent to being named and have consented to the information provided by them being included in this PDS in the form and context in which it is included. They have not withdrawn their consent at the time of preparation of this PDS. INGIM and the external fund managers take no responsibility for any other information in this PDS or the OneAnswer Investment Portfolio Additional Information Guide.

In this PDS and the OneAnswer Investment Portfolio Additional Information Guide the terms 'us', 'we' and 'our' refer to OnePath Funds Management. The term 'investment funds' refers to the registered managed investment schemes offered under this PDS and the term 'OneAnswer Investment Portfolio' refers to both OneAnswer Investment Portfolio and OneAnswer Investment Portfolio //Select, unless otherwise stated.

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

Important additional information for ANZ OneAnswer investors

If you are investing through an ANZ financial adviser you will be investing into ANZ OneAnswer. You should complete the ANZ OneAnswer Application Form and refer to the ANZ OneAnswer information flyer which outlines specific features applying to you. In this PDS references to OneAnswer Investment Portfolio are also intended to apply to ANZ OneAnswer Investment Portfolio, unless stated otherwise. In this PDS references to OneAnswer Investment Portfolio //Select are also intended to apply to ANZ OneAnswer Investment Portfolio //Select, unless stated otherwise.

Important additional information for OneAnswer Investment Portfolio //Select investors

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

The purpose of this PDS is to give you the information you need to make an investment decision.

This PDS is issued in relation to:

- OneAnswer Investment Portfolio
- OneAnswer Investment Portfolio //Select
(only applicable for OneAnswer Investment Portfolio //Select investors who joined prior to 15 November 2010.
No new investors are being accepted into OneAnswer Investment Portfolio //Select)

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

- **Part One – Product Book (this book)**
- Part Two – OneAnswer Investment Funds Guide

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

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

Before making any investment decision, you should read this Product Book carefully together with the relevant parts of the PDS.

If you have not received all relevant parts of the PDS for either OneAnswer Investment Portfolio or OneAnswer Investment Portfolio //Select, please contact Customer Services on 133 665.

Additional information relevant for both OneAnswer Investment Portfolio and OneAnswer Investment Portfolio //Select can be found in the incorporated material, which is comprised of the OneAnswer Investment Portfolio Additional Information Guide. The incorporated material is available publicly on our website at 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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Part One – Product Book

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About OnePath

Helping you shape and protect your future

OnePath is one of Australia's leading providers of wealth, insurance and advice solutions. OnePath has been helping Australians grow and protect their wealth for over 130 years, previously as Mercantile Mutual and more recently as ING Australia.

Now as a wholly owned subsidiary of Australia and New Zealand Banking Group Limited (ANZ), OnePath operates as ANZ's Australian specialist wealth management and protection business.

ANZ is a leading global and local bank with operations in more than 32 countries including Australia, New Zealand, Asia, the Pacific, the Middle East, Europe and America. ANZ provides products and services to more than 5.7 million retail customers worldwide and employs over 39,000 people.

OnePath has a comprehensive range of wealth and insurance products available through financial advisers or direct to customers making it easier for you to find the solution that best suits your needs.

At OnePath we value and appreciate our customers, our staff and the communities we operate in. We are committed to acting with the highest standards and to meeting our corporate responsibilities. We also encourage and support staff involvement in volunteering and charitable activities supporting the wider community.

OnePath actively participates in forums looking at regulatory and industry change. We also regularly review and conduct research to ensure we are attuned to changing customer and market needs.

What is OneAnswer?

OneAnswer provides a comprehensive solution to your investment, superannuation and retirement needs.

The OneAnswer suite of products consists of the following:

- OneAnswer Personal Super
- OneAnswer Pension
- OneAnswer Investment Portfolio.

OneAnswer enables you and your financial adviser to manage your investments by offering you:

- **choice** and **flexibility** through an extensive range of carefully selected investment funds and other features
- **convenience** and **control** through extensive services, including ongoing administration, consolidated reporting and online account management across all investment funds.

OneAnswer Investment Portfolio is offered in this PDS. For information about OneAnswer Personal Super and OneAnswer Pension you should obtain the OneAnswer Personal Super and Pension PDS and please consult either with us or your financial adviser.

Whatever your circumstances or stage in life, OnePath can help you create your future – from growing your investments, investing in superannuation, accessing your pension and planning your retirement income.

Welcome to OneAnswer Investment Portfolio

Our flagship investment product is designed for people who want to invest in investment funds over the medium to long term. With OneAnswer's extensive range of investment funds, your financial adviser can help you create an investment profile that suits your financial goals.

OneAnswer Investment Portfolio offers you an extensive range of innovative features and investor services, including:

- a wide choice of over 80 investment funds
- simple and effective fee options and ongoing fee rebates
- interactive online financial education, calculators and seminars
- convenient online transacting and contribution options such as BPAY®
- helpful and efficient telephone and online customer service.

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What are the key features?

Outlined below are the key features of OneAnswer Investment Portfolio

A wide choice of investment funds (for more information refer to Part Two – OneAnswer Investment Funds Guide)	
OptiMix	A selection of multi-manager investment funds constructed by INGIM. The OptiMix process carefully selects a number of complementary investment managers to manage the underlying investments within each asset class.
Diversified and single sector investment funds	Access to an extensive range of diversified and single sector investment funds offered by INGIM, ANZ and other leading fund managers.
Flexible fee arrangements*	
Flexible fee options	The flexibility to choose from two fee options that can be customised to suit your needs.
Ongoing Fee rebates	Benefit from an Ongoing Fee rebate as your account balance grows. Rebates reduce the Ongoing Fee payable.
Minimum amounts	
Minimum initial investment	\$5,000 (\$1,000 per investment fund ¹)
Minimum balance	\$250 (per investment fund)
Other transactions	There are no minimum amounts for additional investments, regular investments, switching, withdrawals and regular withdrawals.
Convenient features to help you manage your investment	
Regular Investment Plan	Watch your balance grow by investing regularly and conveniently using direct debit.
Regular Draw-down Plan	Create a regular withdrawal plan to provide you with a regular stream of income into your bank account.
Switching	Tailor your investment by conveniently switching between investment funds as your financial objectives change over time.
Auto-rebalance facility	Automatically rebalance your investment fund allocation back to your nominated investment profile.
Dollar Cost Averaging Plan	Manage and spread the timing risk of investing by establishing a plan to switch into your selected investment funds over time.

Convenient services to help you get the most from your investment

Online access

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

- transact online
- view your investment details, including your balance and recent transaction history
- make changes to your personal details and your OneAnswer investment details.

Keeping you informed

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

- a Quarterly Statement
- an Annual Tax Statement
- a range of investor communications
- access to OnePath's Customer Centre website, which includes education and information about investment performance and legislation updates, as well as useful calculators and investment tools.

Easy investment methods

OneAnswer Investment Portfolio has a range of payment methods to make it easy for you to make an investment. Investments can be made via the following options:

- BPAY
- Cheque
- Internet banking (EFT)
- Direct Debit

Supporting you

A team of dedicated professionals providing helpful and efficient customer service, responding to your needs through telephone, email and in writing.

* For full details of the fees and costs that may apply to your investment, refer to the section 'What are the fees and charges?' on pages 19 to 29 of this book. For OneAnswer Investment Portfolio //Select investors there is only one fee option available and this is described in Part Three – OneAnswer Investment Portfolio //Select Fees and Charges Guide.

† If you are establishing a Regular Investment Plan, the \$5,000 minimum does not apply however the \$1,000 minimum investment per investment fund still applies.

How does OneAnswer Investment Portfolio work?

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

Creating your investment profile

Using the extensive range of investment funds offered in OneAnswer, you and your financial adviser can create the best investment profile to help you achieve your investment goals.

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

When you invest in an investment fund through OneAnswer Investment Portfolio, you are purchasing units in a managed investment scheme offered by OnePath Funds Management. That investment fund may in turn invest in an underlying fund(s) offered by OnePath Funds Management or external fund managers.

Choosing your fee option*

OneAnswer offers easy to understand and flexible fee options. You can choose from the:

- **Entry Fee option** and pay an Entry Fee when you make an investment. No Withdrawal Fees apply to this option.

or

- **Nil Entry Fee option** and pay no Entry Fees and a higher Ongoing Fee for the first four years of each initial, additional or regular investment. Withdrawal Fees apply if you withdraw in the first three years of each initial, additional or regular investment.

As your investment balance grows, you may also be entitled to a rebate on the Ongoing Fees paid.

Your financial adviser will explain which option is best suited to your needs.

Making investments[†]

You can make your initial investment with as little as \$5,000 (\$1,000 per investment fund).

Additional investments can be made by cheque, internet banking (EFT), direct debit or by using BPAY.

We are not bound to accept your application.

More information?

Refer to the section 'What investment funds are offered through OneAnswer?' in Part Two – OneAnswer Investment Funds Guide, for specific details of the investment funds that are currently offered through OneAnswer.

More information?

Refer to the section 'What are the fees and charges?' on pages 19 to 29 of this book.'

More information?

Refer to the section 'How does OneAnswer Investment Portfolio work?' in the OneAnswer Investment Portfolio Additional Information Guide, under the heading 'How do I make an additional investment?'

Establishing a Regular Investment Plan[†]

A Regular Investment Plan is a simple and effective way to grow your investment by adding money on a regular basis from outside of your investment.

You choose:

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

A minimum initial investment of \$1000 per fund applies to the Regular Investment Plan.

More information?

Refer to the section 'How does OneAnswer Investment Portfolio work?' in the OneAnswer Investment Portfolio Additional Information Guide, under the heading 'How can I set up a Regular Investment Plan?'

Establishing a Dollar Cost Averaging Plan^{††}

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

You choose:

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

More information?

Refer to the section 'How does OneAnswer Investment Portfolio work?' in the OneAnswer Investment Portfolio Additional Information Guide, under the heading 'How do I set up a Dollar Cost Averaging Plan on my investment?'

Using auto-rebalance to realign to your chosen investment profile^{††}

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

You choose:

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

Additional investments, switches or withdrawals may affect your auto-rebalance facility.

More information?

Refer to the section 'How does OneAnswer Investment Portfolio work?' in the OneAnswer Investment Portfolio Additional Information Guide, under the heading 'How do I add the auto-rebalance facility to my investment?'

Receiving distribution payments[†]

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

Any transaction costs applicable to the relevant investment fund will not apply on the reinvestment of distributions.

More information?

Refer to the section 'How does OneAnswer Investment Portfolio work?' in the OneAnswer Investment Portfolio Additional Information Guide, under the heading 'How do I receive my distribution payments?'

Receiving regular withdrawals from your investment[‡]

A Regular Draw-down Plan enables you to make regular withdrawals from your investment.

You choose:

- the investment funds from which you withdraw
- when to start and stop receiving payments
- how often payments from your investment are made: monthly or quarterly

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

More information?

Refer to the section 'How does OneAnswer Investment Portfolio work?' in the OneAnswer Investment Portfolio Additional Information Guide, under the heading 'How can I receive a regular payment from my investment?'

Making a withdrawal[‡]

You can make a request to withdraw from your investment at any time, if the investment fund is liquid. You may wish to speak to your financial adviser before you decide to make a withdrawal.

If the balance in the investment fund falls below \$250 we may, after giving you 30 days notice, redeem your units in that investment fund and return your money. We may vary the minimum balance of an investment fund at any time without your consent. In certain exceptional circumstances, depending on the investment fund, we are not required to accept your withdrawal request.

More information?

Refer to the section 'How does OneAnswer Investment Portfolio work?' in the OneAnswer Investment Portfolio Additional Information Guide, under the heading 'How do I withdraw money from my investment?'

Switching between investment funds^{††}

As your financial objectives change over time, we make it easy for you to tailor your OneAnswer investment. For your convenience you can switch between investment funds online at any time using Account Access or by written request.

More information?

Refer to the section 'How does OneAnswer Investment Portfolio work?' in the OneAnswer Investment Portfolio Additional Information Guide, under the heading 'How do I switch investment funds?'

Borrowing to invest

OneAnswer Investment Portfolio offers you the opportunity to apply a margin loan to your account. We currently have arrangements in place with a number of lenders, including ANZ. For more information visit www.anz.com All loans will be subject to the particular requirements of the lender.

Margin lending, or gearing, involves borrowing money to invest. This provides the opportunity to magnify your investment return over time, potentially increasing your returns, although it can also increase your losses if financial markets are performing poorly.

To determine whether a margin loan is appropriate for you, please speak to your financial adviser who will also be able to provide details of the margin lending products available through OneAnswer Investment Portfolio as well as loan application forms.

* For OneAnswer Investment Portfolio //Select investors there is only one fee option available and this is described in Part Three – OneAnswer Investment Portfolio //Select Fees and Charges Guide.

† It is important to be aware that any units purchased as a result of an additional investment, switch in or reinvestment of distributions or rebates will be issued based on the terms of the PDS current at the time the purchase is made and the investment fund's constitution. You can obtain the latest PDS free of charge by contacting your financial adviser, visiting our website at onpath.com.au or by calling Customer Services on 133 665. Initial, regular and additional investments may incur Entry Fees and transaction costs. Please refer to the section 'What are the fees and charges?' on pages 19 to 29 of this book.

‡ Switching involves the withdrawal of units from one investment fund and the purchase of units into another investment fund. Withdrawals and switches may incur withdrawal fees and transaction costs and you may realise a capital gain or loss so it is best to discuss this with your financial advise. For the Regular Drawdown Plan under the Nil Entry Fee option, you can regularly withdraw a portion of your investment without incurring a Withdrawal Fee. Please refer to withdrawal fees on page 26 of this book.

How do I make changes and transact?

What can I do online?

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

The easiest way to manage your OneAnswer investment is online using Account Access through My OnePath. Simply go to the login page at onepath.com.au and use your User ID and password to access your account.

As a new investor you will automatically be registered for access to My OnePath. We will provide you with a My OnePath ID and temporary password, which you can change at your discretion.

Information at your fingertips

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

Managing your account online

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

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

Any forms you require are available from onepath.com.au > Forms & brochures, your financial adviser or by contacting Customer Services on 133 665.

Can my financial adviser make changes on my behalf?

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

- switching between investment funds
- adding or amending an auto-rebalance facility
- adding or amending a Dollar Cost Averaging Plan.

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

If you would like to authorise your adviser to transact on your behalf, complete the 'Adviser transaction authority' in the Application Form. In some circumstances your adviser may not wish to have this authority.

Contact your financial adviser

If you would like to confirm your financial adviser's contact details or would like to contact a financial adviser if you do not already have one, please call Customer Services on 133 665.

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

You can make additional investments to your OneAnswer Investment Portfolio using BPAY, internet banking (EFT), direct debit and by cheque.

BPAY

You can make investments from a transaction account. You will need to quote a biller code and a unique reference number. Details will be provided to you with the confirmation of investment.

Internet banking (EFT)

You can make investments from a financial institution account. Details will be provided to you with the confirmation of investment.

Cheque

Cheque payments can be mailed to the address shown below. Cheques should be made payable to 'OnePath Funds Management – OneAnswer'. Please also quote your investor number.

Direct Debit

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

I have a query, or would like to request further information. Who can I call?

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

Phone 133 665
Fax 02 9234 6668
Email customer@onepath.com.au
Write to Customer Service Manager
OneAnswer
OnePath Funds Management Limited
GPO Box 5306
Sydney NSW 2001

What risks should I be aware of?

The importance of risk assessment

Risk and return go hand-in-hand. When investing, you need to consider the opportunities and subsequent risks associated with each investment to create an investment profile that suits your needs.

Generally speaking, the higher the potential return from an investment, the higher the risk associated with it.

The more volatile investment funds, such as share funds, potentially offer greater returns and high growth, but generally carry a higher risk than investing in cash or fixed interest funds.

The less volatile investment funds, such as cash funds, generally provide more secure and stable returns because your capital is less susceptible to risk and you may receive interest payments.

However, the returns on these investments are not guaranteed (just as the returns from other types of investments are not guaranteed). The returns also may not keep pace with inflation.

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

All the investment funds are subject to some or all of the risks, described below. Your financial adviser can help you establish an investment profile that suits your needs.

The risk level of different investments

Investment risk refers to the chance of losing money on a particular investment. If negative returns are generated by an investment fund the unit price of that fund will go down. Whilst this reduces the value of your investment in the fund, it is not an actual loss until you decide to switch or withdraw from that fund. If you choose to switch or withdraw at that particular point in time, the loss will be realised.

The generally accepted view is that the higher the risk, the higher the potential return. However, taking a high risk does not automatically mean a high return; it could result in a significant loss.

Different types of risk

The basic definition of risk is that your financial expectations will not be achieved. Investment risk is the deviation from your expected return or the risk that you might lose money.

The following types of risk can impact your investment:

- **Interest rate risk:** The possibility that the value of a fixed income investment, such as a government bond, will decrease because of an increase in interest rates.
- **Inflation (purchasing power) risk:** The buying power of your capital or interest income is decreased by inflation.
- **Business or financial or credit risk:** The possibility that an individual business entity may fail due to factors such as bad management, or changes in consumer demand or market share.
- **Political or social risk:** The possibility that changes in government policy may adversely affect an investment or, in the case of an overseas investment, the chance of a political upheaval such as an uprising or revolution.
- **Currency risk:** The possibility that changes in relative currency values will affect import or export driven companies, or that a fund may be faced with an unfavourable exchange rate when a foreign investment is sold.
- **Liquidity risk:** The risk that an investment may not be able to be sold to realise enough cash to fund a withdrawal.

In addition, lower than expected returns can result because of the choices made by fund managers, for example, in the selection of shares, or choices made by organisations that provide services to a fund manager in carrying out their obligations. However, the potential for loss can be reduced through diversification.

Diversification involves selecting a range of investment funds and accessing a range of fund managers. Through diversification, below-average performance by one fund manager may be potentially compensated for by above average performance by other fund managers.

Risks associated with particular investment strategies

International investing

While global investing can provide more opportunities and greater diversification than investing in Australia alone, it also carries greater risk. For example, fluctuating currencies can increase or decrease the return from an investment. Also, many overseas countries have different financial industry regulations to what we have in Australia.

When a fund invests overseas it can make a profit or loss on the investment and a profit or loss on currency movements. For instance, an investment in US dollars, when the value of that currency falls, will involve a loss when the money is converted back into Australian dollars. If the investment itself has also made a loss, the losses will be compounded; however, it is also possible for profits to be compounded in the opposite scenario.

Fund managers may reduce the risk of adverse currency movements by hedging against falls in the currency in which an investment is made. In effect, the fund managers may fix the exchange rate for the duration of the investment so that there is protection against foreign currency values declining.

Fund managers may also actively manage currencies, which means they take a view on the likely movement of currencies and purchase or sell them accordingly. This is riskier, but it can be more profitable. This strategy carries significant risk because the fund manager's view can be wrong and, as a result, they can make a loss on the movement in currency values.

Currency risk for fund managers can be reduced or mitigated if the fund manager places a stop/loss order on their transaction. If a fund manager believes a currency will increase in price, they will buy the currency and set a lower price at which they will automatically sell the currency and take a loss on the transaction. This is a form of insurance against the currency falling significantly lower in price. The risk of placing a stop/loss order is that a fund manager may not be able to execute it at the price they would like to. This may happen if the price of the currency falls dramatically in a short period of time.

Alternative Assets

Alternative assets are assets that behave differently to traditional asset classes such as shares, listed property, fixed interest, bonds and cash and are not generally included as part of a standard investment portfolio.

Alternative assets may include commodities such as precious metals and gold, hedge funds, derivatives (including swaps which provide economic exposure to underlying assets), exchange traded funds, private equity, currencies and other newer asset classes such as volatility.

Some alternative assets can be classified as 'growth' and others as 'defensive'. Alternative assets (growth) generally provide higher returns and have higher risks with greater levels of volatility and a higher chance of a negative return. Alternative assets (defensive) generally provide a relatively stable income stream and lower price volatility compared to alternative assets (growth).

One of the benefits of alternative assets is that they produce returns with a lower correlation to traditional assets and when included in a diversified portfolio, can smooth out and improve total portfolio returns by using investment instruments and strategies such as short selling, hedging and derivatives.

Gearing

Gearing or leveraging means that a fund borrows money in order to invest a greater amount. This strategy can magnify any potential gains or losses. If the return from an investment is 10% and the cost of borrowing money is 5%, the overall return from the investment will be a profit because the cost of borrowing is less than the return from the investment. Conversely, if the return from an investment was 3%, the net return would be a loss because the fund is paying 5% to borrow the money to invest.

With gearing, the volatility of returns is increased because it magnifies gains and losses. A geared investment carries more risk than a comparable investment without gearing.

Please refer to Part Two – OneAnswer Investment Funds Guide for more information about OptiMix Geared Australian Shares which utilises gearing.

Derivatives

A derivative is a financial product that is 'derived' from another financial product. For example, an option over shares is a derivative because its price or value is derived from the shares themselves. Other derivatives include futures and warrants.

Fund managers may use derivatives to gain exposure to investment markets or to protect against changes in the values of financial products, other assets, interest rates or currencies. It is also possible to use derivatives to gear a fund.

Risks associated with using derivatives include:

- **Variability of the market value:** Derivative market values can fluctuate significantly and, as a result, potential gains and losses can be magnified compared with investments that do not use derivatives.
- **Potential illiquidity:** The value of derivatives may not move in the same direction as the value of the underlying financial product, which may result in an investment loss. In addition, the derivative may not experience the same levels of liquidity resulting in illiquidity, meaning that it may not be easily converted into cash.
- **Counterparty risk:** The other party in a derivative transaction may not be able to meet its financial obligations.

Please refer to Part Two – OneAnswer Investment Funds Guide for more information about the investment funds with exposure to derivatives.

Inflation

Inflation is usually measured by the upward movement of the Consumer Price Index (CPI), which measures the increase in prices of goods and services in an economy. Inflation reduces a fund's purchasing power over time because, as the cost of goods and services increases, the relative value of the Australian dollar declines.

It is important to factor inflation into your investment choices because some investments will decline in real value while others will keep pace with inflation or exceed it. Generally speaking, cash funds are most at risk of not keeping pace with inflation.

Securities lending

Some fund managers may engage in the lending of securities to third parties for a fee. The lending is done through an appointed custodian who receives the fee and passes it on to the fund manager. This fee will be reflected in the unit price of the fund as revenue for that fund.

The risk of securities lending is that the borrower or custodian is not able to return equivalent securities, in which case the investment fund could experience delays in recovering assets and in some cases may incur a capital loss. The risk of securities lending may be mitigated by ensuring the investment funds lend to approved borrowers only, and by requiring the borrowers to provide sufficient collateral.

Short-selling

Some managers use a strategy called short-selling which is the selling of stock which they do not hold. They may borrow securities and then sell them in anticipation of a fall in their price. If the price falls as expected then the fund manager may buy the securities back at a lower price and make a profit. The risk with this strategy is that the price of these securities may rise instead of falling and the fund manager will need to purchase the securities at a higher price than the price at which they were sold. As there is no limit to how high the price may rise, in theory the potential loss is uncapped. Managers using short selling strategies typically closely monitor the positions and employ stop/loss techniques to manage these risks.

Long/short strategy

Some funds may adopt a long/short strategy. This means that a fund manager profits by short-selling when the value of securities is expected to decline (referred to as 'shorting' or 'going short'), while purchasing (or 'going long') securities that are expected to increase in value. By using such a strategy a fund manager can potentially make profits both in rising and falling markets. The risk is that they may short-sell securities that increase in value and purchase securities that fall in value.

Going long is potentially a less risky strategy than going short. If a fund manager purchases securities, the lowest price to which they can fall is zero, providing a limit to the loss. When going short, however, the risk is that the price of the securities may increase and the fund manager will have to buy back at a higher price than the one at which they sold.

As there is theoretically no limit to how high the price of a security can rise, the potential loss is unlimited.

When short-selling, a fund manager may use a stop/loss order to reduce the risk of unlimited loss. For example, if the fund manager was to short-sell at \$10 with the aim of buying back at \$9 the fund manager would instruct a buy-back at \$11 so that if the price rises, the loss is limited to \$1 per security.

As part of a short-selling strategy, a fund manager may need to provide collateral to the securities lender in order to borrow the securities it sells short. There is a risk that this collateral may not be returned to the fund manager when requested.

Liquidity risk

Liquidity risk means that sufficient assets cannot reasonably be expected to be realised and converted into cash, to satisfy a withdrawal request of the fund within the period specified in the fund's constitution.

Assets such as shares, listed property securities, fixed interest and cash are generally considered to be liquid because they are actively traded on markets where they can more easily be sold or converted into cash at their full value. Private and unlisted assets such as direct property, leveraged leases and infrastructure are generally considered to be less liquid. They are not generally traded on active markets and, as such, can take longer to convert into cash.

During abnormal or extreme market conditions some normally liquid assets may become illiquid, restricting the ability to sell them and to make withdrawal payments or to process switches for investors.

In certain circumstances, which will vary depending on the investment fund's constitution, we may suspend or otherwise restrict withdrawals from the fund (albeit that the fund may not technically be 'illiquid') meaning that the payment of withdrawal proceeds may be significantly delayed or not made at all. We may also terminate certain investment funds and in these circumstances may delay the realisation of the fund's assets meaning that payment of your share of the proceeds will also be delayed.

Liquidity risk may be reduced by investing in funds that invest only in liquid assets. Another way of reducing liquidity risk is to diversify across a range of funds and fund managers.

Capital and income protection – counterparty risk

Some funds may offer capital or income protection. In either case, there is still a risk that the organisation providing the protection may fail to honour its commitments. For example, if an organisation providing capital protection cannot fulfil its contractual obligations, the capital protection may not be available and you may lose some or all of your money.

This risk can be assessed by critically evaluating the quality of the organisation providing the capital or income protection.

Please refer to Part Two – OneAnswer Investment Funds Guide for more information about specific investment funds which offer capital or income protection and the particular risks associated with investing in these funds.

Changes in legislation

Your investment may be affected by changes in legislation, particularly in relation to taxation laws. These changes may be either favourable or unfavourable and it is generally not possible to mitigate the impact of unfavourable events.

When changes occur, you may be notified via regular investor communications and/or via the OnePath website at onepath.com.au, as soon as practicable after any changes occur.

Changes to investment funds

We regularly monitor the investment funds offered through OneAnswer Investment Portfolio. To maintain the quality and diversity of the investment funds, we may make changes at any time, including:

- adding, closing or terminating an investment fund
- removing, replacing or adding an investment manager
- changing an investment fund's objective, investment strategy (including the benchmark), asset allocation, neutral position and range, currency strategy and the number of asset classes
- changing the rules that govern an investment fund (e.g. changing fees, notice periods or withdrawal features).

In some cases we can make these changes without prior notice to investors. Any changes will be considered in light of the potential negative or positive impact on investors. We will notify existing investors in affected funds as soon as practicable after any changes, via regular investor communications and/or the OnePath website.

What are my investment choices?

Through OneAnswer Investment Portfolio you can choose from a wide range of investment funds which enable you to diversify your investment and gain exposure to a range of asset classes, fund managers and styles – all via one convenient investment.

We constantly review and monitor the investment funds and underlying fund managers to ensure they can meet the needs of investors.

You can build your own portfolio by investing or switching into:

- Investment funds managed by INGIM and a range of other leading Australian and international fund managers
- OptiMix Manage the Managers (MTM) investment funds. The OptiMix process carefully selects a number of complementary investment managers to manage the underlying funds within each asset class
- Protected investment funds to provide exposure to growth assets but also some capital protection when equity markets are declining.

More information?

For information on the individual investment funds, refer to Part Two – OneAnswer Investment Funds Guide or contact your financial adviser.

What are the benefits of diversification?

Diversification is an important way of managing the risks associated with investing. It involves spreading your money across different investments to provide more consistent overall returns. If done well, diversification can reduce investment risk.

Types of diversification

Across multiple investment managers

Performance may vary across different fund managers and time periods, depending on their investment style and success in implementing their strategy. Fund managers adopt differing investment styles such as value or growth, or market capitalisation biases such as large cap or small cap. These varying investment management styles are generally better suited to certain market and economic conditions.

By investing in a portfolio with a mix of fund managers you can potentially smooth out performance fluctuations more effectively than if you only had exposure to the one fund manager.

Across multiple asset classes

Different asset classes (e.g. cash, fixed interest, property and shares) usually perform with a degree of variation over a period of time. By diversifying your investment exposure across different asset classes you can reduce your risk to an individual asset class. For example, instead of investing only in shares, you could diversify across asset classes by investing some of your money in shares, some in property, some in fixed interest and some in cash.

Within asset classes

Investing in a range of securities within an asset class means that returns are less dependent on the performance of any one security. Within each asset class your portfolio can be diversified across a number of areas, including:

Property

- Property trusts
- Property-related securities
- Geographic regions

Fixed interest

- Government bonds
- Corporate bonds
- Term to maturity
- Credit quality

Australian shares

- Companies
- Industries

International shares

- Companies
- Industries
- Countries
- Currencies

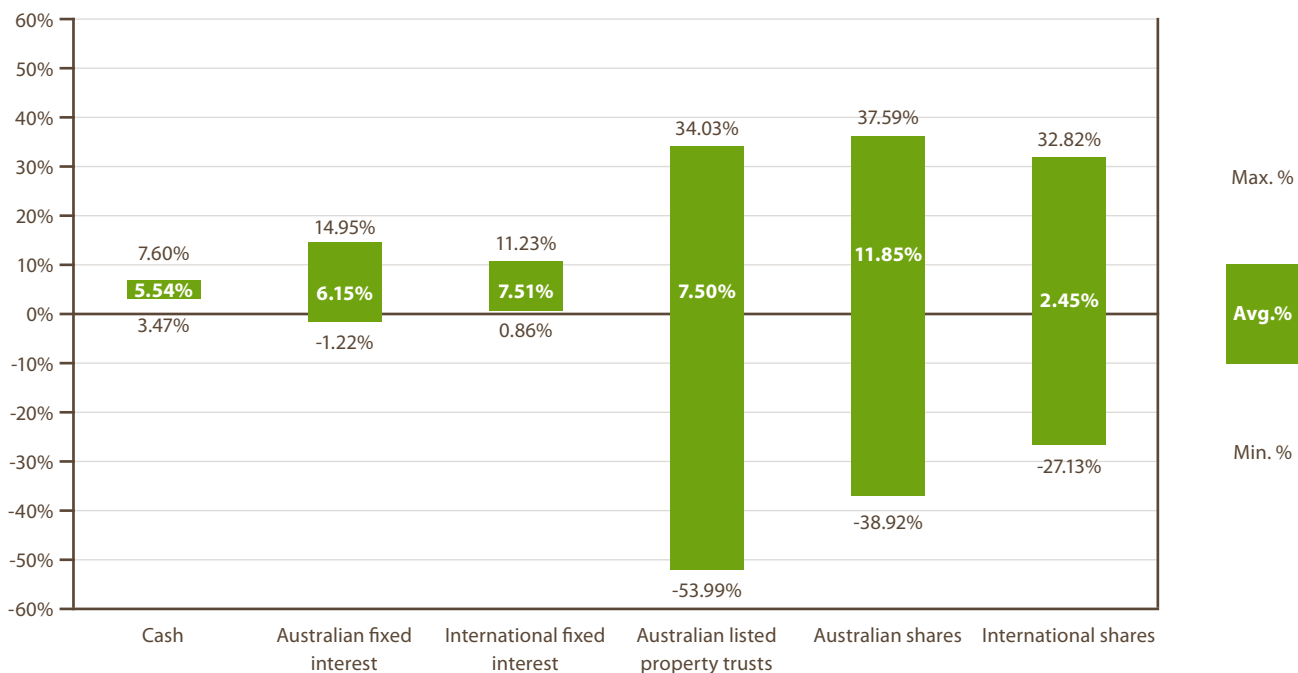
What asset classes can I gain exposure to?

The asset classes available through OneAnswer are outlined below, along with an indication of the risk level to which each of those asset classes is generally subject. For further information on each investment fund's exposure to these asset classes, refer to the investment profiles available in Part Two – OneAnswer Investment Funds Guide.

Asset class	Description
Shares	<p>Risk level and potential return – High</p> <p>A share (or stock) is an ownership stake in a company.</p> <p>The owner of the share has an interest in the company that issued it. The value of shares will typically fluctuate with general economic and industry conditions in addition to the company's profitability. Historically, the value of shares has been more volatile than the other major asset classes, therefore they carry the highest risk of capital loss on your investment but have potentially the greatest return over the long term.</p>
Mortgages	<p>Risk level and potential return – Medium to low</p> <p>A mortgage fund would typically invest primarily in loans secured by first mortgages over commercial and residential property. Income is earned mainly from interest payments made on the loans held by the mortgage fund. Income may also be generated from mortgage backed securities, other short-term fixed interest securities and cash held by the fund for liquidity purposes. Risk is mitigated through lending criteria and portfolio management policies, including diversifying mortgages across geographical locations and property types. Examples of property types are office, industrial, retail and residential.</p>
Property	<p>Risk level and potential return – Medium to high</p> <p>Property can include investments in direct property, Australian and international property trusts and other property securities. Property trusts may invest in a range of residential and commercial property, office buildings, hotels and industrial properties. Property investments have a higher risk than fixed interest but a lower risk than shares.</p>
Fixed interest	<p>Risk level and potential return – Low to medium</p> <p>A fixed interest investment is a debt security issued by a bank, corporation or government in return for cash from an investor. The issuer of the debt is effectively a borrower and is required to pay interest on the loan for the life of the security. Fixed interest investments are valued on a mark to market basis, and as a result, their value may fluctuate. Fixed interest investments are generally higher risk than cash but lower risk than shares and property. Consequently, returns on fixed interest investments tend to be higher than cash and lower than shares and property.</p>
Cash	<p>Risk level and potential return – Low</p> <p>Cash funds are designed to offer a high degree of capital security relative to other asset classes. Generally, cash investments have a very low risk of capital loss. Examples include bank deposits and investments in fixed interest securities, including treasury notes and highly rated corporate debt securities which generally have a maturity of less than one year.</p> <p>Enhanced cash vehicles may attempt to generate higher returns by holding a portion of fixed interest securities with a longer time to maturity or a higher proportion of highly rated corporate debt securities.</p>
Alternative investments	<p>Risk level and potential return – Medium to high</p> <p>Alternative investments are investments that generally do not fit into the traditional asset categories.</p> <p>Risk can be controlled by limiting exposure to individual investments and seeking diversification of alternative asset opportunities. Examples of alternative assets include:</p> <ul style="list-style-type: none"> • private equity • leveraged leases • property related investments (e.g. infrastructure assets) • commodities • hedge funds • currencies • volatility • market neutral investments adding value through inefficiencies.

Returns across asset classes

The graph below shows the range of annual returns that the asset classes have achieved (minimum and maximum) for the twelve years from January 1998 to December 2009. The average return for each asset class for this period is also highlighted.



Assumptions: Returns are based on the index of each asset class.

Source: INGIM

Past performance is not necessarily indicative of future performance. Actual returns for each asset class may vary significantly from the returns illustrated in the above graph.

The returns from alternative assets are not shown in the above graph as there is not an appropriate index recording returns from this asset class.

Your guide to investment profiles

To assist in selecting an appropriate investment fund or mix of investment funds, these have been categorised into the following investment profiles. You should speak to your financial adviser to determine which investment profile suits your needs.

Profile 1 – Defensive

Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset classes: Mainly includes low risk assets such as cash and fixed interest (e.g. Australian and international fixed interest). Can also include some types of alternative assets.

Profile 2 – Conservative

Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset classes: Predominantly includes asset classes such as cash and fixed interest and a small allocation to assets such as shares (e.g. Australian and international shares) and property (e.g. listed property trusts and direct property).

Profile 3 – Moderate

Moderate investment funds are more likely to suit you if you seek higher medium-term returns and accept the possibility of negative returns and/or capital losses over shorter periods.

Asset classes: Includes an exposure to all asset classes, including cash, fixed interest, property and shares.

Profile 4 – Growth

Growth investment funds are more likely to suit you if you seek high long-term returns and accept the higher possibility of sustained negative returns over shorter periods and/or capital losses.

Asset classes: Mainly includes assets such as property and shares and a smaller allocation to cash and fixed interest.

Profile 5 – High growth

High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and shorter-term capital losses.

Asset classes: Includes assets such as shares, property, infrastructure and alternative investments.

Risk, return and investment timeframe

The graph to the right is illustrative only and is intended to show the potential return and risk for each of the investment profiles described above. Please refer to the specific investment fund profile in Part Two – OneAnswer Investment Funds Guide, for more information. For each investment profile the suggested investment timeframe is shown, which is the minimum period normally required for an investment fund to meet its objectives.

The investment profiles sitting higher on the axis are more likely to experience returns that may vary significantly and may be negative over shorter-term periods. However, they are more likely to produce higher returns over the long-term.



What are the fees and charges?

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 fund balance, rather than 1%, could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

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

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

To find out more

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

Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the investment fund in which you invest as a whole.

Information about taxes is set out in the section 'What else do I need to know?' under the heading 'Tax information' on page 7 of the OneAnswer Investment Portfolio Additional Information Guide.

Simple and flexible fee options

OneAnswer Investment Portfolio has simple and easy to understand fee options, giving you the flexibility to choose from an Entry Fee or Nil Entry Fee option. Your financial adviser will explain which option is best suited to your needs.

You may also be rewarded with an Ongoing Fee rebate as your balance grows.

When you invest in OneAnswer Investment Portfolio you have two fee options:

a) Entry Fee option

Pay Contribution Fees at the time you make each investment. No Withdrawal Fees apply under this option. This option has lower Ongoing Fees than the Nil Entry Fee option for the first four years of each investment.

b) Nil Entry Fee option (also known as Deferred Entry Fee option)*

Pay no Contribution Fees at the time you make each investment, but pay a higher Ongoing Fee for the first four years of each investment (including any additional or regular investment). In addition, you will pay a Withdrawal Fee when you withdraw within the first three years of any initial, additional or regular investment.

Note: You may pay more in total fees if you choose the Nil Entry Fee option. Also, the fee options for ANZ Flexible Term Deposit Plus (ANZ FTD Plus) and ING Cash differ from the options above.

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

Fees and costs for particular investment funds are set out on pages 22 and 23 of this book.

* Throughout the PDS this fee option is referred to as Nil Entry Fee option however some financial advisers refer to this option as Deferred Entry Fee option.

The 'What are the fees and charges' section in this Product Book is not relevant for OneAnswer Investment Portfolio //Select investors who should refer to Part Three – OneAnswer Investment Portfolio //Select Fees and Charges Guide.

Type of fee or cost	Amount		How and when paid
	Entry Fee option (pay Contribution Fees upfront)	Nil Entry Fee option (pay no Contribution Fees upfront)	
Fees when your money moves in or out of the fund*			
Establishment Fee The fee to open your investment.	Nil	Nil	Not applicable
Contribution Fee (Entry Fee) The fee on each amount you contribute to your investment.	ANZ FTD Plus and ING Cash – nil All other investment funds – 4%	Nil	This fee is deducted from any initial, additional or regular investment at the time it is made. This fee is payable to your financial adviser and can be negotiated with your financial adviser. Please refer to 'Financial adviser commissions' on page 27 of this book.
Withdrawal Fee The fee on each amount you take out of your investment.	Nil	ANZ FTD Plus and ING Cash – nil (except for amounts switched in from an investment fund where a Withdrawal Fee applies). All other investment funds – up to 3% of the amount withdrawn within the first three years of being invested.	This fee is calculated on the withdrawal amount and is deducted from each withdrawal you make within the first three years of your initial, additional or regular investment. Withdrawal Fees relating to the Regular Draw-down Plan are explained on page 26 of this book. Withdrawal Fees do not apply to reinvested distributions and/or reinvested rebates whilst they remain invested in the same investment fund. Please refer to 'Withdrawal Fees' on page 26 of this book.
Termination Fee The fee to close your investment.	Nil	Nil	Not applicable.
Management costs			
The fees and costs for managing your investment. These fees include ongoing fees of the underlying fund managers. The amount you pay for specific investment funds is shown on pages 22 and 23 of this book.	Ongoing Fees[†] ANZ FTD Plus – 0.75% p.a. ING Cash – 0.95% p.a. Fee range for other investment funds – 1.49% p.a. to 2.90% p.a.	Ongoing Fees[†] ANZ FTD Plus – 0.75% p.a. ING Cash – 0.95% p.a. Fee range for other investment funds – 2.34% p.a. to 3.75% p.a.	Ongoing Fees This fee is included in the daily calculation of the unit price and is deducted from the assets of each investment fund monthly. This fee includes an amount payable to your financial adviser and may in some circumstances be rebated or negotiated. Please refer to 'Financial adviser commissions' on page 27 of this book. In addition performance fees may also be applicable to specific investment funds. Please refer to 'Performance fees' on page 25 of this book.

Type of fee or cost	Amount		How and when paid
	Entry Fee option (pay Contribution Fees upfront)	Nil Entry Fee option (pay no Contribution Fees upfront)	
Management costs			
	<p>Ongoing Fee rebate[†] Ongoing Fee rebates may apply, thereby reducing the above Ongoing Fees. Please refer to 'Ongoing Fee rebate' on page 24 of this book.</p>	<p>Ongoing Fee rebate[†] Ongoing Fee rebates may apply, thereby reducing the above Ongoing Fees. Please refer to 'Ongoing Fee rebate' on page 24 of this book.</p> <p>Nil Entry Fee rebate[†] A rebate of 0.85% p.a. will apply after four years of each initial, additional or regular investment. Please refer to 'Nil Entry Fee option' on page 25 of this book.</p>	
	<p>Investor Fee[‡] An Investor Fee of \$48 p.a. applies to balances under \$10,000.</p>	<p>Investor Fee[‡] An Investor Fee of \$48 p.a. applies to balances under \$10,000.</p>	<p>Investor Fee[‡] This fee is deducted from your balance annually. Please refer to 'Investor Fee' on page 26 of this book.</p>
Service fees[§]			
<p>Investment Switching Fee[*] The fee for changing investment funds.</p>	<p>Contribution (Entry) Fees may apply when switching from ANZ FTD Plus and ING Cash. Please refer to 'Switching' on page 26 of this book.</p> <p>For other investment funds there are currently no fees when switching.</p>	<p>Withdrawal Fees will carry across (or the period will commence) when switching to (or from) ANZ FTD Plus and ING Cash. Please refer to 'Switching' on page 26 of this book.</p> <p>For other investment funds there are currently no fees when switching and a switch will not reset your investment start date for the calculation of any applicable Withdrawal Fees and the Nil Entry Fee rebate.</p>	<p>Deducted from amounts switched.</p>
<p>* You may also incur a buy/sell spread when your money moves in or out of an investment fund. Please refer to 'Transaction cost factors (buy/sell spreads)' on page 26 of this book.</p> <p>† Ongoing Fees are expressed as a percentage of gross assets unless otherwise indicated.</p> <p>‡ Not applicable to investments in ANZ FTD Plus or ING Cash.</p> <p>§ Other service fees may apply. Please refer to 'Service fees' on page 26 of this book.</p>			

Ongoing Fees

The following tables list the Ongoing Fees for each investment fund offered through OneAnswer Investment Portfolio.

Multi-manager investment funds

Investment fund	Ongoing Fee (% p.a.)	
	Entry Fee option*	Nil Entry Fee option†
Profile 1 – Defensive		
OptiMix Australian Fixed Interest	1.76	2.61
Profile 2 – Conservative		
OptiMix Conservative	1.86	2.71
Profile 3 – Moderate		
OptiMix Moderate	1.92	2.77
Profile 4 – Growth		
OptiMix Balanced	1.94	2.79
OptiMix Growth	1.99	2.84
Profile 5 – High growth		
Property		
OptiMix Property Securities	1.98	2.83
Australian shares		
OptiMix Australian Shares	1.98	2.83
OptiMix Geared Australian Shares†	2.90	3.75
Global shares		
OptiMix Global Emerging Markets Shares	2.35	3.20
OptiMix Global Shares	2.16	3.01
OptiMix Global Smaller Companies Shares	2.25	3.10
Multi-sector		
OptiMix High Growth	2.07	2.92

Single manager investment funds

Investment fund	Ongoing Fee (% p.a.)	
	Entry Fee option*	Nil Entry Fee option†
Profile 1 – Defensive		
ANZ Flexible Term Deposit Plus	0.75	0.75
BlackRock Monthly Income	1.69	2.54
Colonial First State Global Credit Income	1.70	2.55
ING Cash	0.95	0.95
ING Diversified Fixed Interest ^{ll}	1.65	2.50
Schroder Fixed Income**	1.65	2.50
UBS Diversified Fixed Income ^{ll}	1.60	2.45
Vanguard Index Diversified Bond**	1.50	2.35

Single manager investment funds – continued

Investment fund	Ongoing Fee (% p.a.)	
	Entry Fee option*	Nil Entry Fee option†
Profile 2 – Conservative		
Bentham Syndicated Loan	2.00	2.85
Goldman Sachs Income Plus	2.05	2.90
ING Capital Stable ^{ll}	1.65	2.50
ING Conservative ^{ll}	1.65	2.50
ING Diversified High Yield ^{ll}	1.65	2.50
ING Income ^{ll}	1.65	2.50
Legg Mason Global Multi Sector Bond**	2.06	2.91
Perpetual Conservative Growth ^{ll}	2.00	2.85
UBS Defensive ^{ll}	1.80	2.65
Vanguard Conservative Index**	1.49	2.34
Profile 3 – Moderate		
ING Balanced ^s	1.80	2.65
OnePath Protected Growth Fund No. 2**	2.60	3.45
Schroder Balanced ^{ll}	2.00	2.85
UBS Balanced ^{ll}	1.85	2.70
Vanguard Balanced Index**	1.53	2.38
Profile 4 – Growth		
BlackRock Balanced ^{ll}	2.00	2.85
BlackRock Scientific Diversified Growth ^{ll}	1.90	2.75
Colonial First State Diversified ^{ll}	2.00	2.85
ING Active Growth ^s	1.80	2.65
ING Managed Growth	1.80	2.65
OnePath Protected AUS 50**	2.60	3.45
ING Tax Effective Income ^s	1.80	2.65
Perpetual Balanced Growth ^{ll}	2.10	2.95
Vanguard Growth Index**	1.57	2.42
Profile 5 – High growth		
Property		
Challenger Property ^{ll}	1.96	2.81
ING Global Property Securities	2.15	3.00
ING Property Securities ^s	1.80	2.65
Vanguard Property Securities Index	1.49	2.34

Single manager investment funds – continued

Investment fund	Ongoing Fee (% p.a.)	
	Entry Fee option*	Nil Entry Fee option†
Australian shares		
AMP Capital Responsible Investment Leaders Australian Shares	2.32	3.17
Ausbil Australian Emerging Leaders [#]	1.95	2.80
BlackRock Scientific Australian Equity	1.90	2.75
BT Core Australian Shares**	2.00	2.85
BT Smaller Companies	2.00	2.85
Colonial First State Core Australian Shares**	2.00	2.85
Colonial First State Imputation	2.00	2.85
Fidelity Australian Equities**	2.05	2.90
ING Australian Shares [§]	1.80	2.65
ING Blue Chip Imputation [§]	1.80	2.65
ING Emerging Companies	1.80	2.65
ING Select Leaders	1.80	2.65
ING Sustainable Investments – Australian Shares	1.80	2.65
Investors Mutual Australian Shares	2.00	2.85
Merlon Australian Share Income	2.10	2.95
Perennial Growth Shares**	2.07	2.92
Perennial Value Shares	2.00	2.85
Perpetual Australian Shares	2.10	2.95
Schroder Australian Equity	2.00	2.85
Vanguard Australian Shares Index	1.49	2.34
Global shares		
AMP Capital Responsible Investment Leaders International Shares	2.35	3.20
AXA Global Equity Value	2.05	2.90
BlackRock Scientific International Equity	2.00	2.85
Capital International Global Equities (Hedged)	2.05	2.90
ING Global Emerging Markets Shares	1.90	2.75
ING Global Shares [§]	1.90	2.75

Investment fund	Ongoing Fee (% p.a.)	
	Entry Fee option*	Nil Entry Fee option†
Legg Mason Global Value Equity**	2.35	3.20
MFS Global Equity	2.00	2.85
Perpetual International Shares	2.20	3.05
Platinum Asia**	2.70	3.55
Platinum International	2.70	3.55
T. Rowe Price Global Equity**	2.35	3.20
Vanguard International Shares Index	1.51	2.36
Vanguard International Shares Index (Hedged)	1.51	2.36
Walter Scott Global Equity (Hedged)**	2.38	3.23
Zurich Investments Global Thematic Shares	2.00	2.85
Multi-sector		
BlackRock Asset Allocation Alpha [#]	2.10	2.95
ING High Growth	1.80	2.65
Vanguard High Growth Index**	1.61	2.46
Infrastructure		
RARE Infrastructure Value***	2.20	3.05

* In the Entry Fee option, you will be charged the full Ongoing Fee of the Nil Entry Fee option and will receive an Ongoing Fee rebate of 0.85% p.a. (excluding investments in ANZ FTD Plus and ING Cash). The Ongoing Fees shown in the tables above are net of this rebate. Please refer to 'Entry Fee option' on page 24 for more information.

† In the Nil Entry Fee option a rebate of 0.85% p.a. will be paid after four years of each initial, additional or regular investment, effectively reducing the Ongoing Fee to the level of the Entry Fee option (excluding ANZ FTD Plus and ING Cash). Please refer to 'Nil Entry Fee option' on page 25 for more information.

‡ This is the Ongoing Fee charged on the net assets of the relevant investment fund. Assuming a gearing ratio of 50%, this would represent an Ongoing Fee on gross assets of 1.45% p.a. in the Entry Fee option and 1.88% p.a. in the Nil Entry Fee option.

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

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

A performance fee may be payable in relation to this investment fund. Please refer to 'Performance fees' on page 25 of this book for further details.

** For these investment funds, the maximum Switching Fee that may be charged is 5% of the amount switched. Please note we do not currently charge a Switching Fee. Please refer to the 'Maximum fees and charges table on page 28 of this book for more information.

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

Additional explanation of fees and costs

Ongoing Fee rebate

Ongoing Fee rebates apply to balances over \$100,000, thereby reducing the Ongoing Fees payable. This rebate is based on your total balance within a fee option, excluding investments in ANZ FTD Plus or ING Cash.

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

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

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

Further rebates apply to your investment based on the fee option you select. These are outlined in further detail below, together with examples of how these rebates are calculated (assuming no change in investment value). In addition, Ongoing Fee rebates may be increased if you negotiate or your financial adviser agrees to a partial or full rebate of ongoing commissions. Refer to the Financial adviser commissions section on page 27 of this book.

Entry Fee option

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

Example: Rebate calculations for the Entry Fee option

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

• ING Cash	\$30,000*
• ING Balanced	\$140,000
• ING Australian Shares	\$60,000
• OptiMix Moderate	\$60,000
• Credit Suisse Property	\$60,000

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

His Ongoing Fee rebate is calculated as follows:

Investment balance tier	Rebate calculation	Ongoing Fee rebate
First \$100,000	\$100,000 x 0.00% p.a.	\$0
Next \$100,000	\$100,000 x 0.20% p.a.	\$200
Next \$100,000	\$50,000 x 0.40% p.a.	\$400
Amounts over \$300,000	\$20,000 x 0.60% p.a.	\$120
Total rebate		\$720 p.a.* (\$180 per quarter)

* The Ongoing Fee rebate does not apply to investments in ING Cash.

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

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

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

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

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

Nil Entry Fee option

If you choose the Nil Entry Fee option a 'Nil Entry Fee rebate' of 0.85% p.a. applies after four years from the date of each initial, additional or regular investment. The rebate is calculated on the balance of each investment after it has been invested for four years or more (excluding investments in ANZ FTD Plus and ING Cash). This rebate is in addition to the Ongoing Fee rebate for balances over \$100,000. The rebate is paid at the same time and in the same manner as the Ongoing Fee rebate outlined on the previous page.

Example: Rebate calculations for the Nil Entry Fee option

Gemma invested in the Nil Entry Fee option on 1 July 2010 and has the following investments as at 1 October 2014:

• ING Global Emerging Markets	\$40,000
• Vanguard Index Diversified Bond	\$60,000
• OptiMix Geared Australian Shares	\$60,000
• BT Core Australian Shares	\$90,000

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

Her Ongoing Fee rebate is calculated as follows:

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

As her investment has been invested for over four years, Gemma also receives a Nil Entry Fee rebate as calculated below:
\$250,000 x 0.85% p.a. = \$2,125 p.a. (\$531.25 per quarter).

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

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

Performance fees

Performance fees are currently applicable for the following investment funds:

- Ausbil Australian Emerging Leaders
- BlackRock Asset Allocation Alpha
- RARE Infrastructure Value.

We do not charge performance fees directly. However, performance fees may be payable from the underlying investment fund to the fund manager. The fund manager may charge a performance fee if the underlying fund outperforms the relevant investment benchmark. The relevant benchmarks and performance fees are noted below.

Benchmark	Performance fee	Actual performance fee as at 30 June 2010 (% p.a.)*
Ausbil Australian Emerging Leaders		
70% S&P/ASX Midcap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index	15% of outperformance above the benchmark (exclusive of fees)†	0.69
BlackRock Asset Allocation Alpha		
UBS Bank Bill Index	20% of outperformance above the benchmark‡	0.00
RARE Infrastructure Value		
An accumulation index comprising the OECD G7 Inflation Index Plus 5.5% p.a.	10.25% of the investment returns made in excess of the benchmark, subject to a high water mark§	0.00

* Past performance is not indicative of future performance. The performance fee payable may differ from year to year.

† Exclusive of Goods and Services Tax (GST) and any entitlement to a Reduced Input Tax Credit (RITC). If a period of underperformance to the benchmark occurs, the performance fee accrued is frozen at its current level and further performance fees do not start accruing again until the full amount of underperformance is recouped.

‡ The difference between the performance return of BlackRock Asset Allocation Alpha and its corresponding benchmark (cumulative outperformance) must be greater than it was when a performance fee was last paid (high water mark).

§ The performance fee will not exceed 0.3% of the net asset value of the Fund in any year.

Performance fees are reflected as a reduction in the returns generated by the underlying fund and, therefore, in the value of your investment in the applicable investment fund. The performance fee for each investment fund is accrued daily. The performance fee for RARE Infrastructure Value is deducted half yearly and for the two other funds is deducted monthly in arrears.

OptiMix investment funds

We pay the underlying fund managers' fees from the Ongoing Fees of each OptiMix investment fund. The ongoing Fee may include a performance fee payable to the fund manager of the underlying fund.

The performance fee is paid only if the underlying managers meet specified performance targets. Any such performance fees are deducted from the Ongoing Fee for the applicable investment fund. They do not represent an additional charge to investors.

For certain OptiMix investment funds other fees (for example, fees associated with alternative assets) may be reflected in the returns of the underlying fund and therefore in the value of your investment. Please refer to OptiMix Diversified Funds in Part Two – OneAnswer Investment Funds Guide for further information.

For OptiMix Geared Australian Shares please refer to Part Two – OneAnswer Investment Funds Guide for additional information about the fees charged and costs borne at the underlying fund level.

Investor Fee

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

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

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

Withdrawal Fees

Entry Fee option

No Withdrawal Fees apply.

Nil Entry Fee option

You will be charged a Withdrawal Fee of up to 3% of the withdrawal amount on withdrawals from all investment funds, within the first three years of each initial, additional or regular investment.

For example, for every \$1,000 you withdraw from ING Managed Growth within three years of each investment, you will be charged a \$30 Withdrawal Fee.

There are no Withdrawal Fees for amounts withdrawn from ANZ FTD Plus or ING Cash where the amount was originally invested in ANZ FTD Plus or ING Cash and no switch from another investment fund was made.

If you have established a Regular Draw-down Plan, you can receive up to 0.5% per month (1.5% per quarter) of the total value of your investment portfolio balance without incurring a Withdrawal Fee. Any withdrawal in excess of this amount will be subject to a Withdrawal Fee where applicable. Withdrawal Fees will be deducted from the withdrawal amount paid to you.

Note: Withdrawal Fees will be determined for each investment fund on a 'first in, first out' basis, if you do not withdraw all of your money.

Service fees

Switching

You can switch between investment funds at any time. We do not charge Entry and Withdrawal Fees when switching except when switching to or from ANZ FTD Plus and ING Cash. Transaction costs may apply.

- **ANZ FTD Plus and ING Cash (Entry Fee option)** – If you switch from ANZ FTD Plus or ING Cash to any other investment fund, you will pay an Entry Fee on the new investment fund. If you switch from any other investment fund into ANZ FTD Plus or ING Cash, you will not incur any fees. This also applies to auto rebalancing and dollar cost averaging.
- **ANZ FTD Plus and ING Cash (Nil Entry Fee option)** – If you switch from ANZ FTD Plus or ING Cash to any other investment fund, you will commence the three-year Withdrawal Fee period at the time of the switch. If you switch from any other investment fund into ANZ FTD Plus or ING Cash, the three-year Withdrawal Fee period of the initial, additional or regular investment will continue to apply. This also applies to auto rebalancing and dollar cost averaging.

Transaction cost factors (buy/sell spreads)

Transaction costs are incurred when buying and selling investment fund assets. These transaction costs include brokerage, stamp duty and other costs incurred when buying and selling assets.

A transaction cost factor ('buy' spread) may apply when buying units in an underlying fund. Similarly, a transaction cost factor ('sell' spread) may apply when selling units in an underlying fund.

Transaction cost factors of up to 1.40% may apply when calculating 'buy' (issue) and 'sell' (redemption) unit prices. The transaction cost factors that apply are based on an estimate of the transaction costs incurred by the investment fund and may be different as the actual costs vary. These costs are deducted by us (where relevant) and paid to the underlying fund. They are an additional cost paid by you at the time of the transaction. The transaction cost factors for each investment fund are available by contacting Customer Services or from the OnePath website at onepath.com.au > Performance & updates.

For example, for every \$1,000 that you invest in ING Managed Growth, the estimated transaction cost that is incurred is 0.18% or \$1.80. This amount is reflected in the 'buy' unit price at the time of your transaction.

Note: If a transaction cost factor applies to an investment fund, then it will apply for initial, additional and regular investments (including reinvested rebates), withdrawals (including regular withdrawals) and when switching in and out of an investment fund. A transaction cost factor will not apply if an additional investment is a result of reinvested distributions.

Financial adviser payments

Adviser Service Fee

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

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

The amount your financial adviser (or their organisation) receives may include GST.

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

- **Ongoing Adviser Service Fee** – This fee may be charged on an ongoing basis as a percentage of your balance or a set dollar amount per annum. This fee will be calculated and deducted from your balance on or about the monthly anniversary of your investment.

You can terminate this fee at any time by notifying us in writing.

- **One-off Adviser Service Fee** – This fee may be charged on a one-off basis as a set dollar amount or as a percentage of either:
 - your investment at the time of your initial or additional investment
 - your total balance at any other time.

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

Example: How an ongoing ASF is calculated

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

Note: This example is illustrative only.

Financial adviser commissions

We may pay your financial adviser (or their organisation) initial or ongoing commissions for providing you with OneAnswer Investment Portfolio. Your financial adviser may in some cases be related to us.

The commissions are already incorporated (as applicable) into the Entry and Ongoing Fees outlined in this PDS and are not charged directly to your OneAnswer investment. The commission amounts shown below are the amounts we may pay to your adviser (or their organisation) and are inclusive of GST.

The initial or ongoing commissions are calculated based on the value of amounts you invest (initial) and your balance (ongoing) as follows:

Fund	Commission	
	Initial	Ongoing p.a.
ANZ FTD Plus and ING Cash	Nil	up to 0.33%
Other investment funds		
– Entry Fee option	up to 4.40%	up to 0.60%
– Nil Entry Fee option	up to 3.30%	up to 0.60%

Example: How a financial adviser commission is calculated

For every \$1,000 invested in ING Active Growth in the Entry Fee option, your financial adviser (or their organisation) will receive up to \$6.00 p.a. ongoing commission.

Note: This example is illustrative only.

You can negotiate a partial or full rebate of initial or ongoing commissions with your financial adviser. In certain circumstances, your adviser may have already agreed with us to a partial or full rebate of initial or ongoing commission.

Any rebate of initial commission will be reflected as a reduced Entry Fee in the Entry Fee option. In the Nil Entry Fee option, the rebate will result in additional units being added to your investment (in the applicable investment fund) at the time of investment.

Any rebate of ongoing commission in the Entry Fee or Nil Entry Fee option, is paid monthly in the form of additional units, based on your balance at month end. Ongoing commission rebates can only be reinvested back into the investment fund from which they were earned.

If you would like to confirm contact details for your financial adviser or would like to contact a financial adviser if you do not already have one, please contact Customer Services on 133 665.

Other adviser payments

In addition to any initial and ongoing commissions, we may pay additional commissions or make other payments to dealer groups, financial advisers or other third parties based on commercial arrangements. These may in some cases be related to us. The types of payments include payments to enable educational support and practice development services for advisers and payments to third parties to distribute our products. These payments are made by us and not charged to you or your OneAnswer Investment Portfolio account. These payments are up to a maximum of 0.25% p.a. of funds under management within OneAnswer Investment Portfolio (inclusive of GST).

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

ANZ FTD Fund is closed to new investment except for Regular Investment Plans and Auto-Rebalance Plans established by existing clients prior to 12 April 2010. The fees and charges for ANZ FTD Fund are identical to the fees and charges described for ANZ FTD Plus on pages 19 to 29 of this book.

Other fees and additional information

Goods and Services Tax (GST) and fees

Fees detailed on pages 19 to 29 of this PDS are inclusive of GST and take into consideration the reduced input tax credits that may be claimed by the investment funds, unless otherwise stated.

Tax information

Information about taxes is set out in the section 'What else do I need to know?' under the heading 'Tax information' on page 7 of the OneAnswer Investment Portfolio Additional Information Guide.

Dishonour Fee

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

Processing fee

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

Differential fees

We may negotiate differential fees with 'wholesale' clients as defined in the *Corporations Act 2001*, which may result in rebates being paid to these investors. These rebates will be paid from our own money and will not affect other investors. Those investors who receive rebates may be subject to tax on these rebates.

Multiple classes of units

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

Payments from underlying fund managers and related parties

We may receive a fund manager payment from underlying fund managers based on funds under management. These amounts are already considered when we determine the fees and charges for each investment fund. These payments come from each fund manager's resources and are not an additional fee to you. These fund manager payments are up to a maximum of 0.60% p.a. of funds under management in the relevant underlying fund.

We may receive payments from ANZ on amounts held in ANZ FTD Plus. These payments are not an additional charge to you.

Expenses

The Ongoing Fees of the investment funds managed by fund managers other than INGIM include the ongoing fees and charges of the underlying fund as advised to us at the time of writing this PDS. These underlying fees are an expense to the OneAnswer investment fund and may be subject to change without notice.

Alterations to fees

We reserve the right to change any of our fees and charges from their present levels without your consent. We will provide you with 30 days notice before increasing any fees and charges.

The fees contained in this PDS are up to date at the time of its preparation. For updated information please visit our website at onepath.com.au

Maximum fees and charges

Each investment fund's constitution allows us to charge higher fees as outlined in the table below.

Maximum fee*	
Entry Fee	5% for OptiMix Global Emerging Markets Shares, Merlon Australian Share Income, Goldman Sachs Income Plus, AMP Capital Responsible Investment Leaders Australian Shares and AMP Capital Responsible Investment Leaders International Shares. 8% for all other investment funds.
Withdrawal Fee	5% for all investment funds.
Management Fee (p.a.)	4% of investment fund's gross asset value.
Switching Fee†	5% for all investment funds.
Investor Fee (p.a.)	\$118† for all investment funds.
Dishonour Fee	Actual cost incurred by us for the dishonour.

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

† This amount is adjusted by changes to the Consumer Price Index (CPI).

‡ For certain investment funds, we may elect to charge a switching fee of \$54.50 per switch. The investment funds for which this does not apply are noted on the fees table on pages 22 to 23 of this book. Please note we do not currently charge a Switching Fee.

Alternative Form of Remuneration Register

OnePath maintains an Alternative Form of Remuneration Register (Register) in accordance with FSC Industry Code of Practice on Alternative Forms of Remuneration in the Wealth Management Industry. The Register outlines the alternative forms of remuneration which are paid and received from givers and receivers of such remuneration. If you would like to view the Register or receive a paper copy of the Register, please contact Customer Services on 133 665.

Example of annual fees and costs for a balanced investment option

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

Entry Fee option

ING Managed Growth

Balance of \$50,000 with total contributions of \$5,000 during the year		
Contribution Fees	4%	For every \$5,000 you put in, you will be charged \$200.
Plus Management costs	1.80% p.a.	And , for every \$50,000 you have in the fund you will be charged \$900* each year.
Equals 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 will be charged fees of \$1,100. [†] What it costs you will depend on the investment option you choose and the fees you negotiate with your financial adviser.

* Ongoing Fee rebates apply when your balance exceeds \$100,000. Please refer to 'Ongoing Fee rebate' on page 24 of this book.

† Additional fees may apply. You may also incur a buy/sell spread when your money moves in or out of an investment fund. Please refer to 'Transaction cost factors (buy/sell spreads)' on page 26 of this book. You may also incur an investor fee of \$48 p.a. if your account balance is under \$10,000. Please refer to page 26 of this book for further information.

Nil Entry Fee option

ING Managed Growth

Balance of \$50,000 with total contributions of \$5,000 during the year		
Contribution Fees	Nil	There is no charge.
Plus Management costs	2.65% p.a.	And , for every \$50,000 you have in the fund you will be charged \$1,325* each year.
Equals 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 will be charged fees of \$1,325. [†] What it costs you will depend on the investment option you choose and the fees you negotiate with your financial adviser.

* Ongoing Fee rebates apply when your balance exceeds \$100,000. A rebate of 0.85% will also apply for the Nil Entry Fee option after four years of each initial, additional or regular investment. Please refer to 'Ongoing Fee rebate' on page 24 of this book and 'Nil Entry Fee option' on page 25 of this book.

† Additional fees may apply:

- you may also incur a buy/sell spread when your money moves in or out of an investment fund. Please refer to 'Transaction cost factors (buy/sell spreads)' on page 26 of this book.
- you may also incur an investor fee of \$48 p.a. if your account balance is under \$10,000. Please refer to page 26 of this book for further information
- a Withdrawal Fee of up to 3% of any amount withdrawn within three years of each initial, additional or regular investment will apply to the Nil Entry Fee option. Please refer to 'Withdrawal Fees' on page 26 of this book.

What else do I need to know?

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

Tax information

You may be required to pay tax in relation to your investment in the investment funds within OneAnswer. Information on tax can be found in the section 'What else do I need to know?' under the heading 'Tax information' in the OneAnswer Investment Portfolio Additional Information Guide; however, you should seek advice from a taxation specialist prior to making any investment decision.

Unit prices

As the value of the assets in an investment fund rise and fall, so too does the value of the unit price, and therefore the value of your investment. Unit prices are calculated each Sydney business day. The value of units (i.e. the unit price) is determined in the following ways:

For all investment funds (except ANZ FTD Plus)

The unit price is equal to the value of all the assets in each investment fund (in your class), including income and realised capital gains, less liabilities and provisions, divided by the number of units investors hold in your class. The unit price also reflects the applicable transaction costs for that investment fund.

For ANZ FTD Plus*

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

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

Valuation of investment fund assets

The constitution for each investment fund provides the basis by which the fund's assets are valued. Generally, assets will be valued on the basis of their market value, however, there may be circumstances when assets may be valued on a different basis.

Unit pricing permitted discretions policy

We have a unit pricing permitted discretions policy. It sets out how we will exercise discretions in relation to unit pricing. If we exercise a discretion that is not currently documented, or in a way that involves a departure from the documented policy that is current at the time of exercise, then we will prepare and record a written explanation as to how that discretion was exercised and why it was reasonable.

You can obtain a copy of the policy free of charge by calling Customer Services on 133 665.

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

Processing transactions

Generally, your application, withdrawal or switch will be processed on the same day (using the unit price applicable on that day) if we receive your completed documentation and (where applicable) any application money at 347 Kent Street, Sydney NSW 2000, by 12 noon (Sydney time) on that business day. If received after 12 noon (Sydney time), or on a day that is not a business day, any application, withdrawal or switch will generally have an effective date of the next business day (and will be processed on the basis of the unit price applicable on that day). Where application money is paid by direct debit, processing will occur on the business day we receive funds from your financial institution. Where application money is paid by BPAY, the effective date will be the business day we receive confirmation that the monies have been received by us.

If we are unable to issue units in the relevant investment fund upon receiving your application, we are generally required to return the monies to the source of payment. In certain limited circumstances we may hold your money in a trust account. This may occur if your application is incomplete. Redemption requests and any deductions required by law are also similarly processed using a holding account.

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

Responsible Entity and constitutions

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

Distributions[†]

Distributions are earnings from your investment and may include income and net capital gains. Your distribution amount will normally vary depending on factors like market conditions, asset class and investment performance. As a result of these factors, there may be times when you do not receive any distributions.

The distribution amount you receive is based upon the number of units you hold (in your class) at the end of the distribution period and the amount per unit to be distributed from the investment funds. However, for ANZ FTD Plus, the distributions (interest) you receive are based on the number of units you hold during an interest period and the number of days those units have been held.

The current interest rate applying to ANZ FTD Plus can be found at onepath.com.au or by calling Customer Services on 133 665.

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

Please note that when you invest in an investment fund (except ANZ FTD Plus), the unit price may include income and realised capital gains that have not yet been distributed. If you invest just prior to the end of a distribution period, you may receive a portion of your investment back as income at the time of a distribution. Please speak to your financial adviser or tax adviser regarding any tax implications this may have on you. For information on taxation of distributions, please refer to the section 'What else do I need to know?' under the heading 'Tax information' in the OneAnswer Investment Portfolio Additional Information Guide.

For further information on the payment of distributions, please refer to the section 'How does OneAnswer Investment Portfolio work?' under the heading 'How do I receive my distribution payments?' in the OneAnswer Investment Portfolio Additional Information Guide.

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

[†] The distribution methodology of ANZ FTD Fund is identical to ANZ FTD Plus which is described above. ANZ FTD Fund is closed to new investment except for Regular Investment Plans and Auto-Rebalance Plans established by existing clients prior to 12 April 2010.

Identification requirements upon application

The *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth) requires us to verify your identity before we can provide you with certain prescribed services. For more information refer to the section 'What else do I need to know?' under the heading 'Identification requirements upon application' in the OneAnswer Investment Portfolio Additional Information Guide.

Cooling-off period

When you invest in OneAnswer Investment Portfolio, you have the opportunity to review your investment to ensure it meets your expectations. This is known as a 'cooling-off' period. If you are not satisfied with the investment you have made, you may cancel your investment within 14 days or the earlier of:

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

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

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

Customer concerns

We aim to resolve all complaints quickly and fairly. If you have a complaint, please contact Customer Services on 133 665, or write to us at:

Complaints Resolution Officer

OnePath Funds Management Limited
GPO Box 5306
Sydney NSW 2001

Having followed our dispute resolution process, if you are not satisfied with our response, you can contact the Financial Ombudsman Service (FOS):

Financial Ombudsman Service

GPO Box 3
Melbourne VIC 3001
Phone 1300 780 808
Fax 03 9631 6399
Website www.fos.org.au

The FOS is an external dispute resolution scheme that was established to provide free advice and assistance to consumers to help them in resolving complaints relating to members of financial services industry, including life insurance companies, superannuation providers, financial planners, investment managers, general insurance companies and their agents.

Confirming transactions

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

You can request confirmation of your transactions and any other additional information about your OneAnswer Investment Portfolio at any time by contacting Customer Services on 133 665 or view your transaction history through Account Access on the OnePath website at onepath.com.au

Adding and closing investment funds

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

How to obtain up to date information

Information in this PDS is subject to change from time to time. If the change is not materially adverse to investors, we will publish the information on our website at onepath.com.au > Personal > Performance & updates > Product updates > OneAnswer. Please ensure you have the most up to date information by regularly visiting this webpage. You may also request paper copies of any published information free of charge by contacting your financial adviser or Customer Services on 133 665.

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

Continuous disclosure obligations

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

Every quarter you will receive a consolidated statement outlining:

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

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

Copies of documents lodged with the Australian Securities and Investments Commission (ASIC) in relation to any of the investment funds may be obtained from, or inspected at, any ASIC office or can be obtained by contacting Customer Services on 133 665. These include:

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

Any new continuous disclosure notices in relation to an investment fund will be made available on our website at onepath.com.au > Personal > Performance & updates > Product updates > OneAnswer in accordance with ASIC's good practice guidance on website disclosure. Please visit this webpage regularly to ensure you have all material information in relation to an investment fund. You may also request paper copies of such material information free of charge by contacting your financial adviser or Customer Services on 133 665.

Direct Debit Request Service Agreement

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

Privacy statement

In this section 'we', 'us' and 'our' refers to OnePath Funds Management and other members of the ANZ Group. We are committed to ensuring the confidentiality, security and privacy of your personal information.

We collect your personal information to provide you with the products and services you request. In order to manage and administer our products and services, we may need to disclose it to certain third parties. Without your personal information, we may not be able to process your application or provide you with the products or services you require.

We may routinely disclose your information to:

- other members within the ANZ Group, to the extent necessary to service our relationship with you and carry on business as a group.
- organisations performing compliance functions for our business
- organisations maintaining our information technology systems
- authorised financial institutions
- organisations providing services such as mailing, printing or data verification
- a person who acts on your behalf (such as your financial adviser or your agent)
- our solicitors, valuers and insurers
- lenders who provide lending facilities to you.

We may also disclose your personal information in circumstances where we are required to do so by law.

There are disclosure obligations to third parties for client identification purposes under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth).

We may send you information about our financial products and services from time to time. You may elect not to receive such information at any time by contacting Customer Services on 133 665.

You may access the personal information we hold about you, subject to permitted exceptions and subject to us still holding that information, by contacting us at:

Privacy Officer – OnePath

GPO Box 75
Sydney NSW 2001
Phone 02 9234 8111
Fax 02 9234 8095
Email privacy@onepath.com.au

If any of your personal information is incorrect or has changed, please let us know by contacting Customer Services.

More information can be found in our Privacy Policy which can be obtained from our website at onepath.com.au

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Customer Services

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

Email customer@onepath.com.au

Fax 02 9234 6668

Adviser Services (For use by financial advisers only)

Phone 1800 804 768

Email adviser@onepath.com.au

Fax 02 9234 6668

Address

OneAnswer

GPO Box 5306

Sydney NSW 2001

347 Kent St

Sydney NSW 2000

OnePath Funds Management Limited

ABN 21 003 002 800 AFSL 238 342

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