



Investment Savings Bond

Product Disclosure Statement – Product Book
15 November 2010

Investment Savings Bond

Entity details in this Product Disclosure Statement (PDS)

Name of legal entity	Registered numbers	Abbreviated terms used throughout the PDS
OnePath Life Limited	ABN 33 009 657 176, AFSL 238341	OnePath Life, us, we, our, issuer
Australia and New Zealand Banking Group Limited	ABN 11 005 357 522, AFSL 234527	ANZ

Important information

OnePath Life is the issuer of the Investment Savings Bond and this Product Disclosure Statement (PDS) and invites you to invest in this product.

The issuer is a wholly owned subsidiary of ANZ. ANZ is an authorised deposit taking institution (Bank) under the *Banking Act 1959* (Cth). Although the issuer of this product is owned by ANZ, it is not a Bank. Except as described in this PDS, an investment in the Investment Savings Bond is not a deposit or liability of ANZ or its related group companies and none of them stands behind or guarantees the issuer or the capital or performance of the Investment Savings Bond. 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 personal circumstances or your financial needs and objectives. This PDS, in conjunction with the Incorporated Material, explains the main features of the Investment Savings Bond and should not be used as a substitute for financial advice. You should read this PDS and the Incorporated Material carefully to assess whether the information is appropriate in respect of your objectives, financial situation and needs and speak to a licensed financial adviser before deciding to invest in the Investment Savings Bond.

The invitation to invest in the Investment Savings Bond is only available to persons receiving this PDS in Australia. The issuer is not bound to accept your application.

OnePath Life is responsible for the content of this PDS and the Incorporated Material. ING Investment Management Limited (INGIM) ABN 23 003 731 959 has provided its consent to be named but has not made any statement in the PDS and the Incorporated Material. INGIM has not withdrawn its consent at the time of preparation of the PDS.

On acceptance of OnePath Life of your application, your initial investment and on the satisfaction of any other requirements, OnePath Life will issue you with a Policy Document which contains the terms and conditions of the Investment Savings Bond, and a Policy Schedule which sets out any details specific to your investment, including the number of units purchased in each investment fund and the unit price that applied. Please note that no contractual relationship exists between you and OnePath Life until you have been issued with a Policy Document. In the event of any inconsistencies arising between the Policy Document and this PDS, the terms of the Policy Document will prevail.

Additional information about this product can be found in the Incorporated Material. This PDS may refer you to particular sections of the Incorporated Material for further information and/or specific terms and conditions associated with this product. We recommend that you also obtain and read the Incorporated Material before making an investment decision.

The Incorporated Material is publicly available on the OnePath website at onepath.com.au > Investment > Investment Savings Bond > Forms and brochures may be obtained on request free of charge by contacting Customer Services on 133 665.

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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 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 the Investment Savings Bond?

The Investment Savings Bond combines the benefits of a life policy and an investment product to create a unique tax environment for accumulating savings. It provides access to a range of investment options, including a specialist Manage the Managers (MTM) research and investment solution – OptiMix.

Who should invest

The Investment Savings Bond is designed for people wanting to invest over the long term. You may be looking to:

- invest without increasing your taxable income
- generate capital growth from an investment
- avoid including investment earnings in your tax return until you make a withdrawal
- save for a child in a simple and tax-effective manner
- invest with assured estate planning outcomes
- save toward a specific purpose like a house, child's education or an early retirement
- avoid having all your money bound by superannuation preservation rules.

Features at a glance	
Minimum initial contribution	\$2,500 (or \$1,000 if using the Regular Investment Plan). \$250 per investment fund.
Minimum additional contribution	\$1,000 in total and \$250 per investment fund for a lump sum investment. \$100 per month or per quarter for each investment fund if using the Regular Investment Plan.
Minimum switch	\$250 per investment fund, or value of the applicable policy account, whichever is less.
Minimum account balance	\$2,500 \$250 per investment fund.
Minimum withdrawal	\$1,000, or value of the applicable policy account, whichever is less (excluding the ING Money Market fund).
Investment funds	
OptiMix	Eight OptiMix Manage the Manager funds.
ING	Ten ING investment funds.
OnePath	One OnePath investment fund.
Fee options	
Flexible fee structure	Entry Fee and Nil Entry Fee options.
No Switching Fee	Allows for unlimited switching between investment funds with no Switching Fee charged. However, other fees may apply in certain circumstances.
Additional features	
Ownership flexibility	An individual, joint individuals, trust, charity, partnership or a company can be a policy owner.
Child Advancement Policy	Set money aside for a child in an effective manner (applicable to individual policy owners only).
Estate planning flexibility	Nominate one or more beneficiaries to receive proceeds on death – with no tax payable (not available on child advancement policy).
Fast and easy investment options	BPAY® and direct credit are available for initial and future investments.
Investment guarantees	Two investment funds provide a guarantee on the amount invested.
Switching	Available between all open investment funds.
Online access	Account access available through the OnePath website at onepath.com.au
Access to exclusive InvestorBenefits	Through InvestorBenefits you can access exclusive lifestyle and entertainment discounts and special offers, along with discounted insurance packages. For more information about InvestorBenefits contact Customer Services on 133 665.

Registered to BPAY Pty Ltd ABN 69 079 137 518.

What are the benefits?

The Investment Savings Bond is a simple and flexible investment that potentially enables you to build wealth over time.

Unique tax treatment

The Investment Savings Bond allows you to take advantage of the unique tax treatment offered to investment bonds, such as the '10-year tax rule' and the '125% opportunity', if appropriate.

In addition, until such time that you make a withdrawal, you avoid the annual tax return obligation associated with many investments because OnePath Life pays tax on the earnings. Not having to declare earnings in your annual tax return may assist you to maximise income tested tax offsets or benefits such as:

- low income tax offset
- senior Australians tax offset
- Commonwealth Seniors Health Card
- government co-contribution
- family tax benefits
- does not increase the Medicare levy or Medicare levy surcharge.

The maximum rate of tax paid by OnePath Life on earnings is 30% – a rate that compares favourably to higher marginal tax rates. Please refer to pages 19 and 20 for further information about the tax treatment for the 2010/2011 year.

Invest for and transfer assets to a child

With the Child Advancement Policy, you can set money aside to help a child meet the future cost of getting started on things like a car, education expenses or a first home.

Until such time as the policy vests in the child, the policy owner retains full control over the investment and is able to transact or make changes accordingly. Please refer to pages 24 and 25 for further information.

Convenience and control

Easy account management – The Investment Savings Bond provides you with the flexibility to switch easily between funds as your financial objectives change over time. Please note other fees may apply when switching as detailed on page 12.

Straightforward reporting – The Investment Savings Bond helps you keep track of your investment with easy to read and insightful reporting.

Online services – You can conveniently manage your OnePath portfolio online via account access available through onepath.com.au

Keeping you informed – As a OnePath customer, you can access our regular investment updates and online financial education at onepath.com.au

Well selected investment menu

Maximise investment returns while managing risk by diversifying your investment across specially selected investment options managed by INGIM and OnePath. For more information on investment funds available please refer to the section titled 'What investment funds are offered?' in the Incorporated Material.

Estate planning advantages

The Investment Savings Bond is a life policy. On the death of the last surviving life insured, the policy owner(s) or nominated beneficiary/beneficiaries (if applicable) will receive the proceeds with no additional tax to pay. Please refer to page 20 for further information.

Bankruptcy protection

An Investment Savings Bond owned by an individual usually enjoys protection from creditors in the case of bankruptcy where the life insured is the bankrupt individual or their spouse. For more information about bankruptcy protection please speak to your financial adviser.

No personal Capital Gains Tax (CGT) liability on switching investment options and funds

Unlike managed funds where a switch of investment options or change in ownership of the units could result in a personal CGT liability to you, switching between investment funds within the Investment Savings Bond does not result in a personal CGT liability, nor does it reset the commencement date for '10-year tax rule' purposes.

In this instance, the CGT liability resides in the investment fund and is reflected in the unit price.

Please note that stamp duty may need to be paid prior to any switching of investment options and funds before we acknowledge the change.

Investments are pooled

When you invest through the Investment Savings Bond, your money is pooled together with that of other investors. This means the total pool of money to be invested is usually much larger than an individual investor could invest alone.

As there is more money to invest, experienced global investment professionals within INGIM and OptiMix are able to pursue investment opportunities that may not be available to you as an individual investor.

Please refer to the section titled 'What investment funds are offered?' in the Incorporated Material for further information about the investment funds available.

Additional regulatory protection

The assets invested in the Investment Savings Bond are held in OnePath Life's No. 2 Statutory Fund. The Australian Prudential Regulation Authority (APRA) prudentially regulates life insurance companies, including OnePath Life. APRA's supervision includes solvency requirements, reporting and supervisory functions.

Security and stability

OnePath has successfully managed superannuation, investments, and insurance for over 130 years, previously as Mercantile Mutual Insurance and more recently as ING Australia. We have a long history of successfully managing and growing wealth for our customers.

It is important to be aware of the risks and possible limitations associated with investing in the Investment Savings Bond.

The Investment Savings Bond is a simple and flexible investment that enables you to potentially build wealth over time.

What are the risks?

Investment risk

There are many different types of risks associated with investing but for most investors it is the risk of capital loss that is one of the most important. Generally, the higher the level of risk you are prepared to accept, the higher the potential return from your investment. At the same time this higher level of risk may also increase your chances of incurring a loss, including the potential loss of your initial investment amount.

It is important to understand that all investments have risks associated with them. An example of a lower risk, lower return investment is an investment fund which invests only in cash. An example of a higher risk, higher potential return investment is an investment fund which invests primarily in shares. You should determine the level of risk that you are prepared to accept to help you in setting your investment strategy. A decline in the value of your investment primarily occurs when the fund in which you are invested experiences a fall in the value of its underlying assets.

Factors that can impact your investment include:

- changes in the economic and political climate
- changes in government policies and laws
- movements in currency markets
- changes in interest rates
- credit risk
- investment decisions made by fund managers
- the selection of fund managers.

We manage investment risks by selecting and continuing to review our investment funds in a way that maximises investment returns, but stays within defined risk levels. For full information about the investment funds available through the Investment Savings Bond refer to pages 14 to 16 of this PDS as well as the Incorporated Material.

When you make your investment fund selection, it is important that you consider how these investment risks can affect your investment. We recommend that you discuss investment risks with your financial adviser.

OptiMix Geared Australian Shares

Gearing incurs additional investment risks, as it magnifies returns or losses and as a result increases the volatility of returns and reduces the security of capital invested.

Geared investments may significantly underperform equivalent non-g geared investments when the underlying assets experience negative returns or 'bear' markets. In extreme market declines, all capital invested could be lost. Gearing significantly increases the risk of investing. We strongly recommend that you consult your financial adviser before deciding to use this investment strategy.

Investing internationally

Investing internationally may expose you to risks not associated with Australian investments. For example, depending on how you invest, an international investment may be affected by things like movements in local financial markets, currency and interest rates. When managing an investment fund, each fund manager may use various techniques to counter, or take advantage of, movements in currency. For example, investment funds can be 'unhedged', 'hedged', or a fund manager may elect to actively manage currency. Please speak to your financial adviser if you require further information on these strategies.

Derivatives

Some of the investment funds available through the Investment Savings Bond may use financial derivatives. Risks associated with derivatives include:

- potential illiquidity – the derivative potentially not moving in unison with its physical asset
- counterparty risk – where the counterparty to the derivative instrument is unable to meet its financial obligations.

Securities lending

Some of the funds available through the Investment Savings Bond, such as the ING Managed Growth fund, invest in pooled investment funds that may participate in securities lending through the appointed custodian.

The objective of securities lending is to derive additional value for investors through the lending of securities to third parties. In exchange for the lending of securities the custodian receives a net fee income which is passed to the relevant fund and is reflected in the unit price.

The risk associated with the fund participating in securities lending is that the borrower does not return the equivalent securities lent. However, that risk is minimised as the custodian is required to receive sufficient collateral to mitigate any counterparty risk.

Typically, securities are made available by the custodian to be lent to third parties who expect to profit from the expected fall in value of that security, a strategy known as 'short-selling'. The risk associated with short-selling for the lender is that the value of the returned securities may be less than what was originally lent.

Long/short strategy

Some of the funds available through the Investment Savings Bond, such as the ING Managed Growth fund, invest in pooled investment funds that may adopt an investment strategy known as 'long/short'.

A long/short strategy allows the investment manager to use financial leverage by short-selling poor performing stocks and purchasing stocks (i.e. going 'long') that are expected to have better returns.

The greater diversification that the long/short strategy delivers enables the investment manager to potentially deliver additional investment returns, as it reflects both their positive and negative views on different stocks and sectors.

To facilitate a long/short strategy, a fund manager may enter into agreements with third party prime brokerage companies authorising the prime brokerage companies to borrow and lend securities.

A risk of participating in lending securities is that the borrower may not return the equivalent securities lent. However, that risk is minimised as the prime broker is required to receive sufficient collateral to mitigate any counterparty risk.

However, a portion of the securities lent to the prime broker may not be collateralised.

Typically, securities are made available to the prime broker to be lent to third parties who expect to profit from the expected fall in value of that security, a strategy known as 'short-selling'. The risk associated with short-selling for the lender is that the value of the returned securities may be less than what was originally lent.

The investment manager may instruct the prime broker to utilise a 'stop/loss' strategy to protect the fund from the risk of unlimited loss.

Another risk is that the collateral provided to the prime broker when borrowing to undertake a shorting strategy is not returned when requested.

Liquidity risk

Liquidity risk arises when it is difficult to sell an asset at short notice (i.e. within 30 days) without resulting in a reduction in the value of the asset.

Assets such as shares, listed property securities and cash are generally considered liquid as they are generally traded on active markets where assets can be more easily realised at their full value.

Private and unlisted assets such as direct property, leveraged leases, private placements and infrastructure are generally considered illiquid as they are not generally traded on active markets and can take longer to convert to cash.

During abnormal or extreme market conditions some normally liquid assets may become illiquid, restricting our ability to sell them at short notice and to make withdrawal payments or process switches for investors without delays or loss in value.

You may be able to manage liquidity risk by diversifying across a range of investment funds.

By investing in the Investment Savings Bond you acknowledge that it may take longer than 30 days to process a withdrawal or switch request in the unlikely event of an investment fund ceasing to be 'liquid'.

Regardless of anything else in this Policy we may suspend or vary our obligation to make payments under this Policy with the consent of any relevant statutory authority and on the terms the authority thinks fit. The authority will give consent if it considers making payments would prejudice our financial stability or our policy owners' interests.

The following restrictions apply to switches and withdrawals.

- You must give us the following notice of your desire to withdraw or switch:
 - into and out of all investment funds except the ING Money Market fund – one month
 - into and out of the ING Money Market fund – five working days.

Changes in legislation

There is a risk that changes in legislation, such as taxation laws, may occur in the future and impact your investment. When changes such as these occur, we will usually notify you in the Investor Update.

Tax law change

The tax laws relating to your investment are complex, and to ensure that the product is suited to your circumstances it is vital that you understand how these tax laws operate. Your financial adviser can assist you in determining whether the Investment Savings Bond works in an effective way for you.

Changes to investment funds

We regularly monitor the investment funds offered through the Investment Savings Bond. 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 a fund 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 make these changes without prior notice to investors. Any changes will be considered in light of the potential positive or negative impact on investors. We will notify existing investors in affected funds as soon as practicable after any significant changes via regular investor communications, the OnePath website at onepath.com.au and/or the Investor Update.

For non-significant changes, such as changes to a fund's range or asset allocation, we will notify existing investors via the OnePath website and/or the Investor Update.

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 investment fund assets as a whole.

Taxes are set out on page 19 and 20 of this book.

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

Fees and costs for particular investment options are set out on pages 9 and 10.

When you invest in Investment Savings Bond you have two different fee payment options:

a) Entry Fee option

If you choose the Entry Fee option, an Entry Fee of up to 4%* is deducted from each contribution made, except for contributions made to the ING Money Market fund.

The investment funds accessed through the Entry Fee option have a comparatively lower Ongoing Fee than the Nil Entry Fee option. No Exit Fee applies to any withdrawal made at any stage of your investment.

* An Entry Fee of 4% equates to \$400 on a contribution of \$10,000.

b) Nil Entry Fee option

If you choose the Nil Entry Fee option, you can invest without any Entry Fee being charged on your contributions. The investment funds accessed through the Nil Entry Fee option have a comparatively higher Ongoing Fee than the Entry Fee option. The higher Ongoing Fee will apply for the duration of your investment.

You will be charged an Exit Fee of 3%† of the amount withdrawn should you make a withdrawal within three years (known as the Exit Fee period) from when those monies were contributed, except for the ING Money Market fund. Note that any earnings on those monies contributed will also be subject to an Exit Fee.

† An Exit Fee of 3% equates to \$300 on a withdrawal of \$10,000.

Type of fee or cost	Amount		How and when paid
	Option to pay contribution fees upfront (Entry Fee option)	Option to pay contribution fees later (Nil Entry Fee option)	
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 The fee on each amount contributed to your investment by you.	Entry Fee ING Money Market fund – Nil All other investment funds – 4% of amount contributed. For example, an additional contribution of \$250 into the ING Balanced Fund will attract an Entry Fee of \$10. [†]	Entry Fee All investment funds – Nil	This fee is deducted from any initial, additional or regular investment at the time of investment. This fee is payable to your financial adviser and can be negotiated with your financial adviser. Please refer to 'Financial adviser commission' on page 13 of this book.
Withdrawal Fee The fee on each amount you take out of your investment.	Exit Fee All investment funds – Nil	Exit Fee ING Money Market fund – There is no Exit Fee for contributions that have remained in the ING Money Market fund. All other investment funds – 3% of any amount withdrawn within three years of the date when those monies were contributed. Nil after three years. For example, if you withdraw \$1,000 from the ING Balanced Fund within three years of the date when you initially contributed that amount, an Exit Fee of \$30 applies. [†]	This fee is calculated on the withdrawal amount and is deducted from each withdrawal you make within the Exit Fee period. The Exit Fee period applies from the date of each investment.
Termination Fee The fee to close your investment.	Nil	Nil	Not applicable
Management costs			
The fees and costs for managing your investment. The amount you pay for specific investment funds is shown on pages 10 and 11 of this book.	Ongoing Fees[‡] ING Money Market fund – 1.30% p.a. All other investment funds – 1.60% to 2.85% p.a. See worked examples on pages 10 and 11. [†]	Ongoing Fees[‡] ING Money Market fund – 1.60% p.a. All other investment funds – 2.15% to 3.40%.	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. Performance fees may also be applicable to specific investment funds. Please refer to 'Performance fees' on page 11 of this book.
	Annual Fee An Annual Fee of \$20 p.a. applies to account balances under \$10,000.	Annual Fee An Annual Fee of \$20 p.a. applies to account balances under \$10,000.	Annual Fee This fee is deducted from your account balance annually. Please refer to 'Annual Fee' on page 11 of this book.

Type of fee or cost	Amount		How and when paid
	Option to pay contribution fees upfront (Entry Fee option)	Option to pay contribution fees later (Nil Entry Fee option)	
Service fees[‡]			
Investment Switching Fee* The fee for changing investment options.	Entry and Exit Fees may apply when switching to and from the ING Money Market fund. Please refer to 'Switching Fee' on page 12 of this book. For other investment funds there are currently no fees when switching.	Exit Fees may apply to the ING Money Market fund. Please refer to 'Switching Fee' on page 12 of this book. For other investment funds there are currently no fees when switching and a switch will not change the investment start date for the calculation of the Exit Fees.	Deducted from amounts switched.

* 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)' in the 'Additional explanation of fees and costs' section on page 12 of this book.

† These examples are for illustrative purposes only.

‡ Ongoing Fees are expressed as a percentage of gross assets unless otherwise indicated. Please refer to the 'Ongoing Fee' section below.

§ Other service fees may apply. Please refer to the 'Additional explanation of fees and costs' section on pages 11–12 of this book.

Ongoing Fee

The Ongoing Fee represents the fee charged for managing your investment. The Ongoing Fee includes administration expenses and investment management expenses. The Ongoing Fee is deducted from the assets of each investment fund and is included in the unit price.

Performance fees may also be applicable to specific investment funds. Please refer to 'Performance fees' on page 11 for further information.

The following table lists the Ongoing Fee for each investment fund offered through the Investment Savings Bond.

Investment fund	Entry Fee option		Nil Entry Fee option	
	Ongoing Fee (% p.a.) [†]	Ongoing Fee if account balance is \$10,000 ^{*‡}	Ongoing Fee (% p.a.) [†]	Ongoing Fee if account balance is \$10,000 ^{*‡}
Profile 1 – Defensive				
ING Money Market	1.30	\$130	1.60	\$160
ING Diversified Fixed Interest	1.60	\$160	2.15	\$215
Profile 2 – Conservative				
ING Capital Stable	1.60	\$160	2.15	\$215
Profile 3 – Moderate				
ING Balanced	1.70	\$170	2.25	\$225
OnePath Protected Growth Fund No. 2	2.50	\$250	3.05	\$305
OptiMix Moderate	1.87	\$187	2.42	\$242
Profile 4 – Growth				
ING Managed Growth	1.70	\$170	2.25	\$225
ING Tax Effective Income	1.70	\$170	2.25	\$225
OptiMix Balanced	1.89	\$189	2.44	\$244
OptiMix Growth	1.94	\$194	2.49	\$249

Investment fund	Entry Fee option		Nil Entry Fee option	
	Ongoing Fee (% p.a.) [†]	Ongoing Fee if account balance is \$10,000* [†]	Ongoing Fee (% p.a.) [†]	Ongoing Fee if account balance is \$10,000* [†]
Profile 5 – High growth				
ING Australian shares	1.70	\$170	2.25	\$225
ING Sustainable Investments – Australian Shares	1.70	\$170	2.25	\$225
ING Emerging Companies	1.90	\$190	2.45	\$245
ING International Shares	1.70	\$170	2.25	\$225
OptiMix Property Securities	1.93	\$193	2.48	\$248
OptiMix Australian Shares	1.93	\$193	2.48	\$248
OptiMix Geared Australian Shares	2.85	\$285	3.40	\$340
OptiMix Global Emerging Markets Shares	2.30	\$230	2.85	\$285
OptiMix Global Shares	2.11	\$211	2.66	\$266

* 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)' in the 'Additional explanation of fees and costs' section on page 12 of this book. The calculation of Ongoing Fees for an account balance of \$10,000 are for illustrative purposes only.

† Ongoing Fees are expressed as a percentage of gross assets unless otherwise indicated.

Additional explanation of fees and costs

Performance fees

Performance fees are currently applicable only for selected OptiMix investment funds mentioned in this section and form part of the Ongoing Fee.

Investment management expenses of the fund managers are paid from the Ongoing Fee of each OptiMix investment fund. The Ongoing Fee of the OptiMix Moderate, OptiMix Balanced, OptiMix Growth, OptiMix Geared Australian Shares and OptiMix Australian Shares funds may include a performance fee payable to the fund manager. To align the fund managers' interests with investors' interests, the performance fee is only paid if the fund managers meet specified performance targets. Any such performance fees do not represent an additional charge to you.

OptiMix investment funds

We pay the underlying fund managers' fees from the Ongoing Fees of each OptiMix investment fund. The Ongoing Fee of the following investment funds 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.

Annual Fee

This is an account keeping fee of \$20 p.a. which is charged when your total account balance is under \$10,000.

The fee will be deducted from your account by way of units being sold in the underlying investment fund equal to the value of the fee. The deduction occurs on an annual basis on or about the day corresponding to the commencement date of your investment, or on a pro rata basis upon full withdrawal.

Other fees that may apply

Switching Fee

This is the fee charged when switching between investment funds (you may also incur a transaction cost as detailed in the 'Transaction cost factors' section below).

The Investment Savings Bond does not currently charge a Switching Fee. However, an Entry Fee may be charged or an Exit Fee period may commence when switching in the following instances:

- Within the Entry Fee option – if you switch from the ING Money Market fund to another investment fund, the Entry Fee is charged on the amount switched.
- Within the Nil Entry Fee option – if you switch from the ING Money Market fund to another investment fund, the Exit Fee period will commence on the day that the switch is effected. If you switch from another investment fund into the ING Money Market fund, any remaining Exit Fee period will continue to apply. For all other switches between investment funds, the switch will not restart the Exit Fee period.

Transaction cost factors (buy/sell spreads)

Transaction costs are additional costs incurred when buying and selling investment fund assets. These transaction costs include brokerage, stamp duty and costs incurred when buying and selling units in underlying investment funds.

A transaction cost factor ('buy' spread) may be included in the unit price used to buy units in an investment fund to allow for some or all of the costs of buying assets. Similarly, a transaction cost factor ('sell' spread) may be included in the unit price used to sell units in an investment fund to allow for some or all of the cost of selling assets.

Transaction cost factors of up to 0.60% 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. These costs are deducted by us and paid to the underlying fund. These 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 on 133 665 or on the OnePath website at onepath.com.au

For example, for every \$1,000 that you invest in the OptiMix Balanced fund, 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. Similarly, for every \$1,000 that you withdraw from the OptiMix Balanced fund, the estimated transaction cost that is incurred is also 0.18% or \$1.80. This amount is reflected in the 'sell' unit price at the time of transaction.

Note: If a transaction cost factor applies to an investment fund, then it will apply when switching.

Adviser Service Fee

You may choose to pay your financial adviser an Adviser Service Fee of up to 0.60% p.a.* of the total value of your investment. This fee is optional and should be negotiated between you and your financial adviser.

The Adviser Service Fee is deducted from your investment on a monthly basis. Should you have multiple investment funds, the Adviser Service Fee is deducted proportionately across each fund.

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

Note: The deduction of units in order to meet an Adviser Service Fee is deemed a withdrawal and therefore may have tax implications.

* An Adviser Service Fee of 0.60% p.a. equates to \$60 on a fixed account balance of \$10,000. This example is for illustrative purposes only.

Dishonour Fee

Currently, a \$11.76 fee is charged where any payment made by direct debit is dishonoured (e.g. due to insufficient funds).

Processing Fee

Your financial institution may charge us a processing fee each time you make a contribution using the Regular Investment Plan. This amount will vary depending on your financial institution, and will be added to the amount that you have requested for us to direct debit.

Other charges

We may deduct and/or accrue all fees and expenses payable from your investment, or from the relevant statutory fund or investment fund. We may pay the following from the relevant statutory fund, investment fund, or policies participating in those funds:

- all costs reasonably incurred in buying, selling, maintaining and investing fund assets
- all statutory charges, taxes and duties payable on the investment earnings and contributions made to the relevant funds.

Alterations to fees

We reserve the right to change any of the fees and charges from their present levels without your consent, but any increase will only take effect after we have provided you with 30 days written notice.

Other payments

In addition to any initial and ongoing commission, we may make payments to dealer groups or financial advisers to enable them to provide educational or marketing support.

These payments are not charged to you or to your investment.

Financial adviser commission

We may pay your financial adviser commission for recommending the Investment Savings Bond to you. These payments are already incorporated into the Entry and Ongoing Fees as outlined in this PDS, and are not charged directly to your investment. The commission amounts shown below are the amounts paid to your financial adviser and include GST.

The initial and ongoing commission is calculated on the value of amounts you invest (initial) and your account balance (ongoing), as follows:

Entry Fee option	Initial commission	Ongoing commission (p.a.)
ING Money Market fund	Nil*	0.33% [†]
All other investment funds	4.40% [‡]	0.44% [‡]
Nil Entry Fee option (two choices available)		
Choice 1		
ING Money Market fund	Nil*	0.33% [§]
All other investment funds	3.30%	0.44% for the first three years of each contribution, then 0.77% thereafter.
Choice 2		
ING Money Market fund	Nil	0.66% [#]
All other investment funds	Nil	1.10%**

* Commission in respect of monies that have only been invested into the ING Money Market fund is paid at the time of switching into another investment fund.

† For example, ongoing commission p.a. of \$33 is payable on a fixed account balance of \$10,000 in the Entry Fee option of the ING Money Market fund.

‡ For example, an initial commission of \$440 and an ongoing commission p.a. of \$44 is payable on a fixed account balance of \$10,000 in the Entry Fee option of the ING Balanced fund.

§ For example, ongoing commission p.a. of \$33 is payable on a fixed account balance of \$10,000 in the Nil Entry Fee option choice 1 of ING Money Market fund.

|| For example, an initial commission of \$330, an ongoing commission p.a. of \$44 for the first three years of each contribution, and an ongoing commission p.a. of \$77 afterwards applies on a fixed account balance of \$10,000 in the Nil Entry Fee option choice 1 of the ING Balanced fund.

For example, ongoing commission p.a. of \$66 is payable on a fixed account balance of \$10,000 in the Nil Entry Fee option choice 2 of the ING Money Market fund.

** For example, ongoing commission p.a. of \$110 is payable on a fixed account balance of \$10,000 in the Nil Entry Fee option choice 2 of the ING Balanced fund.

These examples are for illustrative purposes only.

The initial and ongoing commission can be partially or fully rebated and can be negotiated with your financial adviser.

If you negotiate a rebate of initial commission in the Entry Fee option, you will be charged a reduced Entry Fee. If you negotiate a rebate of initial commission in Nil Entry Fee choice 1, the rebate will result in additional units being added to your investment at the time of contribution. If your financial adviser selects Nil Entry Fee choice 2, we will waive the Exit Fee.

If you negotiate a rebate of ongoing commission, you will be charged the published Ongoing Fee less a rebate. The rebate is credited monthly as additional units to your investment.

Goods and Services Tax

Fees detailed on pages 8 to 13 of this PDS are inclusive of GST and take into consideration any reduced input tax credits that may be claimed by the investment fund unless advised otherwise.

What are my investment choices?

Through the Investment Savings Bond you can select from a wide range of investment funds. We aim to give you access to a range of leading Australian and international investment managers and provide you with the flexibility to change and switch investment funds.

The Investment Savings Bond allows you to build your own portfolio by investing in single manager funds managed by INGIM and a range of other leading fund managers. You can also choose to invest in diversified funds or OptiMix Manage the Managers (MTM) funds. The OptiMix process carefully selects a number of complementary investment managers to manage your investments within each asset class. This enables you to diversify across a range of asset classes, managers and styles – all via one convenient investment.

To ensure that the range of investment funds we offer continues to suit the investment needs of our investors, we regularly monitor our investment options and investment managers.

For additional information on the individual investment funds offered as part of the Investment Savings Bond, refer to the Incorporated Material or contact your financial adviser.

What asset classes do the investment funds invest in?

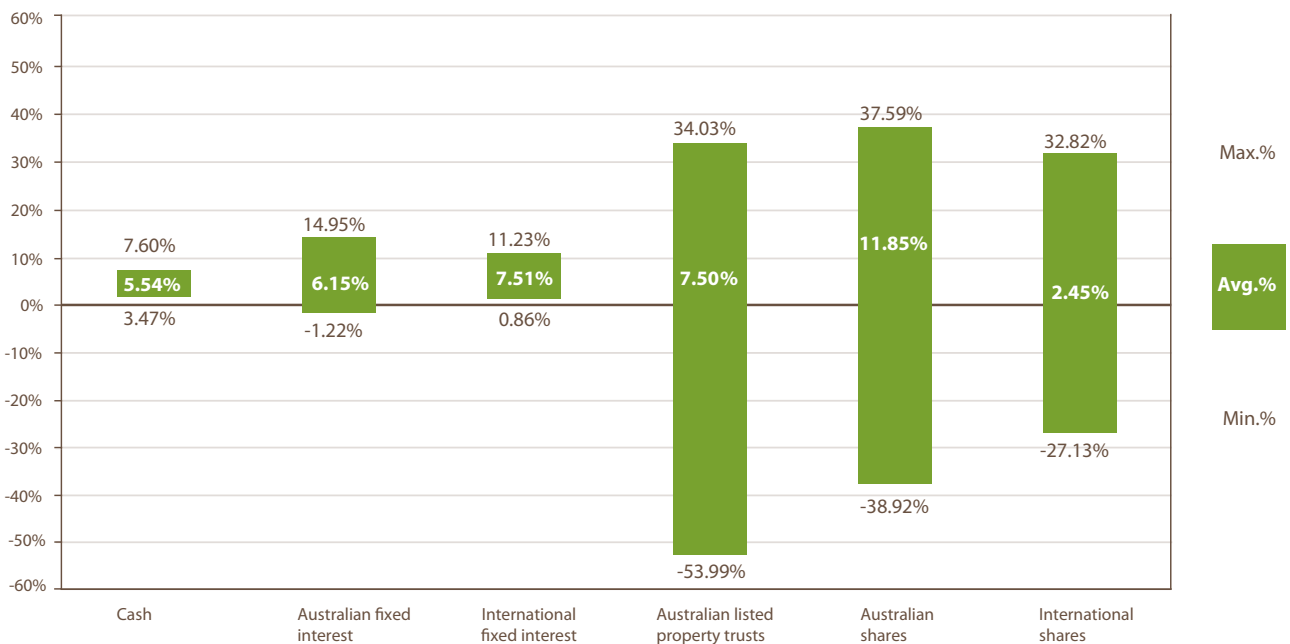
The asset classes available through the Investment Savings Bond are outlined below. For further information on each investment fund's exposure to these asset classes, refer to the investment profiles available in the Incorporated Material.

Asset class	Description	Risk level and potential return
Shares	A share (or stock) is an ownership stake in a company. 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 and therefore they carry the highest risk of capital loss on your investment but have potentially the greatest return over the long term.	High
Property	Property can include investments in direct property, Australian and international property trusts and other property securities. Property trusts 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 less than shares.	Medium to high
Mortgages	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.	Medium to low
Fixed interest	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.	Low to medium

Asset class	Description	Risk level and potential return
Cash	<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 with 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.</p>	High
Alternative investments	<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 • leverage leases • property related investments (e.g. infrastructure assets) • commodities • hedge funds. 	Medium to high

Returns across asset classes

The graph below shows the range of annual returns that the asset classes have achieved (minimum and maximum) for the 12 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 a reliable indicator of future performance. Actual returns for each asset class may vary significantly from the returns illustrated above.

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 the investment profiles

Investment profile	Suitable for	Asset classes
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.	Mainly includes low risk assets such as cash and fixed interest (e.g. Australian and international fixed interest and mortgages).
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.	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).
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 short periods.	Includes an exposure to all asset classes including cash, fixed interest, property and shares.
Growth	Growth investment funds are more likely to suit you if you seek higher long-term returns and accept the greater possibility of sustained negative returns over short periods, and/or capital losses.	Mainly includes assets such as property and shares and a smaller allocation to cash and fixed interest.
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 short-term capital losses.	Mainly includes assets such as shares and property.
Alternative investments	Alternative investments are a relatively new asset class to most investors and are more likely to suit you if you seek to add further diversification to your portfolio. Alternative investments may increase, or in some instances, depending on how you use them, decrease the level of volatility of your portfolio.	Hedge funds, private equity, infrastructure, commodities, etc.

Risk, return and investment time frame

This graph shows the potential return and risk for each of the investment profiles described above. For each investment profile the suggested investment time frame is shown, which is the minimum period 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 short-term periods. However, they are more likely to produce higher returns over the long term.



Other investment-related information

Performance information

The performance of an investment fund is the return generated over a given period, and is a result of increases and decreases in the value of the assets held within an investment fund. In most cases, the performance is measured in the changes in unit prices for an investment fund.

You can obtain up to date performance information by:

- asking your financial adviser
- visiting onepath.com.au
- calling Customer Services on 133 665.

In addition, each year we will send you a summary of the performance of each investment fund as well as providing a commentary on prevailing market conditions.

Please note that investments can go up and down in value and that past performance is not a reliable indicator of future performance. You should seek advice from a licensed financial adviser before making any financial decision in respect of the Investment Savings Bond.

Which investment funds offer a guarantee?

Two of the investment funds available through the Investment Savings Bond offer a guarantee.

ING Money Market fund – we guarantee that the unit price will never fall.

ING Capital Stable fund – the guarantee is dependent on the length of time that the units have been held.

For units held for at least three years, the unit price used to calculate the withdrawal amount is guaranteed by us not to be less than the highest unit price on any day between the date units were issued and three years before the date of withdrawal. If units are held for less than three years, this guarantee will be 80% of the price at which the units were issued. If units withdrawn are comprised of units issued both more and less than three years before the date of withdrawal, the calculation of the guarantee will take into account the age of the units to be withdrawn.

Except to the extent that has been stated:

- an investment in Investment Savings Bond is not guaranteed
- the value of your investment can rise and fall.

Investment standards

What standards do we adhere to when investing?

The issuer of the Investment Savings Bond does not take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising investments. Such factors are also not considered when selecting fund managers and the investment funds to be made available through the Investment Savings Bond.

Environmental, social and governance considerations

INGIM takes into account labour standards and environmental, social and ethical considerations in selecting, retaining and realising investments of the investment funds available through the Investment Savings Bond as detailed in this section.

OptiMix and the other managers of the investment funds offered through the Investment Savings Bond may have various policies regarding the extent to which they take into account these issues when investing.

These standards and considerations are a component of INGIM's environmental, social and governance (ESG) analytical framework, which in turn forms part of INGIM's Australian equities investment process described on page 5 of the Incorporated Material.

However, with the exception of ING Sustainable Investments – Australian Shares, labour standards and environmental, social and ethical considerations are generally not a dominant consideration for this investment fund and there are many other factors INGIM takes into account when deciding whether to select, retain or realise an investment for this investment fund.

INGIM's multi-factor rating system combines fundamental analyst research with quantitative analysis to achieve an overall rating for each company in the relevant investment fund's investment universe. The multi-factor rating is generally weighted as follows: 40% on the quantitative analysis, 10% on the qualitative assessment of the long-term sustainability of the business model, and 50% on the analyst fundamental research score.

ESG considerations are systematically included as part of the qualitative assessment of the long-term sustainability of the business model. They may also be included in the analyst fundamental research score where those standards and considerations are believed to have a material impact on the value or performance of an investment.

Identification of sustainability factors

As well as INGIM's analysts' own assessment of ESG issues, the INGIM investment process draws on research provided by an external rating provider. The current provider is MSCI ESG Research, which seeks to identify those ESG factors having the largest contribution to financial performance. Particular ESG factors are identified as being leading indicators of management quality and long-term financial performance.

Currently, MSCI ESG Research considers over 100 different factors, which can be grouped into four key categories:

- environment factors, such as environmental strategy and planning, environmental risk assessment systems, and industry specific items;
- human capital, such as labour relations, health and safety, and workplace practices;
- stakeholder capital, such as relations with regulators, suppliers, customers and local communities; and
- strategic governance, including traditional governance concerns such as board composition and independence, and corporate social responsibility strategy.

Individual weightings for the key categories vary, depending on the specific characteristics of each industry sector. After conducting a detailed analysis of the competitive dynamics of industry sectors at both global and domestic levels, the relative performance of companies within each sector is then assessed based on the environmental, social and governance factors. This culminates in an ESG rating being assigned to each company.

Retention and realisation policies

INGIM's multi-factor rating system is applied on an ongoing basis to the relevant investment fund's investments, which are monitored daily. Decisions to retain or sell an investment are considered on a case by case basis having regard to changes in ratings of all of the potential investments in that investment fund's universe and that investment fund's overall investment objectives.

ING Sustainable Investment – Australian Shares investment process

INGIM's Sustainable Australian Shares investment strategy uses a four stage investment process.

Stage 1 – Financial Analysis

INGIM's Australian share investment processes are based on the understanding that share prices are ultimately driven by earnings.

INGIM's team of experienced analysts undertake comprehensive ongoing research to assess the earnings prospects and relative valuations of the stocks in its investment universe.

Quantitative and qualitative assessments for each company are combined in an overall score which ranks all companies within the investment universe. This ranking is then used as a primary input into the portfolio construction process.

Stage 2 – Sustainability Analysis

All companies within the investment universe are given a sustainability rating within their industry sector by MSCI ESG Research on the basis of their performance against the environmental, social and corporate governance (ESG) criteria described earlier. Companies that rate poorly on sustainability criteria are excluded from the portfolio.

Stage 3 – Portfolio Construction

The portfolio is constructed based on INGIM's proprietary stock ranking system using companies that meet the sustainability criteria for inclusion. The portfolio is designed to retain the preferred Australian equity investment characteristics while also rating highly on sustainability criteria. Stocks are considered in combination, to ensure that the portfolio is expected to meet the investment fund's overall investment objectives and has appropriate exposure to market sectors, economic factors and sustainability criteria, and does this within acceptable levels of risk.

Stage 4 – Integrity Check

Once the portfolio is constructed, INGIM maintains an integrity check of financial and sustainable criteria to ensure the portfolio remains optimal. The integrity check involves reviewing performance attribution, style characteristics and risk exposures, and cross-checking further process signals against the portfolio holdings.

How does tax affect my investment?

Take advantage of the unique tax treatment of the Investment Savings Bond and eliminate the need to include information in your tax return (unless you make a withdrawal).

With many investments such as shares and unit trusts, responsibility for the payment of tax is passed on to yourself. This means that any profit or loss made on your investments must be included in your annual tax return for the year in which it was earned.

Investing in the Investment Savings Bond means that you do not need to include any earnings in your tax return until you make a withdrawal.

OnePath Life pays the tax on earnings

The Investment Savings Bond is a 'tax paid' investment, meaning that OnePath Life pays tax on investment earnings at the corporate tax rate of 30%.

The actual tax payable is often less due to imputation credits and other benefits received by each investment fund; however, investments in the Investment Savings Bond do not qualify for the CGT discount.

The '10-year tax rule'

Once you have held your investment for 10 years and subject to satisfying the '125% opportunity' detailed on the following page, earnings do not need to be declared in your tax return and no additional tax will be payable. For example:

Investment earnings	\$1,000
Tax paid by us @ 30%	(\$300)
Net return	\$700
Assessable income	\$0
After-tax return	\$700
Effective tax rate 30%	

This example excludes the Medicare levy and Medicare surcharge.

A tax offset applies for withdrawals made within 10 years

When you make a withdrawal within 10 years you will need to include an amount (referred to as the 'relevant amount') in your tax return.

The relevant amount reflects the earnings on your investment and is assessed as income and taxed at your marginal tax rate.

However, with OnePath Life already paying tax on the earnings (as detailed opposite), you can claim a tax offset equal to 30% of these earnings. For investors on the top marginal tax rate, this results in an effective tax rate (before Medicare levy) of approximately 40%.

For example:

Investment earnings	\$1,000
Tax paid by us @ 30%	(\$300)
Net return	\$700
Assessable income	\$700
Tax @ 45%	(\$315)
30% tax offset for \$700 received	\$210
After-tax return	\$595
Effective tax rate 40.5%	

This example excludes the Medicare levy and Medicare surcharge.

If your marginal tax payable is lower than the tax offset, any excess tax offset can be used to help reduce tax on other assessable income earned in the same tax year. However, the offset is not refundable if you do not have other income against which the offset can be used.

Your tax liability reduces over time

The following table summarises the general tax treatment of withdrawals made over time.

Withdrawals made tax payable	
Within eight full years	<ul style="list-style-type: none"> All of the earnings are taxed at your marginal tax rate. A tax offset of 30% is also received.
During the ninth year	<ul style="list-style-type: none"> 1/3 of the earnings are tax paid. 2/3 of the earnings are taxed at your marginal tax rate. A tax offset of 30% of the assessable amount is also received.
During the tenth year	<ul style="list-style-type: none"> 2/3 of the earnings are tax paid. 1/3 of the earnings are taxed at your marginal tax rate. A tax offset of 30% of the assessable amount is also received.
After 10 full years	<ul style="list-style-type: none"> All of the earnings are tax paid.

Other than satisfying the 10-year tax rule, tax law provides that earnings on your investment will not be assessable for tax if:

- the investment bond matured due to the death of the life insured
- the investment bond was surrendered due to an accident, illness or other disability of the life insured
- the investment bond was surrendered due to severe financial hardship.

The '125% opportunity'

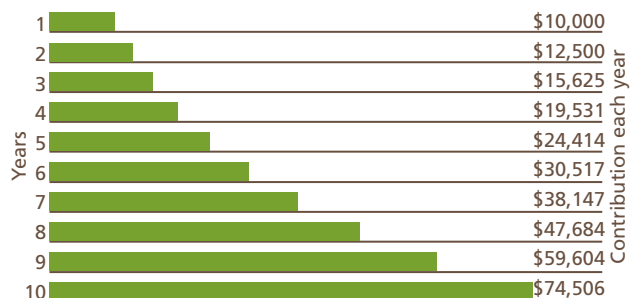
Each year you can make additional contributions into the Investment Savings Bond of up to 125% of the previous year's contributions, with the benefit of these additions being treated (from a '10-year tax rule' perspective) as if they were invested at the same time as your original contribution. This means that these additional contributions do not have to be invested for the full 10 years to acquire the tax paid status.

As shown in the following table, if the 125% opportunity is fully utilised from the total first year contributions of \$10,000, in the tenth year \$74,506 can be invested and earnings thereafter will have a tax paid status upon withdrawal after only one year.

There are several important rules in relation to the 125% opportunity:

- the 125% opportunity applies for the life of your investment, meaning you can take advantage of this well beyond the 10-year anniversary
- if a policy year is completed without any contributions made, no further contributions can be made without restarting the 10-year period
- if more than 125% of the previous year's contributions are made in the following policy year, the 10-year period will restart.

Maximum investment each year if 125% rule is fully utilised



Based on total contributions of \$10,000 in the first year and additional contributions each year of 125% of the previous policy year's contributions over a period of 10 years. The 125% opportunity may continue indefinitely and is not reset after 10 years.

Restarting the 10-year period means that the commencement date used when calculating the 10-year period is reset to the start of the policy year in which the contributions exceeded 125% of the previous year's contributions. The entire account balance is affected by the new commencement date, not just the amount that resulted in the break of the 10-year period. An example of the impact of a break in the 10-year period as well as a potential strategy to mitigate against a break is as follows:

Jack's Investment Savings Bond commenced on 1 August 1999 and he makes a single contribution of \$5,000 in October of every year. In October 2007 Jack met financial difficulty and was only able to make a contribution of \$1,000. In October 2008, Jack made his customary (well, except for 2009) contribution of \$5,000. This contribution easily exceeded the 125% limit for that year (i.e. $\$1,000 \times 125\% = \$1,250$) meaning that the commencement date used when calculating the 10-year tax rule has been reset to 1 August 2008. This means Jack cannot withdraw his account balance tax paid until 1 August 2018 – instead of when he originally planned to withdraw which was 1 August 2008.

In this instance, Jack could consider making the \$5,000 contribution in October 2008 to a new Investment Savings Bond. This effectively quarantines the existing account balance from the additional contribution and ensures that the commencement date on the original investment remains unchanged.

Note: It is important to note that ALL contributions affect the 125% rule, whether they are contributed by cheque, BPAY or a Regular Investment Plan.

The Regular Investment Plan is a simple way to make additional contributions and to ensure that you maximise the 125% opportunity. More information about the Regular Investment Plan can be found on page 21.

Tax effective investing for minors

Unearned investment income on the assets of minors is subject to tax at the highest marginal rate of 45% where assessable income is \$1,308 or more (for the 2010/11 year). However, after allowing for the low income tax offset, a minor can derive up to \$3,333 (for the 2010/11 year) in assessable income without paying tax, if they have no other income.

The amount of unearned income a minor can derive without paying tax is set out in the following table:

Financial year	Amount
2010/11	\$3,333

Investment income on the assets of a minor held through the Investment Savings Bond (such as a Child Advancement Policy) will be taxed at a maximum rate of 30%.

Tax on death benefits

On the death of the last surviving life insured, tax-free death benefits will be paid to the policy owner(s) or beneficiary(ies) (if applicable). The death benefit is equal to the account balance less any Exit Fee.

Tax interpretation based on current law

The above information is a brief explanation of some of the taxation impacts for individual Australian resident investors based on current tax legislation. Please note that tax legislation may change in the future and we recommend that you seek your own tax advice specific to your particular circumstances.

How do I invest and maintain my investment?

The Investment Savings Bond makes it easy to invest, make changes and withdraw funds from your investment.



Phone

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



Fax

02 9234 6668



Email

customer@onepath.com.au



Mail

OnePath Life Limited
GPO Box 5306
Sydney NSW 2001



Website

onepath.com.au

The following table provides you with information on how to transact and manage your investment.

How do I...?	My options	What I need to do
Make an initial contribution		
<p>The minimum initial contribution is \$2,500, or \$1,000 if you contribute through the Regular Investment Plan, and \$250 per investment fund.</p>	 	<p>Direct debit</p> <p>Please read the Direct Debit Request Service Agreement and then complete the Payment options section in the Application Form. We will arrange for any funds to be transferred from your financial institution account to OnePath Life in order to commence your investment.</p> <p>Cheque</p> <p>Make your cheque payable to 'OnePath Life Limited' and insert your name after the above words. The cheque should be sent to OnePath Life Limited, GPO Box 5306, Sydney NSW 2001.</p> <p>Mail your completed Application Form to us.</p>
Make an additional contribution		
<p>The minimum additional contribution is \$1,000, in total or \$250 per investment fund for a lump sum investment, and \$100 per month or quarter for each investment if using the Regular Investment Plan, provided that you do not invest more than 125% of the amount you invested in the previous policy year.</p>	 	<p>You can make additional contributions using BPAY or EFT. You will need to quote reference and account numbers specific to your investment. These details will be provided to you with the confirmation of investment we will send you shortly after commencement.</p> <p>Alternatively, to make additional contributions by cheque or direct debit, please complete an Additional Investment Form. This form is available on the OnePath website or by contacting Customer Services and can be mailed or faxed to us.</p>
Establish a Regular Investment Plan		
<p>The Regular Investment Plan is a convenient way for you to make regular direct debit contributions into your account, and to comply with the requirements of the '125% opportunity'.</p> <p>The minimum amount to contribute is either \$100 per month or per quarter per investment fund.</p>	 	<p>Establish a Regular Investment Plan by completing the relevant sections of the Application Form, or complete an Additional Investment Form after your policy has commenced. This form is available on the OnePath website or by contacting Customer Services and can be mailed or faxed back to us.</p>

How do I...?

My options What I need to do

Switch between investment funds

You can switch all or part of your investment between any of the investment funds offered in this PDS.

The minimum switch per investment fund is \$250 or the value of the applicable policy account, whichever is less.

The effective date of a switch will be the date the correctly completed switch request is processed at 347 Kent Street, Sydney NSW 2000.



You can request a switch:

- by notifying us in writing
- online through account access
- by completing a Switch Request Form. This form is available on the OnePath website or by contacting Customer Services and can be mailed or faxed back to us.

Your financial adviser may also submit a request to switch on your behalf online.

Please speak to your financial adviser before changing your investment strategy.

A notice period of one month applies for switching between funds, but a notice period of five working days applies for switching into and out of the ING Money Market fund.

Withdraw

The minimum withdrawal amount is \$1,000, or the value of the applicable policy account, whichever is less. However, if your account balance falls below \$2,500 we reserve the right to pay your account balance to you.

The effective date of a withdrawal will be the date the correctly completed withdrawal request is processed.



Complete a Withdrawal Form. This form is available on the OnePath website or by contacting Customer Services and can be mailed or faxed back to us.

You must give us the following notice of your desire to withdraw or switch:

- into and out of all investment funds except the ING Money Market fund – one month
- into and out of the ING Money Market fund – five working days.

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

Additional information about investing and maintaining your investment

Confirming your investments

Once we have processed your application, the following will be sent to you, usually within 10 working days:

- the Policy Document, which sets out the full terms and conditions of your investment
- the Policy Schedule showing the specific details of your investment, including the number of units purchased in each investment fund and the unit price that applied.

You should read your Policy Document and Schedule carefully to check that your personal and investment details have been captured correctly and that the investment meets your needs. You should keep the Policy Document and Schedule in a safe place for future reference.

We will send you written confirmation of transactions including additional investments (excluding contributions made under the Regular Investment Plan), switches and withdrawals shortly after the transaction is processed.

Further information, or a copy of the Policy Document and Schedule, can be obtained from us free of charge by calling Customer Services on 133 665 weekdays (excluding national public holidays) between 8.30am and 6.30pm (Sydney time), or by writing to us at:

OnePath Life Limited

GPO Box 5306
Sydney NSW 2001

Regular communication

We will send you an Annual Statement outlining:

- your account balance as at the end of the reporting period
- your transaction history
- information detailing the management, financial position and investment performance of your Investment Savings Bond.

Alternatively, you may view your specific investment information online at onepath.com.au. Please refer to the section titled 'Simple and convenient online services' in the Incorporated Material for more information.

We will also send you an annual Investor Update that provides a snapshot of the market conditions generally. This is currently sent in September of each year.

Unit pricing

In this section 'we' and 'us' refers to OnePath Life. When you invest through Investment Savings Bond, you do not buy assets directly. Instead, we allocate you units in the investment fund(s) in which you invest. In the same way, if you withdraw money from an investment fund(s) in Investment Savings Bond, we redeem your allocated units. As the value of the assets in an investment fund rise and fall, so too does the unit price, and therefore the value of your investment. The value of a unit (i.e. the unit price) is equal to the value of all the assets in the investment fund, less liabilities and provisions, divided by the number of units allocated to investors.

Unit prices are calculated on Sydney business days. 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 all investors.

What else do I need to know?

Ownership flexibility

The Investment Savings Bond provides the following ownership options:

- any individual aged 16 years and older
- two individuals aged 16 years and older (as joint owners)
- an ABN registered company
- a trust
- any other legal entity (such as a deceased estate).

Ownership means that the policy owner(s) can:

- nominate a life/lives insured (refer below)
- transact on the policy
- receive the tax paid proceeds on the death of the last surviving life/lives insured
- nominate a beneficiary(ies) (refer below).

A Child Advancement Policy may only have one individual owner, as explained in the section opposite.

Life insured

The policy owner(s) nominates one or two individuals of any age as life/lives insured.

The life/lives insured cannot be altered once the policy has commenced.

On the death of the last surviving life insured, tax paid proceeds less any Exit Fee are paid to the policy owner(s), and the policy will cease.

If the last surviving policy owner dies before the life/lives insured, ownership will pass to the last surviving policy owner's estate.

For any Child Advancement Policy an individual child must be nominated as life insured, as explained in the section opposite.

Nomination of beneficiary(ies)

If the policy owner(s) is/are the same as the life/lives insured, the policy owner(s) can nominate any number of individuals, companies, trusts and charities to receive the proceeds on the death of the last surviving life insured.

The policy owner(s) may add, change or remove a nominated beneficiary(ies) prior to the death of the last surviving life insured by way of written request.

The death benefit will be paid in the proportions specified on the Application Form (or any subsequent acknowledged alteration), to the surviving nominated beneficiary(ies), and will not pass to the policy owner's estate.

If no beneficiaries are nominated, the death benefit will be paid to the policy owner's estate.

If there are no surviving nominated beneficiaries, the death benefit will be paid to the policy owner's estate.

Child Advancement Policy

The Child Advancement Policy is a special type of policy created under the *Life Insurance Act 1995* and allows for an individual policy owner to nominate a birth date in the future when ownership of the policy transfers to a child. No stamp duty is payable on the transfer.

The Child Advancement Policy can only be selected on the Application Form accompanying this document. When completing the Application Form, the policy owner should also note that:

- the child must be nominated as the life insured. Only one child can be nominated as the life insured
- one individual can be the policy owner. Joint owners, a trust or a company are all unable to own the policy
- the policy owner is unable to nominate a beneficiary(ies) prior to the vesting date; however, after the policy has vested to the child he or she is able to nominate a beneficiary(ies).

In addition, there are important age-based conditions that need to be adhered to. These are:

- at the time of application, the policy owner must be aged 16 years or over, and the nominated child (as life insured) must be aged less than 16 years
- the date that the ownership transfers to the child (vesting age) must coincide with the child's birthday and be no less than their 10th and no greater than their 25th birthday
- at vesting age, if the child has reached age 16, but is aged less than 18, the child will have full capacity to exercise rights and powers as detailed in the Policy document
- at vesting age, if the child has reached age 10, but is aged less than 16, the child will not have full capacity to exercise rights and powers as detailed in the Policy document. Therefore, the written consent of the child's parent or guardian will be needed on any request relating to the investment while the child is below 16 years of age.

In the period leading up to the vesting date, the policy owner has complete control over the investment, and is able to transact and make changes accordingly. The policy owner can also request that the vesting date be changed but only if the request is received before the original vesting date. Any change to the vesting date must be in accordance with the above conditions.

At vesting age, the policy is taken to be the absolute property of the child, subject to any transactions completed by the policy owner prior to such vesting. **Reaching vesting age does not constitute a resetting of the commencement date for 10-year tax rule purposes.**

Unlike a normal transfer of ownership where a Memorandum of Transfer (MOT) needs to be completed and the transfer is assessed for stamp duty, no MOT is needed nor is stamp duty applicable when a transfer is completed through the Child Advancement Policy.

How death benefits are assessed

On the death of the last surviving life insured, the policy owner(s) or beneficiary(ies) (if applicable) will receive the death benefit with no additional tax to pay. The death benefit is equal to the account balance less any Exit Fee.

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 Life 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 9613 6399

www.fos.org.au

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 the financial services industry, including life insurance companies, superannuation providers, financial planners, investment managers, general insurance companies and their agents.

Collateral for borrowing

Your financial institution may consider the value of your Investment Savings Bond when determining what financial assets you own as collateral. This may be relevant when applying for a margin loan to invest in shares or a managed fund for example.

Please note that you are unable to use the proceeds of a margin loan to invest directly into the Investment Savings Bond.

Cooling-off period

Generally, you may cancel your investment within 14 days of the earlier of:

- the date you receive confirmation from us
- the end of the fifth day after we actually first issue units for your investment or sell you the Policy (whichever comes first).

This is known as the 'cooling-off' period. If you want to cancel your investment you can notify us in writing within the period specified above. Our contact details can be found on the back cover. During this time you may cancel your investment and receive a refund. The amount refunded will be adjusted for any changes in the unit price of the investment fund, less any withdrawals and reasonable administration or transaction costs incurred.

Cooling-off provisions do not apply to contributions made using the Regular Investment Plan, to switches and to certain additional investments.

How Centrelink/Department of Veterans' Affairs (DVA) assess investments

Generally speaking, the value of your investment counts towards the Centrelink/DVA Assets Test and is subject to deeming under the Income Test. This treatment may differ if ownership is through a company or trust structure.

Also, when a Child Advancement Policy vests, the asset value at that time is dealt with under the gifting rules (that is, the policy owner is treated as having gifted the asset from that point forward).

Please contact Centrelink/DVA or your financial adviser for more details.

Gifting

'Gifting' an asset without receiving its full value in return is considered by Centrelink/DVA as the deprivation of an asset. Deprived assets in excess of certain limits are means-tested as financial assets for the next five years.

Transferring ownership of an Investment Savings Bond will constitute a gift for social security purposes. Please speak with your financial adviser for further information.

How to obtain up-to-date information

The information contained in this PDS is up to date at the time of its preparation. However, some of the information can change from time to time, e.g. information about the Ongoing Fee or other fees, or the investment strategy of a particular investment fund.

We will issue a supplementary or replacement PDS if there is a materially adverse change to information in this PDS, or a materially adverse omission from the PDS.

For other changes and information about investment fund performance you can obtain up-to-date information by either calling Customer Services on 133 665 or by visiting the OnePath website at onepath.com.au

We can also send you a copy of the updated information free of charge upon request.

Privacy

We are committed to ensuring the confidentiality and security of your personal information. The Privacy Policy details how we manage your personal information and is available on request or may be downloaded from the OnePath website, onepath.com.au

You may request access to the information held by us about you, your investment(s) and any other OnePath products or services which you may hold by contacting the Privacy Officer. Please assist us by contacting Customer Services if any of your personal information is incorrect, has changed or requires updating. For further information on privacy, please refer to the section titled 'Privacy' in the Incorporated Material.

Other information

The following information is also available in the section titled 'What else do I need to know in the Incorporated Material'

- Simple and convenient online services
- Financial Services Guide
- Family Law Act provisions
- Identification upon withdrawal.

Guide to completing your Application Form

Application Form

This Application Form, which is attached to the Product Disclosure Statement (PDS), is the only means of applying for this product. It is dated 15 November 2010. We reserve the right to accept or refuse any applications.

OnePath Life Limited (ABN 33 009 657 176, AFSL 238341), of 347 Kent Street, Sydney NSW 2000, is the issuer of the PDS and this Application Form.

Please ensure that you have read the entire PDS. If you have received this Application Form electronically, we will provide a paper copy of the PDS and this Application Form free of charge on request.

How to invest

- Complete all relevant sections and sign the Application Form.
- If paying by cheque, please make your cheque payable to 'OnePath Life Limited – insert your name'.
- Forward your completed Application Form and cheque (if applicable) to OnePath Life Limited, GPO Box 5306, Sydney NSW 2001.

Note: We reserve the right to accept or refuse any application for investment in the Investment Savings Bond.

Children under 16 years

We will not accept investments made directly by persons under 16 years. Investments made by adults as trustees for them may be accepted. For children under 16, you may wish to take out a Child Advancement Policy. Please refer to pages 24–25 of this PDS.

Signing the Application Form

All investors must sign the Application Form. We cannot process your application without the appropriate signature(s).

Joint applicants will be registered as joint tenants.

Applications made by a company may include a company seal but must be signed by either:

- two directors of the company
- a director and company secretary of the company
- if the company is a proprietary company that has a sole director who is also the company secretary, by that director.

Direct Debit Request Service Agreement

Investment Savings Bond

15 November 2010

OnePath Life Limited (OnePath Life)

ABN 33 009 657 176 AFSL 238341

347 Kent Street, Sydney NSW 2000

Customer Services

Phone 133 665

Fax 02 9234 6668

Email customer@onepath.com.au

Website onepath.com.au

Please keep this document in a safe place.

Our commitment to you

OnePath Life will:

- advise you in writing, the details of OnePath Life drawing arrangements (amount and frequency) for Regular Investment Plans only
- arrange for funds to be debited from your account as authorised in the Direct Debit Request
- give you at least 14 days notice in writing before changing the terms of the debiting arrangements, unless the changes are made at your request
- not change the amount or frequency of the debiting arrangements without your prior approval
- keep information relating to your direct debit request private and confidential
- reserve the right to cancel the OnePath Life drawing arrangement if three or more drawings are returned unpaid by your nominated financial institution and to arrange with you an alternative payment method.

If the due date of the debit falls on a weekend or public holiday, your account will be debited on the next business day.

Your commitment to us

It is your responsibility to:

- ensure your nominated account can accept direct debits and that all account holders on the nominated account agree to the debiting arrangement
- ensure that the account details that you have provided are correct by checking them against a recent account statement
- advise us if the nominated account is transferred or closed, or the account details have changed
- ensure there are sufficient funds available in the nominated account to meet each direct debit
- arrange with us an alternate payment method if you wish to cancel the direct debiting arrangement
- check with your financial institution before completing the direct debit request, in the event that you have any queries about how to complete the direct debit request.

If there are insufficient funds in your account, you may be charged a fee from OnePath and/or your financial institution.

Your rights

You may request a change to the drawing amount and/or frequency of the debiting arrangement by contacting us and advising your requirements no less than 10 business days prior to the due date.

You may terminate the OnePath Life drawing arrangements at any time by giving written notice directly to us, or through your financial institution. Notice sent to us should be received by us at least 10 business days prior to the due date.

You may stop the payment of a drawing under OnePath Life by giving written notice directly to us, or through your financial institution. Notice sent to us should be received by us at least 10 business days prior to the due date.

Where you consider that a drawing has been initiated incorrectly outside the OnePath Life drawing arrangements, you may take the matter up directly with us, or lodge a Direct Debit Claim through your financial institution.

If we find that your account has been incorrectly debited we will arrange for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.

If we find that your account has not been incorrectly debited, we will provide you with reasons and any evidence for this finding.

If we cannot resolve the matter, you can still refer it to your financial institution, which may lodge a claim on your behalf.

Application Form

Investment Savings Bond

15 November 2010

OnePath Life Limited (OnePath Life)

ABN 33 009 657 176 AFSL 238341

347 Kent Street, Sydney NSW 200

Customer Services

Phone 133 665

Fax 02 9234 6668

Email customer@onepath.com.au

Website onepath.com.au

The invitation to invest in Investment Savings Bond is only available to persons receiving the PDS in Australia. It is not made directly or indirectly to persons in any other country.

Have you attached any **special instructions** to this Application Form? Yes No (or see page 35)

1. Do you have an existing investment in Investment Savings Bond? Yes No

If this is an additional investment to an existing Investment Savings Bond account, please quote your policy number (if a policy number is not nominated, a new account will be opened).

Existing policy number (if applicable)

2. Fee structure

Please select (X) one of the following fee structures: Entry Fee option Nil Entry Fee option

3. Policy owner details – please print

Policy owner 1

Title Mr Mrs Ms Miss Dr Other

Surname

Given name(s)

Date of birth

Residential address (this cannot be a PO Box)

Suburb/Town State Postcode

Country

Postal address (if different from above)

Suburb/Town State Postcode

Country

Phone Home Business

Mobile Fax

Email

Policy owner 2

Title Mr Mrs Ms Miss Dr Other

Surname

Given name(s)

Date of birth

Residential address (this cannot be a PO Box)

Suburb/Town State Postcode

Country

Postal address (if different from above)

Suburb/Town State Postcode

Country

Phone Home Business

Mobile Fax

Email

Company/Charity/Trustee/Association/Partnership (please complete address details below)

Name

Contact person

ABN

Registered address (this cannot be a PO Box)

Suburb/Town State Postcode

Country

Postal address (if different from above)

Suburb/Town State Postcode

Country

Phone Business Mobile

Fax

Email

4. Child Advancement Policy

If a Child Advancement Policy is nominated, the following statement must be completed by the policy owner.

Please note only one child may be nominated, the child must be under 16 years of age and only one individual policy owner can apply. The child must be nominated as the life insured.

I, the policy owner, declare that the Investment Savings Bond issued on the life of

shall be a Child Advancement Policy in accordance with the provisions of the Life Insurance Act, and on the child's (10th to 25th) birthday shall become the absolute property of the child.

This Child Advancement Policy is to become the absolute property of the child on his/her birthday.

Child's date of birth

5. Life insured details

Is/Are the policy owner(s) also the life/lives insured? Yes No

If **yes**, please proceed to the 'Nominated beneficiaries' section below. If **No**, please complete the life insured details (maximum of two).

Life insured 1

Title Mr Mrs Ms Miss Dr Other

Surname

Given name(s)

Date of birth

Life insured 2

Title Mr Mrs Ms Miss Dr Other

Surname

Given name(s)

Date of birth

6. Nominated beneficiaries

Beneficiaries can only be nominated where the policy owner(s) is/are the life/lives insured. In this instance if you do not nominate a beneficiary(ies) the proceeds of this policy will pass to the estate of the last surviving policy owner.

A. Payment to your estate*

Please pay my death benefit to my estate. The percentage of the total death benefit to be paid to my estate is %

B. Payment to your nominated beneficiaries

Please note: The total must add up to 100% (no decimals, no fractions)

Name of nominated beneficiary	Address (this cannot be a PO Box)	Date of birth	Proportion of death benefit %
1.		DD/MM/YYYY	
2.		DD/MM/YYYY	
3.		DD/MM/YYYY	
4.		DD/MM/YYYY	
5.		DD/MM/YYYY	

* Total of A + B (must add up to 100%)

%

If you wish to nominate additional beneficiaries, simply provide the necessary information in the special instructions section on page 35 or via attachment. The nominated percentages must total 100%.

7. Investment details

Please specify the amount to be invested as a lump sum and, if appropriate, your regular investment amount.

Note: In order to satisfy the requirements of the '125% opportunity', the maximum contribution is 125% of the previous policy year's total contributions.

Investment fund	Lump sum investment <small>Minimum: Initial \$2,500, additional \$1,000, per investment fund \$250.</small>	Regular Investment Plan <small>Minimum: \$100 per month or quarter, \$100 per investment fund.</small>
ING Money Market (MMOA, MMOH)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
ING Diversified Fixed Interest (TE01, TN01)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
ING Capital Stable (CSOA, CSOH)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
ING Balanced (PEOA, PEOH)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
OnePath Protected Growth Fund No. 2 (TE13, TN13)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
ING Managed Growth (DIOA, DIOH)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
ING Tax Effective Income (TE02, TN02)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
ING Australian Shares (AEOA, AEOH)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
ING Sustainable Investments – Australian Shares (TE12, TN12)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
ING Emerging Companies (ECO A, ECOH)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
ING International Shares (ISOA, ISOH)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
OptiMix Moderate (TE08, TE08)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
OptiMix Balanced (TE05, TE05)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
OptiMix Growth (TE07, TN07)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
OptiMix Property Securities (TE03, TE03)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
OptiMix Australian Shares (TE04, TN04)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
OptiMix Geared Australian Shares (TE09, TN09)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
OptiMix Global Emerging Markets Shares (TE10), (TN10)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
OptiMix Global Shares (TE06, TE06)	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>
Total	\$ <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/> and	\$ <input type="text"/> <input type="text"/> <input type="text"/> , <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> . <input type="text"/> <input type="text"/>

Please debit my regular investments Monthly **or** Quarterly
(If no nomination is made, deductions will be made monthly.)

8. Payment options

Initial or additional contribution

- Cheque – (please make payable to 'OnePath Life Limited, <name>')
- Direct debit – please complete details below

Complete this section only if making an initial or additional contribution by direct debit. **Note:** Contributions by credit card are not accepted. I/We request and advise OnePath Life (User ID number: 102) to debit my/our nominated account in terms of the payment arrangement made between us:

Name of financial institution	<input type="text"/>	
Branch where account is held	<input type="text"/>	
Account holder's name	<input type="text"/>	
BSB number	<input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/>	Account number <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Amount to be deducted	\$ <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	

I/We acknowledge that this direct debit arrangement is governed by the terms of the Direct Debit Request Service Agreement on page 28, and I/we agree to be bound by, consent to and acknowledge such terms.

I/We understand that a processing fee may be charged by my/our financial institution each time a contribution is made. I/we also understand that where a regular deduction is dishonoured, a fee of \$11.76 is charged.

If joint account, all account signatories may be required to sign below.

Name of account holder A

Signature of account holder A

(sign clearly within box)

Date

Name of account holder B

Signature of account holder B

(sign clearly within box)

Date

Do you also wish to establish a Regular Investment Plan?

- Yes, please complete the details below.
- No, continue to section 9.

The amount and frequency of deduction will be equal to the details provided on page 32.

I/We request and advise OnePath Life (User ID number: 102) to debit my/our nominated account in terms of the payment arrangement made between us:

Name of financial institution	<input type="text"/>	
Branch where account is held	<input type="text"/>	
Account holder's name	<input type="text"/>	
BSB number	<input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/>	Account number <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

Once established, the direct debit will occur on the first day of each month (or the next business day).

I/We acknowledge that this direct debit arrangement is governed by the terms of the Direct Debit Request Service Agreement on page 28, and I/we agree to be bound by, consent to and acknowledge such terms.

I/We understand that a processing fee may be charged by my/our financial institution each time a contribution is made. I/we also understand that where a regular deduction is dishonoured, a fee of \$11.76 is charged.

If joint account, all account signatories may be required to sign below.

Name of account holder A

Signature of account holder A

(sign clearly within box)

Date

Name of account holder B

Signature of account holder B

(sign clearly within box)

Date

Note: If the nominated account above is transferred, closed or the account details have changed, please advise us two weeks before the direct debit date.

9. Adviser Service Fee (ASF) to be completed by the policy owner(s)

I/We confirm that I/we have agreed to an Adviser Service Fee of % p.a. (maximum 0.60% p.a.) and direct you to deduct that fee from my/our investment (see page 12 of the PDS).

Note: The Adviser Service Fee is not available for additions to existing policies, unless previously selected. The deduction of units in order to meet an Adviser Service Fee is deemed a withdrawal and may have tax implications.

Signature of policy owner 1/Director/Trustee

(sign clearly within box)

X

Signature of policy owner 2/Director/ Company Secretary/Trustee

(sign clearly within box)

X

10. Declaration and signature(s)

Before you sign this Application Form, OnePath Life or your financial adviser is obligated to give you a current PDS which accompanies this Application Form. The PDS will help you to understand the product and decide whether it is appropriate for your needs. Please note that the issuer has complete discretion whether or not to accept your application.

By completing the application, I/we:

- acknowledge that I/we have received a paper or an electronic version of the PDS and have read it and consent to be bound by the terms of the PDS
- acknowledge that I/we have read the Incorporated Material and agree to be bound by the terms contained in the Incorporated Material
- agree to be bound by the terms of my/our Policy, including the Policy Schedule
- acknowledge that I/we am/are not aware and have no reason to suspect that my/our investment is derived from, related to or used to fund, money laundering, terrorism financing or other similar activities and my/our instructions in relation to my/our investment will not result in ANZ or any of its related group companies breaching any related laws or regulations in Australia or any other country
- consent to the collection, use, storage and disclosure of my/our personal information as described in the Privacy section of the Incorporated Material. I/We further consent to ANZ or any of its related group companies (including the issuer) sending me information about its financial product from time to time
- declare that the information completed on this form is true and correct
- authorise my/our nominated financial adviser named in section 11 to receive and access my/our personal information for the purposes of managing my/our investment and conducting such transactions as I/we authorise. I/We acknowledge that you will be notified of any change in relation to this authority or my/our adviser
- acknowledge that an investment in the Investment Savings Bond is not a deposit or liability of ANZ or its related group companies, and none of them stands behind or guarantees the issuer or the capital or performance of an investment in the Investment Savings Bond, and that my/our investment is subject to investment risk, including possible repayment delays and loss of income and principal invested.

By signing this Application Form, I/we, the policy owner(s), whose signature(s) appears below, confirm that I/we have read and understood the above declarations.

Name of policy owner 1/Director/Trustee

Name of policy owner 2/Director/Company Secretary/Trustee

Signature of policy owner 1/Director/Trustee

(sign clearly within box)

X

Date

Signature of policy owner 2/Director/ Company Secretary/Trustee

(sign clearly within box)

X

Date

If this Application Form is signed by an attorney, the attorney acknowledges that there has been no notice of revocation of the Power of Attorney at the time of signing. A certified copy of the Power of Attorney is required.

In the case of company signatories, two directors or a director and company secretary must sign, unless you are a sole director and sole company secretary.

For partnerships please ensure all parties sign.



11. Financial adviser details

Master sales account number

Sales account number

Seller code 2 (if applicable)

Seller code 3 (if applicable)

Company name

Name of adviser

Phone Business

Mobile

Fax

Email

Financial adviser stamp

12. Commission

If no nomination is made, standard commission will be paid:

A. Entry Fee option

i. Initial commission – please specify the commission amount to be paid.

Maximum 4% (rebate 0%) 3% (rebate 25%) 2% (rebate 50%) 1% (rebate 75%) 0% (rebate 100%)

or specify amount to be rebated % (up to 100%)

The nominated amount above excludes 10% GST (e.g. 4.00% means commission paid is 4.40%, including GST).

ii. Ongoing commission – please specify the amount to be rebated: %

(e.g. 100% means all ongoing commission, excluding the 10% GST component, will be rebated to your client).

B. Nil Entry Fee option

Choice 1 (i.e. 3.00% initial and 0.40% p.a. ongoing for the first three years then 0.70% p.a. thereafter).

i. Initial commission – please specify the commission amount to be paid.

Maximum 3% (rebate 0%) 2% (rebate 33.3%) 1% (rebate 50%) 1% (rebate 66.6%) 0% (rebate 100%)

or specify amount to be rebated % (up to 100%)

The nominated amount above excludes 10% GST (e.g. 3.00% means commission paid is 3.30%, including GST).

ii. Ongoing commission – please specify the amount to be rebated: %

(e.g. 100% means all ongoing commission, excluding the 10% GST component, will be rebated to your client).

or

Choice 2 (i.e. nil initial and 1.00% ongoing)

Please specify amount to be rebated % (up to 100%)

(e.g. 100% means all ongoing commission, excluding the 10% GST component, will be rebated to your client).

Signature of financial adviser

(sign clearly within box)

Date

13. Special instructions

This page has been left blank intentionally

Know your customer – identification requirements

Investment Savings Bond

15 November 2010

OnePath Life Limited (OnePath life)

ABN 33 009 657 176 AFSL 238341
347 Kent Street, Sydney NSW 2000

Adviser Services

Phone 1800 804 768
Fax 02 9234 6668
Email adviser@onepath.com.au
Website onepath.com.au

The AML/CTF Act requires us to identify you and verify your identity before we assume liability under the investment, accept any payments and before we pay any benefit under the investment.

The information outlined below relates to individuals (including those investing on behalf of a child).

If this investment is not in the name of an individual(s) (e.g. company, trust, partnership, association), you must complete the relevant customer identification document available at onepath.com.au. This form must be attached to your Application Form to enable your investment to be processed.

Individuals

You can do one of two things to provide evidence of client identity verification to us:

Advisers only – complete our Identification Form which verifies you have collected sufficient identification from your client. Please note, you are not required to send in originals or copies of identification if you use this form. We will also accept the IFSA/FPA or dealer group branded identification forms.

or

Advisers and individuals not using the services of an adviser – send in original certified copies* (not original documents) of the following:

- one primary photographic identification document **or**
- one primary non-photographic identification document **and** one secondary identification document.

Please note we cannot accept certified copies by fax.

Acceptable forms of identification

Primary photographic identification document

- Current Australian or foreign driver's licence[†]
- Australian passport (current or expired less than two years ago)
- Foreign government issued passport that also contains the holder's signature[†]
- Proof of Age document issued by a State or Territory
- Foreign government issued identity card containing the holder's signature.[†]

Primary non-photographic identification document

- Australian birth certificate
- Certificate of Australian citizenship
- Foreign government issued birth certificate[†]
- Foreign government issued certificate of citizenship[†]
- Centrelink pension or health care card.

Secondary identification document

- Commonwealth, State or Territory issued document dated within the last 12 months that records the provision of financial benefits to the person and which contains the person's name and residential address.
- Local Government body or utilities provider issued document dated within the last three months that records the provision of services to that address or that person and which contains the person's name and residential address.
- Australian Taxation Office issued document dated within the last 12 months that records an amount payable or owed to the person and which contains the person's name and residential address.
- If the person is under the age of 18, a notice dated within the last three months from a school principal containing the person's name and residential address and the period of attendance at that school.

* A certified copy is a document that has been certified as a true copy of the original. Examples of who can certify documents are:

- | | |
|--|---|
| – a person enrolled on the roll of a Supreme Court or the High Court as a legal practitioner | – a permanent employee of Australia Post with two years' continuous service employed in supplying postal services to the public |
| – a judge, registrar or deputy registrar of a court | – an Australian consular or diplomatic officer |
| – a magistrate | – a bank or building society officer with two or more years of continuous service |
| – a chief executive officer of a Commonwealth court | – a finance company officer with two years' continuous service |
| – a Justice of the Peace | – an officer or authorised representative of an AFSL holder with two years' continuous service |
| – a notary public | – a member of the Institute of Chartered Accountants in Australia, CPA Australia or National Institute of Accountants. |
| – a police officer | |
| – an agent of Australia Post in charge of supplying postal services to the public | |

Please note: The person who is authorised to certify documents must make sure all pages have been certified as true copies by writing or stamping 'certified true copy' followed by their signature, printed name, contact details, qualification (e.g. Justice of the Peace, Australia Post employee etc) and date. A full list of persons who can certify documents is available from onepath.com.au

† Documents not in English must be accompanied by an English translation prepared by an accredited translator.

Identification Form

Investment Savings Bond

15 November 2010

OnePath Life Limited (OnePath Life)

ABN 33 009 657 176 AFSL 238341
347 Kent Street, Sydney NSW 2000

Adviser Services

Phone 1800 804 768
Fax 02 9234 6668
Email adviser@onepath.com.au
Website onepath.com.au

- Complete one form for each individual. Complete all applicable sections of this form in **BLOCK LETTERS**.
- Contact Adviser Services on 1800 804 768 weekdays between 8.30am and 6.30pm (Sydney time) if you have any queries.

1. Personal Details

Title	<input type="checkbox"/> Mr	<input type="checkbox"/> Mrs	<input type="checkbox"/> Ms	<input type="checkbox"/> Miss	<input type="checkbox"/> Dr	Other <input type="text"/>
Surname	<input type="text"/>					
Given name(s)	<input type="text"/>					
Residential address (this cannot be a PO Box)	<input type="text"/>					
Suburb/Town	<input type="text"/>	State	<input type="text"/>	Postcode	<input type="text"/>	
Country	<input type="text"/>					
Postal address (if different from above)	<input type="text"/>					
Suburb/Town	<input type="text"/>	State	<input type="text"/>	Postcode	<input type="text"/>	
Country	<input type="text"/>					

2. Verification procedure

Verify the **individual's** full name and **either** their date of birth **or** residential address.

- Complete Part I (or if the individual does not own a document from Part I, then complete either Part II or III).
- Contact your licensee if the individual is unable to provide the required documents.

Part I – Acceptable primary ID documents

Tick Select one valid option from this section only

- Australian State/Territory driver's licence containing a photograph of the person.
- Australian passport (a passport that has expired within the preceding two years is acceptable).
- Card issued under a State or Territory for the purpose of providing a person's age containing a photograph of the person.
- Foreign passport or similar travel document containing a photograph and the signature of the person.*

Part II – Acceptable secondary ID documents – should only be completed if the individual does not own a document from Part I

Tick Select one valid option from this section only

- Australian birth certificate.
- Australian citizenship certificate.
- Pension card issued by Centrelink.
- Health card issued by Centrelink.

Tick And one valid option from this section

- A document issued by the Commonwealth or a State or Territory within the preceding 12 months that records the provision of financial benefits to the individual and which contains the individual's name and residential address.
- A document issued by the Australian Taxation Office within the preceding 12 months that records a debt payable by the individual to the Commonwealth (or by the Commonwealth to the individual), which contains the individual's name and residential address. Block out the tax file number before scanning, copying or storing this document.
- A document issued by a local government body or utilities provider within the preceding three months that records the provision of services to that address or to that person (the document must contain the individual's name and residential address).
- If under the age of 18, a notice that was issued to the individual by a school principal within the preceding three months; and contains the name and residential address; and records the period of time that the individual attended that school.

Part III – Acceptable foreign ID documents

Tick Both documents from this section must be presented – should only be completed if the individual does not own a document from Part I

- Foreign driver's licence that contains a photograph of the person in whose name it is issued and the individual's date of birth.*
- National ID card issued by a foreign government containing a photograph and a signature of the person in whose name the card was issued.*

* Documents that are written in a language that is not English must be accompanied by an English translation prepared by an accredited translator.

3. Record of verification procedure

Important:

- **Attach** a legible certified copy of the ID documentation used to verify the individual (and any required translation).
- **Alternatively, if agreed** between your licensee and the product issuer, complete the ID document details below, and **do not** attach copies of the ID documents.

ID document details

Document 1

Document 2

Verified from	<input type="checkbox"/> Original <input type="checkbox"/> Certified copy	<input type="checkbox"/> Original <input type="checkbox"/> Certified copy
Document issuer	<input type="text"/>	<input type="text"/>
Issue date	<input type="text"/>	<input type="text"/>
Expiry date	<input type="text"/>	<input type="text"/>
Document number	<input type="text"/>	<input type="text"/>
Accredited English translation	<input type="checkbox"/> N/A <input type="checkbox"/> Sighted	<input type="checkbox"/> N/A <input type="checkbox"/> Sighted

4. Financial adviser details – identification and verification conducted by:

Date verified	<input type="text" value="DD/MM/YYYY"/>
Financial adviser's name	<input type="text"/>
Phone	<input type="text"/>
AFS Licensee name	<input type="text"/>
AFSL No.	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>

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

OnePath Life Limited

GPO Box 5306

Sydney NSW 2001

347 Kent Street

Sydney NSW 2000

OnePath Life Limited

ABN 33 009 657 176 AFSL 238341

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