The investment funds offered through OneAnswer are reviewed regularly to ensure they meet the needs of current and future investors. We recently conducted a review of the investment funds and sought the input of Mercer, our primary investment consultant.

The outcome of this review is a change in the underlying fund, and or fund manager, of four investment funds offered through OneAnswer. The affected investment funds will be replaced at the underlying fund level.

The replacement funds are highly-rated and well-positioned to deliver stronger and more consistent investment returns to investors over the longer term, in a risk controlled manner. The new replacement funds will offer broadly the same investment strategies, including similar asset class exposure and ongoing fees, to the existing underlying investment funds.

These changes will result in an improved OneAnswer investment menu which will continue to provide investors with access to well-rated, market-leading investment funds.

Which OneAnswer investment funds are being changed?

<table>
<thead>
<tr>
<th>Current OneAnswer investment fund</th>
<th>Replacement OneAnswer investment fund</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colonial First State Core Australian Shares</td>
<td>Bennelong Australian Equities</td>
<td>Australian Equities</td>
</tr>
<tr>
<td>AXA Global Equity Value*</td>
<td>Arrowstreet Global Equity (Hedged)</td>
<td>International Equities</td>
</tr>
<tr>
<td>Bentham Syndicated Loan</td>
<td>Bentham Global Income</td>
<td>Fixed Interest</td>
</tr>
<tr>
<td>BlackRock Monthly Income</td>
<td>Kapstream Absolute Return Income</td>
<td>Fixed Interest</td>
</tr>
</tbody>
</table>

*The underlying fund name recently changed to the AMP Capital Global Equity Value Fund.

Does this impact existing investors in OneAnswer?

Yes, the changes impact existing investors in the funds noted in the table above. Investors do not need to do anything as the transition will occur at the underlying fund level.

Why are we making these changes?

The main reasons for replacing four existing investment funds include:

- The replacement funds are considered to be of higher quality relative to their peer investment funds, with their current investment teams more experienced and better skilled to deliver stronger and more consistent investment returns over the longer term, in a risk controlled manner.
- Currently, Mercer and other external research houses have rated the replacement funds higher than the existing funds.
- We believe these changes are in the best interests of investors.
When will the transition to the replacement funds take place?

These changes will be implemented on or around 21 June 2013, and will be reflected in the Product Disclosure Statement (PDS) and our websites from 1 July 2013.

Are there any changes to the names of the OneAnswer investment funds?

Yes, from 1 July 2013 we will update the names of the investment funds to reflect the name of the new replacement underlying fund.

Are there any changes to ongoing fees following the transition?

- There will be no change to the ongoing fees of the impacted investment funds, with the exception of Arrowstreet Global Equity (Hedged) Fund offered through OneAnswer Frontier.

- For the change from the AXA Global Equity Value Fund to the Arrowstreet Global Equity (Hedged) Fund in OneAnswer Frontier, the ongoing fee will increase by 0.03% per annum. Existing investors will be notified in writing of this increase 30 days prior to the fee increase taking place, which is expected to commence on, or around 1 September 2013.

Are there any changes to the frequency of income distributions for investors in OneAnswer Investment Portfolio?

There will be a change in distribution frequency for the AXA Global Equity Value Fund and BlackRock Monthly Income Fund offered through OneAnswer Investment Portfolio. Distribution frequencies will be updated to reflect the frequency of distributions of the relevant underlying fund, as detailed in the table below.

<table>
<thead>
<tr>
<th>Current OneAnswer investment fund</th>
<th>Replacement OneAnswer investment fund</th>
<th>Current distribution frequency</th>
<th>New distribution frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>AXA Global Equity Value</td>
<td>Arrowstreet Global Equity (Hedged)</td>
<td>Yearly (Last yearly will be June 2013)</td>
<td>Half yearly (First half yearly will be December 2013)</td>
</tr>
<tr>
<td>BlackRock Monthly Income</td>
<td>Kapstream Absolute Return Income</td>
<td>Monthly (Last monthly will be June 2013)</td>
<td>Quarterly (First quarterly will be September 2013)</td>
</tr>
</tbody>
</table>

There is no change in distribution frequency for the Bentham Global Income Fund or the Bennelong Australian Equities Fund. For the Bentham Global Income Fund, the distribution frequency is monthly, and for the Bennelong Australian Equities Fund, the distribution frequency is half yearly.

Are there any changes to the transaction costs (buy/sell spreads)?

The ongoing transaction costs (buy/sell spreads) will be updated to reflect the costs of the replacement underlying funds, and will remain within the disclosed upper limits stated within the PDS. The ongoing transaction costs will be implemented on or around 21 June 2013, as shown in the table on the following page.
### Transaction costs

<table>
<thead>
<tr>
<th>Current OneAnswer investment fund</th>
<th>Current buy/sell spreads</th>
<th>Replacement OneAnswer investment fund</th>
<th>New buy/sell spreads</th>
</tr>
</thead>
<tbody>
<tr>
<td>BlackRock Monthly Income</td>
<td>0.00% / 0.20%</td>
<td>Kapstream Absolute Return Income</td>
<td>Nil</td>
</tr>
<tr>
<td>Bentham Syndicated Loan</td>
<td>0.45% / 0.45%</td>
<td>Bentham Global Income</td>
<td>0.45% / 0.45%</td>
</tr>
<tr>
<td>AXA Global Equity Value</td>
<td>0.20% / 0.20%</td>
<td>Arrowstreet Global Equity (Hedged)</td>
<td>0.22% / 0.19%</td>
</tr>
<tr>
<td>Colonial First State Core Australian Shares</td>
<td>0.20% / 0.20%</td>
<td>Bennelong Australian Equities</td>
<td>0.30% / 0.30%</td>
</tr>
</tbody>
</table>

### Are there any changes to the investment objectives or investment strategies?

Yes, updated details will be included in the new PDS to be issued on 1 July 2013. This will include updated fund profile information, such as investment objective, investment strategy, asset allocation, and underlying fund manager.

This information is included at the back of this document.

### Are there any tax implications as a result of the transitions for current investors?

- There are no tax implications for investors within Superannuation and Pension products.
- For Investment Portfolio there will be a realisation of capital gains within the OneAnswer funds at the time of the transition.
  - For some of the funds, this will not result in any tax implications as the investment funds hold substantial capital losses which can be carried forward.
  - For some of the funds capital gains may be realised, and any realised profits (i.e. net capital gains) will be distributed to investors after the end of the financial year. Based on current market movements, capital gains are not likely to be significant (this is subject to change). Further details will be available after the transition. Please contact Customer Services if you require further information.

### Are there any transition costs applicable to the OneAnswer investment funds?

For the Bentham investment fund transition (from the Bentham Syndicated Loan Fund to the Bentham Global Income Fund) no transaction costs will apply as the transition will be processed by the same underlying manager and they are able to transition at no cost.

For the other funds, the buy/sell spreads noted in the ‘Transaction costs’ table above will be applied on transition.

### What will the transition mean for existing investors?

- For existing investors, underlying investments of the fund(s) will be automatically transitioned to the replacement funds on, or around 21 June 2013.
- Investors will continue to hold broadly the same asset class exposure following the transitions.
- Investors will see no change in the number of units they hold, nor will they see a transaction appear on account statements. The unit prices of the OneAnswer investment funds will continue post transition, i.e. prices are not restarted or reset.
- Investors will see the name of their current OneAnswer investment fund(s) reflect that of the replacement fund in correspondence from OnePath and in online reporting and transactions from 1 July 2013.
Which OneAnswer products are impacted by the changes?

- OneAnswer Frontier Investment Portfolio
- OneAnswer Frontier Personal Super
- OneAnswer Frontier Pension
- OneAnswer Investment Portfolio (including //Select)
- OneAnswer Personal Super (including //Select)
- OneAnswer Pension (including //Select)
- OneAnswer Term Allocated Pension

Which Product Disclosure Statement (PDS) documents are impacted?

The following PDSs will be updated with details of the replacement funds from 1 July 2013:

- OneAnswer Personal Super and Pension PDS
- OneAnswer Frontier Personal Super and Pension PDS
- OneAnswer Investment Portfolio PDS
- OneAnswer Frontier Investment Portfolio PDS

Any questions?

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

- speak with your financial adviser
- call Customer Services on 133 665, weekdays between 8.30am and 6.30pm (AEST)
- email customer@onepath.com.au
Additional information on the OneAnswer replacement funds

Bennelong Australian Equities Fund

Investment objective
The fund’s objective is to grow the value of your investment over the long term via a combination of capital growth and income, by investing in a diversified portfolio of primarily Australian shares, providing a total return that exceeds the S&P/ASX 300 Accumulation Index by 2% per annum after fees (measured on a rolling three-year basis).

Description
The fund is suitable for investors who:
• are primarily seeking capital growth from a portfolio of Australian stocks
• are seeking some income via dividends and franking credits, and
• have a high tolerance to investment risk.

Investment strategy
The companies within the portfolio are primarily selected from, but not limited to, the S&P/ASX 300 Index. The fund may invest in securities listed on other exchanges where such securities relate to ASX-listed securities. Derivative instruments are mainly used to replicate underlying positions and hedge market and company-specific risks.

Bennelong Australian Equity Partners’ (BAEP) investment style can be described as ‘core quality’. They do not ascribe to investments based solely on traditional ‘value’ or ‘growth’ styles, which can lead to adverse outcomes. The investment team targets companies that exhibit an attractive combination of various quality, growth and value attributes. BAEP is an active, bottom-up stock picker.

Asset allocation

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Benchmark (%)</th>
<th>Range (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>0</td>
<td>0 - 100</td>
</tr>
<tr>
<td>Australian shares</td>
<td>100</td>
<td>90 - 100</td>
</tr>
</tbody>
</table>

Arrowstreet Global Equity (Hedged) Fund

Investment objective
To seek to achieve a long-term (at least 7 years) total return before fees and expenses that exceeds the MSCI AC World Index ex- Australia NR $A hedged.

Description
The fund is suitable for investors seeking exposure to the international equity market and who are prepared to accept higher variability of returns.

Investment strategy
The fund adopts an active, quantitative investment approach that seeks to capitalise on opportunities across a broad universe of stocks. Macquarie will aim to substantially hedge this fund’s exposure to international assets back to Australian dollars, thereby minimising your exposure to foreign currency fluctuations.

Asset allocation

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Benchmark (%)</th>
<th>Range (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>0</td>
<td>0 - 5</td>
</tr>
<tr>
<td>International shares</td>
<td>100</td>
<td>95 - 100</td>
</tr>
</tbody>
</table>
Bentham Global Income Fund

Investment objective
The fund aims to provide exposure to global credit markets and to generate income with some potential for capital growth over the medium to long term. The fund aims to outperform its composite benchmark over the suggested minimum investment timeframe.

Description
The fund is suitable for investors seeking to invest for at least three years, with a preference for stable income with minimised risk of capital loss.

Investment strategy
The fund is actively managed and focused on generating stable investment income by providing a diversified exposure to domestic and global credit markets while managing interest rate risk and currency risk. Bentham seeks to add value through actively managing allocations across different credit sectors, trading of individual securities and managing its interest rate and currency risk.

The fund invests in global credit and fixed interest markets. The fund’s investments include, but are not limited to, Australian and global hybrid securities, global high yield bonds, global syndicated loans, investment grade securities, global capital securities, asset backed securities, equities and derivatives. The fund must maintain a minimum investment of 50% in investment grade rated securities and a maximum portfolio exposure to any single non-investment grade security of 2% of the net asset value of the fund.

Asset allocation

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Benchmark (%)</th>
<th>Range (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>n/a</td>
<td>0 - 30</td>
</tr>
<tr>
<td>Australian hybrids</td>
<td>n/a</td>
<td>0 - 50</td>
</tr>
<tr>
<td>Global hybrids (global/Euro convertible bonds)</td>
<td>n/a</td>
<td>0 - 40</td>
</tr>
<tr>
<td>Global loans (including syndicated loans)</td>
<td>n/a</td>
<td>0 - 50</td>
</tr>
<tr>
<td>Global high yield bonds</td>
<td>n/a</td>
<td>0 - 30</td>
</tr>
<tr>
<td>Investment grade credit (including global corporate bonds and asset backed securities)</td>
<td>n/a</td>
<td>0 - 75</td>
</tr>
</tbody>
</table>

Underlying fund: Bentham Wholesale Global Income Fund

Kapstream Absolute Return Income Fund

Investment objective
The fund aims to provide a steady stream of income and capital stability over the medium term.

Description
The fund is intended to be suitable for investors who are seeking potentially higher levels of returns than cash and cash-like securities, and in return, are prepared to accept low to moderate volatility in the unit price.
Investment strategy

The fund is managed by Kapstream which aims to outperform both cash and bond markets over all business cycles. Kapstream utilises a range of fixed income instruments in the formation of the portfolio, so as to capitalise on opportunities to enhance returns of the Fund. Kapstream actively manages the currency exposure of the fund’s investments. Kapstream may hold non-Australian dollar denominated securities which may be fully, partially or not hedged back to the Australian dollar. Kapstream may also invest directly into currencies. Kapstream may hold up to a maximum of 15% of the portfolio in non-Australian dollar currency positions which is comprised of direct investments into currencies and the portion of non-Australian dollar denominated securities which are not hedged back to the Australian dollar. Derivatives are used for the dominant purposes of managing currency risk and interest rate risk. Derivatives may also be used to increase (or decrease) the duration of the fund by gaining economic exposure to bonds.

Asset allocation

<table>
<thead>
<tr>
<th>Asset class</th>
<th>Benchmark (%)</th>
<th>Range (%)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>n/a</td>
<td>0 - 100</td>
</tr>
<tr>
<td>Global securities*</td>
<td>n/a</td>
<td>0 - 100</td>
</tr>
</tbody>
</table>

Underlying fund: Kapstream Wholesale Absolute Return Income Fund

* The global securities asset allocation is broken down as:
  Investment grade securities 85-100%
  Non-investment grade securities 0-15%

This information is current at June 2013 but may be subject to change. This information has been produced by OnePath Funds Management Limited (ABN 21 003 002 800, AFSL 238342) and OnePath Custodians Pty Limited (ABN 12 008 508 496, RSE L0000673) (together the “issuers”). The information is of a general nature and does not take into account an investor’s personal needs, financial circumstances or objectives. Before acquiring, disposing or deciding whether to continue to hold the product, investors should consider the relevant PDS and any product updates which are available at onepath.com.au or by calling Customer Services on 133 665.