The investment strategy of the OptiMix Geared Australian Shares Fund (the Fund) will change on, or around, 20 February 2017. The Fund is offered through the OneAnswer suite of products.

What will the investment strategy change mean for investors?

The Fund currently invests in a diversified portfolio of Australian shares through its investments in the active underlying OptiMix Wholesale Australian Share Trust. The investment strategy change will be achieved by transitioning the Fund’s current underlying investments into a portfolio of Australian shares which is passively managed against the S&P/ASX 300 Accumulation Index. The underlying investments will be directed by Vanguard.

Why are we making this change?

We are making this change for the following reasons:

- A passive investment strategy will provide members with a low cost, high risk/high return investment option which provides a return commensurate with the ASX 300 Accumulation Index return in addition to the Fund’s gearing strategy.
- Investors can achieve convenient gearing at a lower cost considering there is no ‘active’ asset management and its associated expenses.

Which products are impacted by the changes?

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

Will there be a distribution of capital gains and any tax implications for investors?

No, there will not be a distribution of capital gains to investors and therefore no tax implications for them. The Fund is in a capital loss position and will not be passing on any capital gains to investors. Capital losses will be retained within the Fund to offset future capital gains.
Will the name of the Fund change as a result of the investment strategy change?

Yes, the name will be changed as shown in the table below:

<table>
<thead>
<tr>
<th>Current name</th>
<th>New name</th>
</tr>
</thead>
<tbody>
<tr>
<td>OptiMix Geared Australian Share Fund</td>
<td>OnePath Geared Australian Shares Index Fund</td>
</tr>
</tbody>
</table>

Will the transition involve a cost to investors?

No, the underlying asset transition will not impact the unit price of the Fund. We are managing the underlying asset transition so that buy/sell spreads do not apply.

Will the ongoing fees change after the transition?

Yes, we will be reducing the ongoing fees of the Fund as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Current ongoing fees</th>
<th>New ongoing fees (after transition)</th>
</tr>
</thead>
<tbody>
<tr>
<td>OnePath Geared Australian Shares Index Fund</td>
<td>2.20% p.a.</td>
<td>1.65% p.a.</td>
</tr>
</tbody>
</table>

# These are the ongoing fees charged on the net assets of the Fund (i.e. excluding the loan). Assuming a gearing ratio of 50% these fees would reduce by half on a gross basis.

Will the buy/sell spreads change after the transition?

The buy/sell spread costs will be updated to reflect the lower costs of a passive investment strategy. These costs are applicable when transacting, e.g. buying or selling units in the Fund, and will be implemented on, or around, 20 February 2017, as shown in the table below:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Current buy/sell spreads</th>
<th>New buy/sell spreads</th>
</tr>
</thead>
<tbody>
<tr>
<td>OnePath Geared Australian Shares Index Fund*</td>
<td>0.26%/0.26%</td>
<td>0.20%/0.20%</td>
</tr>
</tbody>
</table>

Will the relevant disclosure documents be updated?

The updated disclosure documents will be available online from 20 February 2017.

What will the transition mean for existing investors?

The transition will mean the following for existing investors:

- The Fund’s current underlying investments will be automatically transitioned to the underlying portfolio of Australian shares directed by Vanguard on, or around, 20 February 2017.
- Investors will have similar asset class exposure following the transition.
- Investors will see no change in the number or unit price of units they hold, nor will they see a transaction appear on their account.
- The Fund’s new name will appear on all correspondence and in online reporting and transaction information from about 20 February 2017.
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