

Changes to OptiMix and OnePath diversified funds

20 November 2013

Review of strategic asset allocations

Following an extensive review of the OptiMix and OnePath diversified funds, strategic asset allocation changes will be implemented effective early December 2013.

In the face of highly dynamic markets, we regularly review our funds design (portfolio construction) including strategic asset allocation to ensure our funds can effectively meet their performance objectives.

The following funds (referred to collectively as 'the Funds') are affected:

- OptiMix Conservative Trust
- OptiMix Moderate Trust
- OptiMix Balanced Trust
- OptiMix Growth Trust
- OptiMix High Growth Trust
- OnePath Conservative Trust
- OnePath Balanced Trust
- OnePath Managed Growth Trust, and
- OnePath High Growth Trust.

Strategic asset allocation changes effective early December 2013

A summary of strategic asset allocation changes for the Funds include:

- a change to the benchmark allocation (i.e. neutral position) for a number of the underlying asset classes (including an increase in the allocation to alternative assets), and
- a change in the minimum and maximum allocation to most of the underlying asset classes.

Alternative assets include a broad range of investments outside the traditional investment areas of shares, bonds and listed property, and may include direct property, private equity, infrastructure and hedge funds.

It is expected the strategic asset allocation changes will allow the Funds to continue to meet their investment objectives, and deliver more consistent returns by offering increased diversification opportunities.

The strategic asset allocation changes for each of the Funds are outlined in the tables following.

Strategic asset allocation changes by fund

OptiMix Conservative Trust

Asset Class†	Previous		New – effective early December 2013	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	20	0-40	20	0-27
Australian fixed interest	20	0-40	18	11-25
International fixed interest	22	7-37	20	13-27
Australian property securities	1	0-8	0	n/a
International property securities	3	0-10	3	0-10
Australian shares	14	4-24	12	5-19
International shares	10	0-20	10	2-18
Alternative assets	10	2-18	17	5-21

† The maximum exposure to growth assets for the OptiMix Conservative Fund is 42%. International shares may include exposure to emerging market and/or global small cap securities.

OptiMix Moderate Trust

Asset Class†	Previous		New – effective early December 2013	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	8	0-28	8	0-16
Australian fixed interest	15	0-35	14	6-22
International fixed interest	20	5-35	17	9-25
Australian property securities	2	0-9	0	n/a
International property securities	4	0-11	3	0-11
Australian shares	20	10-30	20	12-28
International shares	19	9-29	19	10-28
Alternative assets	12	6-20	19	5-21

† The maximum exposure to growth assets for the OptiMix Moderate Fund is 64%. International shares may include exposure to emerging market and/or global small cap securities.

OptiMix Balanced Trust

Asset Class†	Previous		New – effective early December 2013	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	4	0-19	4	0-12
Australian fixed interest	10	0-25	8	0-16
International fixed interest	11	0-26	9	1-17
Australian property securities	2	0-9	0	n/a
International property securities	4	0-11	3	0-12
Australian shares	29	19-39	29	20-38
International shares	27	17-37	27	18-36
Alternative assets	13	7-21	20	6-21

† The maximum exposure to growth assets for the OptiMix Balanced Fund is 84%. International shares may include exposure to emerging market and/or global small cap securities.

OptiMix Growth Trust

Asset Class†	Previous		New – effective early December 2013	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	1	0-16	0	0-9
Australian fixed interest	5	0-15	4	0-13
International fixed interest	4	0-19	6	0-14
Australian property securities	2	0-9	0	n/a
International property securities	4	0-11	3	0-12
Australian shares	37	27-47	35	26-44
International shares	33	23-43	34	24-44
Alternative assets	14	8-22	18	4-21

† International shares may include exposure to emerging market and/or global small cap securities.

OptiMix High Growth Trust

Asset Class†	Previous		New – effective early December 2013	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	0	0-10	0	0-9
Australian fixed interest	0	n/a	0	0-9
International fixed interest	0	n/a	0	0-9
Australian property securities	1	0-8	0	n/a
International property securities	4	0-11	3	0-13
Australian shares	40	25-65	43	33-53
International shares	43	28-63	42	32-52
Alternative assets	12	7-20	12	3-21

† International shares may include exposure to emerging market and/or global small cap securities.

OnePath Conservative Trust

Asset Class†	Previous		New – effective early December 2013	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	20	6-34	20	0-27
Australian fixed interest	24	1-60	18	10-26
International fixed interest	2	0-8	20	12-28
Australian property securities	2	0-10	0	n/a
International property securities	9	0-15	3	0-10
Australian shares	10	0-40	12	5-19
International shares	10	0-23	10	2-18
Alternative assets	20	6-34	17	5-21

† The maximum exposure to growth assets for the OnePath Conservative Fund is 42%. International equities may include exposure to emerging market and/or global small cap securities.

OnePath Balanced Trust

Asset Class†	Previous		New – effective early December 2013	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	8	0-28	8	0-16
Australian fixed interest	15	0-35	14	5-23
International fixed interest	20	5-35	17	8-26
Australian property securities	2	0-9	0	n/a
International property securities	4	0-11	3	0-11
Australian shares	20	10-30	20	12-28
International shares	19	9-29	19	10-28
Alternative assets	12	6-20	19	5-21

†The maximum exposure to growth assets for the OnePath Balanced Fund is 64%. International shares may include exposure to emerging market and/or global small cap securities.

OnePath Managed Growth Trust

Asset Class†	Previous		New – effective early December 2013	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	4	0-19	4	0-12
Australian fixed interest	10	0-25	8	0-17
International fixed interest	11	0-26	9	0-18
Australian property securities	2	0-9	0	n/a
International property securities	4	0-11	3	0-12
Australian shares	29	19-39	29	20-38
International shares	27	17-37	27	18-36
Alternative assets	13	7-21	20	6-21

† The maximum exposure to growth assets for the OnePath Managed Growth Fund is 84%. International shares may include exposure to emerging market and/or global small cap securities.

OnePath High Growth Trust

Asset Class†	Previous		New – effective early December 2013	
	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
Cash	0	0-10	0	0-9
Australian fixed interest	0	n/a	0	0-9
International fixed interest	0	n/a	0	0-9
Australian property securities	1	0-8	0	n/a
International property securities	4	0-11	3	0-13
Australian shares	40	25-65	43	33-53
International shares	43	28-63	42	32-52
Alternative assets	12	7-20	12	3-21

† International equities may include exposure to emerging market and/or global small cap securities.

Investments in alternative assets

Each of the Funds, as well as the funds listed below, have investments in alternative assets:

- OnePath Income Trust
- OnePath Capital Stable Trust, and
- OnePath Active Growth Trust.

Alternative assets may include investments such as private equity, infrastructure, real estate and hedge funds. These types of assets provide increased diversification, but may require a longer period of time to liquidate (i.e. more than 30 days). From early December 2013, each of the Funds, and the funds listed above, will have a limited exposure to assets with varying liquidity. It is expected that these investments will allow the Funds, and the funds listed above, to deliver more consistent returns.

Which Product Disclosure Statements (PDSs) are affected by these changes?

- OneAnswer Frontier Investment Portfolio PDS
- OneAnswer Investment Portfolio PDS (closed to new investors)
- OptiMix Wholesale Conservative Trust PDS
- OptiMix Wholesale Moderate Trust PDS
- OptiMix Wholesale Balanced Trust PDS
- OptiMix Wholesale Growth Trust PDS
- OptiMix Wholesale High Growth Trust PDS
- OnePath Wholesale Balanced Trust PDS
- OnePath Wholesale Managed Growth Trust PDS
- OnePath Wholesale High Growth Trust PDS

Please note these changes will be reflected in the relevant PDS at their next reissue.

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

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