

# Notification of termination and wind-up of investment funds

In March 2012, a number of investment funds/options ('funds') which are already closed to new investors, will be terminated or wound-up and existing members' balances will be moved out to another investment fund. For OneAnswer Investment Portfolio, impacted clients will have their investments returned to them.

## Which funds will be terminated and wound-up?

The investment funds to be terminated and wound-up are as follows:

- ANZ Flexible Term Deposit Fund (OneAnswer Personal Super and Pension options only)
- ING Sustainable Global Shares (Corporate Super only)
- A range of other specialist global equity funds managed by ING Investment Management Limited (INGIM):
  - ING Global High Dividend
  - ING Global Sector
  - ING European Shares

These investment funds have been offered through one or more of the following products: OneAnswer Investment Portfolio, OneAnswer Personal Super, OneAnswer Pension, OneAnswer Term Allocated Pension, Corporate Super, Integra Super, ANZ Super Advantage, Deferred Annuity and Allocated Annuity products.

## Why is the ANZ Flexible Term Deposit Fund investment option being wound-up?

The Federal Government guarantee has expired on this Fund. Therefore the key benefit of being invested in this fund versus the ANZ Cash Advantage fund has been removed. ANZ Cash Advantage is open to new investments, currently provides a higher interest rate than ANZ Flexible Term Deposit Fund, has no Ongoing Fee and has the same investment strategy, objective and underlying investments. Members in the ANZ Flexible Term Deposit Fund within OneAnswer Personal Super and Pension are therefore being moved into ANZ Cash Advantage to take advantage of these benefits unless they provide us with alternative instructions.

The ANZ Flexible Term Deposit Fund offered through OneAnswer Investment Portfolio will continue to be managed and investors are not being moved at this stage.

## Why is the ING Sustainable Global Shares investment option being wound-up?

The underlying investment fund into which the fund invests will no longer be managed by the current investment manager, INGIM. This is the result of INGIM being purchased by UBS Global Asset Management (Australia) Limited (UBS) last year. Despite a search process, a suitable replacement investment manager has not been found.

In addition, given the relatively small size of the underlying investment fund, the potential for increased costs to be levied and the uncertainty around whether the underlying investment fund will be able to effectively meet its investment objectives and achieve an appropriate investment performance, it has been decided to discontinue the investment option and redeem members' investments from the underlying investment.

Given the investment option will be discontinued, application, redemption or switch requests in respect of the fund will not be processed until after the fund's assets are redeemed from the underlying investment after 23 March 2012.

## **Why are the other funds terminating or being wound-up?**

As mentioned above, last year the current investment manager, INGIM, was purchased by UBS. Many of INGIM's capabilities will transfer to UBS, however there are a number of funds/investment options which are already closed to new investments, namely the Global High Dividend, Global Sector and European Shares, which due to their small size of funds under management will no longer be managed.

OnePath has conducted a review to find appropriate replacement managers but due to the small size of the funds, and the fact that they are already closed, no manager could be found without an increase in the costs of management, which would make it difficult for the funds/investment options to meet their objectives.

In order to protect investors' and members' interests, OnePath has decided to terminate or wind-up these funds. OneAnswer Investment Portfolio investors will receive the proceeds of their investment. Super and pension members' investments will be switched out to replacement funds, unless they provide alternative instructions.

Given these funds are terminating or closing and will be wound-up any application, redemption or switch requests in respect of them will not be processed until after the assets are redeemed on or after 23 March 2012.

## **What does this mean for investors and members in these investment funds?**

Super and pension members in the ANZ Flexible Term Deposit Fund will have their investment transferred to ANZ Cash Advantage after 9 March 2012, unless they wish to provide alternative instructions by 5.00pm on 9 March 2012.

Corporate Super members invested in the ING Sustainable Global Shares fund will be transferred to OnePath Cash after 23 March 2012 unless they provide alternative instructions by 5.00pm on 9 March 2012.

Super and pension members invested in the other investment funds to be wound up will be transferred to a replacement fund after 23 March 2012, unless they wish to provide alternative instructions by 5.00pm on 9 March 2012.

Super and pension members will be given the opportunity to provide alternative instructions prior to us switching their investment to a replacement investment option. These members may instruct us to switch their investment to another investment option, transfer their investment to another superannuation arrangement or withdraw their investment where they satisfy a condition of release.

OneAnswer Investment Portfolio investors in the terminating funds will be provided with proceeds representing their investment in the weeks following 23 March 2012.

## **How are we communicating with investors and members?**

Investors and members in the affected investment funds will be notified in writing to advise them of how their investments are affected and the options available to them.

They will also be advised when they may expect to receive proceeds and/or when transfer of their investments to alternative funds will be complete.

## **Any questions?**

If you have any questions regarding the funds being terminated or wound-up, please:

- call Customer Services on 1800 195 487, weekdays between 9.00am and 5.00pm (Sydney time)
- email us at [customer@onepath.com.au](mailto:customer@onepath.com.au).

This information is current at February 2012 but may be subject to change. This information has been produced and is issued by OnePath Funds Management Limited (ABN 21 003 002 800, AFSL 238342), OnePath Custodians Pty Limited (ABN 12 008 508 496, AFSL 238346, RSE L0000673) and OnePath Life Limited (ABN 33 009 657 176, AFSL 238341) (together the 'issuers'). The issuers are wholly owned subsidiaries of Australian and New Zealand Banking Group Limited (ABN 11 005 357 522) (ANZ). ANZ is an authorised deposit taking institution (Bank) under the Banking Act 1959 (Cth). Although the issuers are owned by ANZ they are not Banks. Except as described in the relevant Product Disclosure Statement (PDS), an investment in the product are not a deposit or other liability of ANZ or its related group companies and none of them stands behind or guarantees the issuers of the capital or performance of an investment. An investment is subject to investment risk, including possible repayment delays and loss of income and principal invested. 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](http://onepath.com.au) or by calling Customer Services on 133 665.