

Lifepan Supplementary Product Disclosure Statement

This is a Supplementary Product Disclosure Statement (SPDS) in relation to each of the following Product Disclosure Statements (each a PDS) issued by Lifepan Australia Friendly Society Limited, ABN 78 087 649 492, AFSL 237989 (Lifepan).

Lifepan NextGen Investments Product Disclosure Statement dated 27 June 2008;

Lifepan Education Investment Fund Product Disclosure Statement dated 1 December 2008;

Lifepan Tax Minimiser Investment Bond Product Disclosure Statement dated 21 October 2005 as supplemented by the Supplementary Product Disclosure Statement dated 14 August 2007;

Lifepan Education Savings Plan Product Disclosure Statement dated 10 October 2003 as supplemented by the Supplementary Product Disclosure Statement dated 1 October 2008;

Lifepan TaxSmart Investments Product Disclosure Statement dated 1 February 2007; and

Lifepan FlexiGrowth Investment Product Disclosure Statement dated 4 October 2006.

Lifepan Supplementary Disclosure Document

Information contained in this document also supplements the **Lifepan Tax Minimiser Funeral Bond Disclosure Document** dated 22 May 2008 (Disclosure Document).

You should read this SPDS together with the relevant PDS. This SPDS is dated 6 August 2009. The relevant PDS may be updated or reissued from time to time. Upon the relevant PDS being reissued, this SPDS ceases to have effect in relation to the reissued PDS. You should check to ensure that you have a copy of the most recent document. You can obtain the latest PDS at lifepan.com.au

If you decide to apply for a product through a PDS mentioned on the cover of this SPDS, you will need to complete the Acknowledgement Slip at the end of this document and return it to us together with your Application Form, otherwise your application might not be able to be processed.

Australian Unity Limited ABN 23 087 648 888 (Australian Unity) has given and has not, before the issue of this document, withdrawn its written consent to the inclusion of statements attributed or related to it in this document, in the form and context in which they are included.



Dated 6 August 2009.
Issued by Lifepan Funds Management.

Part A – Membership Changes

The following information supplements each PDS listed on the cover of this SPDS:

Proposed Merger

Lifeplan and Australian Unity will merge, subject to certain approvals being obtained. The proposed merger will take effect on the Effective Date which is expected to be in or about August 2009.

The websites for Lifeplan lifeplan.com.au and Australian Unity australianunity.com.au will each contain clear notification if the necessary approvals have been obtained. The websites will also confirm the Effective Date.

It is the intention that the merged organisation will continue to offer and enhance Lifeplan's product range, under the Lifeplan brand. Apart from the changes described in this SPDS, there are no other changes to Lifeplan's products as an immediate consequence of the merger.

Should the merger proceed, the following will apply:

Investing on or prior to the Effective Date

When you invest in a Lifeplan product (upon Lifeplan accepting your application) on or prior to the Effective Date, you become subject to the rights and obligations set out in the applicable approved benefit fund rules and the Constitution of Lifeplan. Provided that you still hold the product then immediately after the Effective Date, you will become a member of Australian Unity.

You will then be subject to the rights and obligations set out in the Constitution of Australian Unity and will cease to be a member of Lifeplan, but you will remain a member of the relevant Lifeplan benefit fund or funds that relates to your product or products. The Australian Unity Constitution operates as a contract between Australian Unity and its members.

Investing after the Effective Date

When you invest in a Lifeplan product after the Effective Date you will become a member of the relevant Lifeplan benefit fund, but you will not become a member of Lifeplan. You will be taken to have applied for and to have consented to become a member of Australian Unity. Two years following acceptance of your application, you are eligible to become a member of Australian Unity provided you have retained the product for that period. If accepted by Australian Unity, you will also be subject to the rights and obligations set out in the Constitution of Australian Unity. The Australian Unity Constitution operates as a contract between Australian Unity and its members.

Use of Your Information

The relevant PDS contains information on how Lifeplan collects, uses and discloses your personal information. In the section of the relevant PDS titled 'What happens to my personal information?' references to the Lifeplan Group are deleted and replaced with 'the Australian Unity Group'. Lifeplan will also disclose information such as your name, contact details and product details to Australian Unity for the purpose of Australian Unity maintaining a register of its members and administering its memberships.

Part B – Child's Advancement Policies

The following information supplements each PDS listed below:

- **Lifeplan NextGen Investments** Product Disclosure Statement dated 27 June 2008;
- **Lifeplan Tax Minimiser Investment Bond** Product Disclosure Statement dated 21 October 2005 as supplemented by the Supplementary Product Disclosure Statement dated 14 August 2007; and
- **Lifeplan TaxSmart Investments** Product Disclosure Statement dated 1 February 2007.

Child's Advancement Policies

If the child nominated under a Child's Advancement Policy attains the vesting age on or prior to the Effective Date, they become the product owner and will be subject to the rights and obligations set out in the approved benefit fund rules applicable to the Child's Advancement Policy and the Constitution of Lifeplan. Immediately after the Effective Date, they will become a member of Australian Unity. They will then be subject to the rights and obligations set out in the Constitution of Australian Unity and will cease to be a member of Lifeplan, but will remain a member of the relevant benefit fund.

Part B – Child’s Advancement Policies (continued)

The Australian Unity Constitution operates as a contract between Australian Unity and its members.

If the child nominated under a Child’s Advancement Policy attains the vesting age after the Effective Date, they become the product owner and member of the relevant benefit fund, but they will not become a member of Lifeplan.

The eligibility and admission requirements applicable to them becoming a member of Australian Unity at that time will be set out in specific Australian Unity policies and procedures relevant to the Child’s Advancement Policy and will be available to you after the Effective Date.

Part C – Lifeplan NextGen Investments Wealth Preserver Feature

The following information supplements the PDS listed below:

- **Lifeplan NextGen Investments** Product Disclosure Statement dated 27 June 2008.

Lifeplan NextGen Investments Wealth Preserver Feature

If the NextGen Wealth Preserver Feature is activated on or prior to the Effective Date, the nominated beneficiary will become a product owner and will be subject to the rights and obligations set out in the approved benefit fund rules applicable to Lifeplan NextGen Investments and the Constitution of Lifeplan. Immediately after the Effective Date, they will become a member of Australian Unity.

They will then be subject to the rights and obligations set out in the Constitution of Australian Unity and will cease to be a member of Lifeplan, but will remain a member of the Lifeplan NextGen Investments benefit fund. The Australian Unity Constitution operates as a contract between Australian Unity and its members.

If the NextGen Investments Wealth Preserver Feature is activated after the Effective Date, the nominated beneficiary will become a product owner and member of the Lifeplan NextGen Investments benefit fund, but they will not become a member of Lifeplan. Two years following becoming the product owner, they are eligible to become a member of Australian Unity provided they retain the product for that period.

Part D – Lifeplan Tax Minimiser Funeral Bond

The following information supplements the document listed below, but this Part D does not form part of the SPDS:

- **Lifeplan Tax Minimiser Funeral Bond** Disclosure Document dated 22 May 2008.

Lifeplan Tax Minimiser Funeral Bond

The information contained in this Part D should be read together with the Disclosure Document. The Disclosure Document may be updated or reissued from time to time. Upon the Disclosure Document being reissued, this Supplementary Disclosure Document ceases to have effect in relation to the reissued Disclosure Document.

You should check to ensure that you have a copy of the most recent document. You can obtain the latest Disclosure Document at lifeplan.com.au

If you decide to apply for the Lifeplan Tax Minimiser Funeral Bond, you will need to complete the Acknowledgement Slip at the end of this document and return it to us together with your Application Form, otherwise your application might not be able to be processed.

The ‘Membership Changes’ set out in Part A above are incorporated into this Part D as if references in Part A to ‘PDS’ are references to the Disclosure Document, and they prevail to the extent of any inconsistency with the Disclosure Document (including the Application Form for the Disclosure Document).

Acknowledgement Slip

If you wish to invest in a Lifeplan product that the SPDS or Supplementary Disclosure Document applies to, please complete this Acknowledgement Slip and return it to Lifeplan together with the appropriate Application Form. Applications will only be processed on receipt of this Acknowledgement Slip together with the completed Application Form issued in the relevant PDS or Disclosure Document.

I/We apply to invest in a Lifeplan Australia Friendly Society Limited (ABN 78 087 649 492, AFSL 237989) product and acknowledge and agree that:

- I/We have read and understood and agree to be bound by the terms and conditions of the SPDS or Supplementary Disclosure Document (as applicable);
- No member of the Australian Unity Group guarantees the performance of my investment, nor any return of capital other than as disclosed in the relevant PDS or Disclosure Document (as applicable);
- The monies invested in a Lifeplan product do not represent investments in Lifeplan, nor with any member of the Australian Unity Group and are subject to investment risk; and
- Subject to the proposed merger taking place, that Lifeplan and its related bodies corporate may offer goods and services appropriate for my needs and interests. I/We consent to my information being disclosed between those entities, and to their use of my information for direct marketing (subject to my right of opt-out), product management and development and for other related purposes.

Signature(s) (All investors must sign and date this form)

Signature of Investor 1 (or company officer/power of attorney/trustee/guardian*)

Date

Signature of Investor 2 (or company officer/power of attorney/trustee/guardian*)

Date

* If applicant is under 16 years of age, the signature(s) of the applicant's consenting parents or legal guardians is/are required.



Directory

Lifeplan Funds Management
Lifeplan Australia Friendly Society Limited
ABN 78 087 649 492
AFS Licence 237989
(Lifeplan)

Customer Service
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Email enquiries@lifeplan.com.au
Website lifeplan.com.au
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Level 9, 520 Collins Street, Melbourne VIC 3000
Telephone (03) 9616 2444

Lifeplan Funds Management is a business name and a registered trademark of Lifeplan.

LP311/0809

Lifepan Tax Minimiser Funeral Bond

Capital guaranteed with tax and social security advantages
Designed to help you provide for future funeral expenses

Disclosure Document



Dated 22 May 2008.
Issued by Lifepan Funds Management.

Who is Lifeplan Funds Management?

Lifeplan Funds Management is a business name and registered trademark of Lifeplan Australia Friendly Society Limited ABN 78 087 649 492 (Lifeplan).

Lifeplan is a leading Australian specialist fund manager and provider of investment products, with total assets and funds under management of \$1.6 billion.

With over 160 years of investment tradition Lifeplan has grown to become a leading provider of Funeral Bonds, tax effective investment products and Education Savings Plans.

Important Information

The Lifeplan Tax Minimiser Funeral Bond (Funeral Bond) is a funeral expense policy offered by Lifeplan Australia Friendly Society Limited, ABN 78 087 649 492 AFS Licence 237989 (Lifeplan), which has also prepared this Disclosure Document (document). Lifeplan's contact details are set out in the Directory on the back cover of this document.

In this document, the terms 'us', 'we' and 'our' refer to Lifeplan. 'You' and 'your' refer to the applicant(s).

The benefits of the Funeral Bond are provided by the Lifeplan Tax Minimiser Funeral Bond Fund (the 'Fund').

Lifeplan guarantees to repay your net contributions and declared bonuses but cannot guarantee the Funeral Bond tax benefit or the level of future investment performance, which will fluctuate from year to year. Past performance should not be taken as an indication of current or future performance.

You may obtain an electronic copy of this document from lifeplan.com.au. You may obtain a paper copy of this document free of charge by contacting your financial adviser or calling Lifeplan on 1300 133 285.

Lifeplan invests the Fund's assets into portfolios managed by Colonial First State Global Asset Management (Australia) Limited ABN 89 114 194 311 AFS Licence 289017 (Colonial First State Global Asset Management), a wholly owned subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124 (Commonwealth Bank) AFS Licence 234945.

The Commonwealth Bank and its subsidiaries do not guarantee the Funeral Bond or any rights or obligations in respect of the Funeral Bond and are not issuing or underwriting the Funeral Bond. The Commonwealth Bank and its subsidiaries do not guarantee the performance of the Funeral Bond, the repayment of contributions and investment returns or the payment of the Funeral Bond tax benefit.

An investment in the Funeral Bond is not a deposit or other liability of the Commonwealth Bank or its subsidiaries. Lifeplan is not related to the Commonwealth Bank and its subsidiaries.

Neither the Commonwealth Bank nor any of its subsidiaries are responsible for any statement or information contained in this document apart from the statements and information under the heading 'About Colonial First State Global Asset Management' on page 7 of this document, which has been prepared in consultation with Colonial First State Global Asset Management. Colonial First State Global Asset Management has given and not withdrawn its consent to the inclusion of statements and to be named in this document.

The offer made in this document is available only to persons receiving this document within Australia.

All times and business days referred to in this document are Adelaide times and South Australian business days.

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Why should I consider Lifeplan Tax Minimiser Funeral Bond?

To plan ahead is to show you care

Bereavement affects the family and loved ones both emotionally and financially. But with a little forethought and pre-planning there is an opportunity to relieve some of the burden to those closest to us.

A Lifeplan Tax Minimiser Funeral Bond can help relieve some of the burden and contribute to the funeral planning process.

What is a Lifeplan Tax Minimiser Funeral Bond?

A Lifeplan Tax Minimiser Funeral Bond is a simple, safe and effective way to put money aside and accumulate benefits specifically to help meet the future cost of your funeral expenses. The Funeral Bond is capital guaranteed by Lifeplan and has valuable tax and social security advantages.

Even if you move interstate or your situation changes, your money is accessible whenever it is required to help meet the costs of your funeral.

The Funeral Bond is a type of life policy whereby your benefit becomes payable on death. The benefit must be used towards meeting the reasonable cost of your funeral expenses.

You can use your Funeral Bond with a pre-paid funeral

A Lifeplan Tax Minimiser Funeral Bond is very flexible. You can nominate or assign your Funeral Bond to a funeral director in conjunction with a pre-paid funeral contract. Alternatively, you can invest in the Funeral Bond, with an option of nominating a funeral director now or at a later date.

Features and benefits at a glance

| | |
|---------------------------------|---|
| Capital guaranteed | Your contributions and allocated income are capital guaranteed by Lifeplan. |
| Special purpose design | The Funeral Bond is specifically designed to save for future funeral expenses. |
| Joint applications | A Funeral Bond can be opened in single or joint names. Refer to page 6. |
| Taxation advantages | <ul style="list-style-type: none"> Your investment grows in a tax effective environment. You are not required to include allocated bonuses in your personal tax return each year. <p>For more information, refer to 'Tax and social security advantages' on page 8.</p> |
| Social security advantages | <p>Your investment is exempt from means tested government benefits, which may lead to improved social security entitlements.</p> <p>For more information, refer to 'Tax and social security advantages' on page 8.</p> |
| No restrictions | Membership is not restricted by age or health. |
| Minimum initial contribution | \$500 or \$75 with an Instalment Plan. |
| Minimum additional contribution | \$75 |
| Instalment Plan | Minimum monthly contribution of \$75. |
| Current contribution fee | Up to 4% of your contributions. Refer to page 9. |
| Current management fee | 1.5% pa. Refer to page 9. |
| Cooling off period | 14 days or more depending on your State or Territory of residence. |

The features above are not meant to provide all the information about the Lifeplan Tax Minimiser Funeral Bond. This document should be read in full before completing an application.

How does the Lifeplan Tax Minimiser Funeral Bond work?

Starting a Funeral Bond is easy

You can start a Funeral Bond by making a single lump sum contribution or by instalments. Simply complete the application form and indicate your preferred method of payment.

You can make contributions by cheque, direct debit or BPAY® from your Australian financial institution account.

Contribution limits

Minimum contribution

- **Lump Sum:** An initial contribution of at least \$500. Additional contributions of at least \$75 can be made at any time.
- **Instalment Plan:** An initial contribution of at least \$75 plus regular instalments of at least \$75 per month (quarterly instalments accepted).

Maximum contribution

- The sum of all your contributions is subject to a maximum limit of \$10,000 and will be indexed on 1 July each year. The total amount of your contributions should be reasonably commensurate with your anticipated funeral expenses.
- If you decide to enter into a pre-paid funeral contract with a funeral director, the maximum contribution limit will not apply but will depend upon the cost of your funeral.

Single or joint applications can be made

A Funeral Bond can be opened in single or joint names.

A Funeral Bond benefit can only be used to provide for one funeral, so if a policy is held in joint names, the benefit can only be used to pay for the expenses of a single funeral. Upon the death of one joint owner, the surviving Funeral Bond owner must choose to either continue the Funeral Bond or to have the benefits paid towards the funeral expenses.

Funeral Bonds opened in single or joint names are subject to the maximum contribution limit. Couples wishing to set aside more than the maximum contribution limit to meet the reasonable cost of their funeral expenses, or wishing to cover the cost of both funerals, should consider opening individual Funeral Bonds.

Can I withdraw any money from my account?

You cannot withdraw any money from your Funeral Bond policy prior to death. The Funeral Bond is designed for the sole purpose of meeting your future funeral expenses.

How is a benefit payment claimed?

Your funeral director or the legal representative of your estate must notify Lifeplan in writing following your death. A claim must be submitted in the form required with supporting documentation.

Lifeplan will pay the benefit to the executors of your estate, upon receiving satisfactory evidence that the funeral service has been performed.

If you invest in a Funeral Bond in conjunction with a pre-paid funeral contract with your nominated or assigned funeral director, Lifeplan will pay the benefit directly to your chosen funeral director, upon receiving satisfactory evidence that the funeral service under your funeral contract has been completed.

If your chosen funeral director is unable to provide the services under a pre-paid funeral contract, your policy can be used to pay for alternative funeral services in conjunction with the executor of your estate and in accordance with the specified conditions under the pre-paid funeral contract.

The provision of the specific arrangements under a pre-paid funeral contract is the responsibility of the funeral director.

It is important to tell your family or the executor appointed under your Will about the Funeral Bond or pre-paid funeral contract so that they are aware of your arrangements.

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How is your money managed?

Lifeplan invests the Fund's assets into portfolios managed by Colonial First State Global Asset Management.

About Colonial First State Global Asset Management



The Colonial First State Group is the wealth management arm of the Commonwealth Bank of Australia. The Group currently manages and administers more than \$150 billion of funds globally and is one of the largest fund managers in Australia. Globally, they have offices in Australia, New Zealand, United Kingdom, Hong Kong, Singapore and Indonesia.

What are bonuses and how are they calculated?

As at 30 June each year, Lifeplan declares a rate of return (called a bonus rate) that takes into account the investment income of the Funeral Bond over that year, tax on that income, the requirement to maintain sufficient reserves to support the capital guarantee and the ongoing fees and expenses. The value of your bonus is calculated on your daily investment balance in the Funeral Bond and is allocated to your investment as at 30 June. The bonus is automatically reinvested so that you get to benefit from the effect of 'interest earning interest' – allowing you to take advantage of the power of compounding returns.

An interim bonus rate is used for any period where a payment is made prior to an annual bonus declaration. The interim rate is set by Lifeplan based on actuarial advice and is a conservative estimate of the anticipated earning rate of the Funeral Bond.

How does the capital guarantee work?

Your investment in the Funeral Bond (which is your investment balance and declared bonuses, excluding any Funeral Bond tax benefit) is capital guaranteed by Lifeplan. This means that Lifeplan guarantees to pay the amount of your investment in the Funeral Bond at the time a benefit is due. Lifeplan's capital guarantee is supported by separate reserves that Lifeplan is required to maintain in accordance with legislation and on the advice of an independent actuary. These reserves are built up from the Funeral Bond's investment earnings before any bonus is allocated or Lifeplan receives its management fee.

Lifeplan does not guarantee the level of future investment performance, which will fluctuate from year to year.

Funeral Bond investment and performance information

| | | | |
|-----------------------------|---|------------------|--------------|
| Investment objective | The Funeral Bond aims to provide consistent, reliable and competitive returns generated from a portfolio of cash and fixed interest investments, backed by a capital guarantee from Lifeplan. | | |
| Investment strategy | To invest in a diversified portfolio of cash and fixed interest securities. | | |
| Asset allocation | | Benchmark | Range |
| | Cash | 75% | 15 – 100% |
| | Fixed interest | 25% | 0 – 85% |

You can obtain up to date information about the Funeral Bond, including a complete performance history from the start date of the Funeral Bond, by contacting Lifeplan on 1300 133 285 or visit lifeplan.com.au.

Will my pension be affected?

Your entitlement to a means tested pension or allowance paid by either Centrelink or the Department of Veterans' Affairs could be improved by your investment in the Funeral Bond. Either government agency will be able to advise you of your continued pension entitlement.

Under current laws, your investment in the Funeral Bond (including allocated bonuses) is designed to be exempt from both the assets test and deeming provisions of the income test for individuals in receipt of the age pension, service pension or any other means tested government benefit. In order to obtain this special exemption, an individual was until 31 December 2007 permitted to only have one funeral bond into which they had contributed in total no more than \$5,000. From 1 January 2008, the maximum contribution limit increased to \$10,000 and contributions can now be made to two exempt funeral bonds. The new maximum contribution limit will be indexed to the CPI on 1 July each year, commencing in July 2008. If you have contributed up to \$5,000 to a funeral bond until 31 December 2007, you will now be allowed to top-up your existing funeral bond with an additional contribution, so that you can take advantage of the new maximum contribution limit of \$10,000. You do not have to take out a second funeral bond to make a top-up contribution.

If you have transferred entitlement of your funeral bond proceeds to a funeral director in conjunction with a pre-paid funeral contract, no maximum contribution limit applies.

How does the Funeral Bond's tax concession work?

Tax on investment income of the Funeral Bond is paid by Lifeplan at the corporate rate, which is currently 30%. A tax concession comes about because Lifeplan is entitled to claim a deduction for the investment income component of a funeral benefit when paid. Through this deduction, Lifeplan expects to recover the tax paid on the investment income and will include its value in the benefit paid. The value of any tax recovered by Lifeplan is referred to in this document as the 'Funeral Bond tax benefit'.

How does this affect me?

You will not need to include the amount of bonus allocations in your personal tax return at any time before your death. Upon your death, the benefit will be paid to your estate. The growth component of your benefit (being the difference between your benefit and your net contributions) will be assessed in the hands of your estate. Lifeplan will forward to your executors a tax statement showing the assessable growth component to assist them in completing your estate's tax return.

How does this affect me if I have taken out a pre-paid funeral?

If you have transferred entitlement of your funeral bond proceeds to a funeral director in conjunction with a pre-paid funeral contract, you do not need to include the amount of bonus allocations in your personal tax return at any time – either before or after your death. The benefit paid after your death will be assessed in the hands of the funeral director.

Goods and Services Tax (GST)

GST will not apply to your funeral bond investment nor to the benefits payable on death. However, the provision of funeral services by a funeral director is subject to GST.

If you have nominated or assigned your funeral bond to a funeral director, they will discuss the application of GST to any pre-paid funeral contract you might enter into.

Laws may change

The social security and tax information provided in this document is current at the time of its preparation and is only intended to provide general guidance on how social security and tax laws may affect a contributor to the Lifeplan Tax Minimiser Funeral Bond. These laws may change from time to time. You should seek independent advice if you believe that your particular circumstances may be affected.

What are the fees and expenses?

All the current fees and charges that may apply to your investment are outlined in this section. We will give you 90 days notice before changing any of the fees we charge to the Funeral Bond.

| Type of fee or cost | Amount ¹ | How and when the fee is paid |
|--|--|--|
| Fee when your money moves in to the Fund | | |
| Contribution fee² The fee on each amount contributed to your investment. | Up to 4.00%. | A contribution fee of up to 4.00% will be deducted from your initial and any additional contributions. The contribution fee you pay is negotiated with your adviser, up to this maximum. Where you do not use an adviser, the maximum contribution fee applies. |
| Management fee^{2, 3} | | |
| The fees and costs for managing your investment. | 1.50% pa. | The management fee is calculated and expressed as a percentage of the daily gross market value of the Fund. The management fee is deducted periodically (usually monthly) from the Fund's investment income and is reflected in the declared bonus rates for the Fund. We do not charge management fees on the value of any Funeral Bond tax benefits. |
| Other charges which may apply | | |
| Adviser service fee You can agree to have this fee paid to your adviser directly from your investment. Refer to page 11 for further details. | Agreed between you and your financial adviser. | The fee is deducted from your investment. |

1. All figures disclosed include the net effect of GST.
2. This fee includes an amount payable to your adviser (refer to 'What is paid to your adviser?' on page 10).
3. The management fee and other costs are expenses and are treated as an allowable tax deduction within the Fund and the benefit is passed on to investors as part of the declared bonus rate.

What are the fees and expenses?

What is paid to your adviser?

The financial adviser providing you with advice in relation to your purchase of a Lifeplan Tax Minimiser Funeral Bond may receive payment ('remuneration') for the sale. Your adviser's remuneration is included in the charges previously shown and is not an additional cost to your investments (except for any remuneration that the adviser charges you directly as a fee for service).

Your adviser's remuneration may include an upfront commission not exceeding 4.4% of your initial and any additional contributions as well as an ongoing commission of 0.44% pa of your average investment balance. For example, if you make contributions of \$10,000, the adviser may receive an upfront payment not exceeding \$440 ($\$10,000 \times 4.4\%$) in respect of those contributions and if your average investment balance over a 12-month period is \$10,000, your adviser may also receive ongoing commission of \$44 ($\$10,000 \times 0.44\%$) over the 12-month period. These amounts are inclusive of GST. These examples are for illustrative purposes only. Lifeplan pays upfront commissions and ongoing commissions monthly to advisers.

The adviser may also receive other benefits in a variety of ways (for example, specialised product training and co-operative advertising). If these benefits are provided, they are paid for by Lifeplan and are not an extra amount paid from the Fund or your investment. Any payment we make to a financial adviser will be made in compliance with the Investment and Financial Services Association Industry Code of Practice on Alternative Forms of Remuneration.

Your adviser may rebate the ongoing commission

Your financial adviser can agree to rebate some or all of the ongoing commission. You can negotiate with your adviser a rebate of ongoing commission up to the maximum rebate percentage of 0.40% pa (excluding GST).

The rebate is calculated at the beginning of each month using your average investment balance (as determined by Lifeplan) during the previous month. It will be allocated to your investment normally within 10 business days after the end of the previous month.

When a death benefit becomes payable, the proceeds will include any unallocated rebate calculated to the end of the previous month. No rebate is allocated if you cancel your funeral bond within the cooling off period.

Example: If you agree with your adviser an ongoing commission rebate of 0.40% pa (the maximum rebate possible), and assume your average monthly investment balance is \$5,000, then the amount of rebate allocated to your investment would be calculated as $\$5,000 \times 0.40\% \text{ pa} = \20 pa or \$1.67 per month.

Taxation implications of the rebate

When a death benefit becomes payable, the ongoing commission rebate will form part of the proceeds of your funeral bond and be subject to tax as outlined in 'Tax and social security advantages' on page 8.

Adviser service fee

This is a fee that you may agree with your financial adviser for the provision of advice and services. This fee is optional and is negotiated with your adviser. Lifeplan does not retain this fee.

You and your adviser can agree to have the adviser service fee charged as an **ongoing fee** and/or a **one-off fee**.

An **ongoing fee** can be charged as:

- A percentage of your investment balance. This fee is calculated at the beginning of each month and is based on your average investment balance during the previous month, or
- A set dollar amount.

Ongoing adviser service fees are normally deducted from your investment within 10 business days after the end of the previous month.

A **one-off fee** can only be charged as a set dollar amount.

The fee is paid to your adviser shortly after it is deducted from your investment.

We may (at our discretion) refuse to deduct an adviser service fee.

Example, percentage fee: If you agree with your adviser an ongoing adviser service fee of 0.50% pa, and we assume your average monthly balance is \$5,000, then the amount deducted from your investment would be calculated as $(\$5,000 \times 0.50\% \text{ pa}) = \25 pa or \$2.08 per month.

Example, set dollar fee: If a fee of \$240 pa is agreed, the amount deducted from your investment would be calculated as $\$240 \text{ pa} / 12 = \20 per month .

Dishonour fees

Dishonour fees are charged when there are insufficient funds in your bank account to meet an Instalment Plan direct debit resulting in the contribution being dishonoured. While we do not currently charge a dishonour fee, we may at our discretion, seek reimbursement from you for any costs we incur as a result of the dishonour by deducting the cost from your funeral bond investment.

Other operating expenses

The Fund may be charged a range of ongoing operating expenses, which include but are not limited to, taxation advice, audit services, registry services and the preparation of accounts and disclosure documents. However, we currently meet the cost of all these expenses ourselves and will continue to do so until we advise you otherwise.

As investment manager, Colonial First State Global Asset Management are entitled to be reimbursed directly from any underlying portfolio they manage, a range of ongoing operating expenses (such as audit, taxation advice and offer documents). They currently meet the cost of all these expenses themselves and will continue to do so until they advise Lifeplan otherwise.

Lifeplan will notify you if any changes to these expense arrangements will lead to an increase in expenses charged to the Fund.

Other fees

We do not currently charge exit fees, administration fees or any other type of transaction costs to the Fund or to your funeral bond (apart from the fees disclosed in this document). We will give you 90 days notice before changing any of the fees we charge to the Funeral Bond.

What else do I need to know?

What information will I receive?

You will receive:

- Confirmation of your contributions.
- An annual communications pack providing the following information:
 - An annual statement.
 - The current value of your funeral bond investment.
 - A summary of all transactions over the previous 12 months.
 - Information about the investment performance of the Funeral Bond.
- Confirmation of any changes to direct debit arrangements.

If you have nominated or assigned your benefit to a funeral director, all correspondence including the annual statement will be sent to your chosen funeral director.

What is my relationship with Lifeplan?

When you become a contributor to the Lifeplan Tax Minimiser Funeral Bond, you become a member of Lifeplan. Legislation provides that the Constitution of Lifeplan has effect as a contract between its members and between each member and Lifeplan. Accordingly, members are bound by the provisions of the Constitution of Lifeplan.

What are my rights as a member of Lifeplan?

In accordance with Lifeplan's Constitution, membership rights additional to other rights disclosed throughout this document include the right to:

- Inspect a copy of the audited financial reports of Lifeplan incorporating information on the Lifeplan Tax Minimiser Funeral Bond and can be obtained from the current Annual Report, which is available on request and free of charge from the offices of Lifeplan or on our website lifeplan.com.au.
- Receive notice of, attend and vote at general meetings of members of Lifeplan.

Your entitlement in the Lifeplan Tax Minimiser Funeral Bond gives you a proportional interest in the assets of the Funeral Bond as a whole, but not in any particular asset of the Funeral Bond or in any other Lifeplan fund.

Assigning my rights to a funeral director

If you enter into a pre-paid funeral contract with a funeral director, you may assign your membership rights and your benefit entitlement to a funeral director or to an approved trustee (ie. a trustee that will hold moneys pursuant to a pre-paid funeral contract for payment to your funeral director in accordance with the pre-paid funeral contract). You may not assign your membership rights and benefit entitlement to any other person. If you assign your interest in the Funeral Bond to a funeral director or trustee, you pass all the member rights to the assignee.

If you wish to assign your rights, please contact Lifeplan on 1300 133 285 during business hours and we will send an assignment form to you. Depending on your State or Territory of residence, stamp duty may be payable on an assignment and would be debited to your investment.

Nominating a funeral director

You may nominate a funeral director (or an approved trustee) to receive your benefit entitlement. You may not nominate any other person. A properly completed nomination requires Lifeplan to pay the benefit entitlement to the nominated funeral director or trustee upon receipt of satisfactory evidence of completion of funeral services.

You may revoke or change your nomination at any time, unless you have linked your funeral bond to a prepaid contract, in which case, consent is required by the funeral director.

If you wish to nominate a funeral director, please contact Lifeplan on 1300 133 285 during business hours and we will send a nomination form to you.

Can I change my nominated or assigned funeral director after I have entered into a pre-paid funeral contract?

An assigned Funeral Bond may only be re-assigned, or a nominated funeral director may only be altered, with the consent of the existing funeral director.

Changing your nomination or assignment without first obtaining that consent may mean that you are in breach of the pre-paid funeral contract and this may have consequences for you or your estate and for the funeral director who ultimately carries out your funeral service. You should make sure therefore that you understand the terms of your pre-paid funeral contract before changing your nomination or assignment.

Any changes must be notified to Lifeplan in writing.

How does the cooling off period work?

If you choose to cancel your funeral bond you have 14 days (unless a longer period applies according to specific State or Territory legislation) to cancel your application, by written notice to Lifeplan.

The cancellation period starts when you receive notification your application for membership has been accepted or 5 days after your contributions were processed and allocated to your funeral bond policy, whichever is earlier, unless otherwise specified by your State or Territory legislation.

If you cancel during this cooling off period, you will not incur any exit fees from Lifeplan, however some States or Territories provide for the funeral director to receive a processing fee determined in accordance with the relevant legislation. Any applicable processing fee will be deducted from your refund and remitted to the funeral director.

Change of address

If you change your address, you should notify Lifeplan of your new address as soon as possible.

How is Lifeplan regulated?

The operations of Lifeplan are governed by its Constitution (which may be amended from time to time), the Corporations Act 2001 and the Life Insurance Act 1995, which together set out the conditions under which Lifeplan is required to operate. You can inspect or obtain free of charge a copy of Lifeplan's Constitution, which includes the governing rules of the Lifeplan Tax Minimiser Funeral Bond.

Lifeplan and the Lifeplan Tax Minimiser Funeral Bond are regulated by the Australian Prudential Regulation Authority under the Life Insurance Act and the Australian Securities and Investments Commission under the Corporations Act.

The Lifeplan Tax Minimiser Funeral Bond is issued from the Lifeplan Tax Minimiser Funeral Bond Fund, a benefit fund maintained by Lifeplan which is kept separate and distinct from the other assets held by Lifeplan.

What happens to my personal information?

Lifeplan collects from you and holds personal information such as your date of birth and address.

Lifeplan needs this information to make sure that details about your investment, and other Lifeplan products and services you may use, are accurate, to administer your investment and to contact you when necessary. We may also provide your personal information to service providers used to assist Lifeplan with its administration and investor communications. This information is provided on a strictly confidential basis and will only be used for the purposes of the Lifeplan group.

If you used a funeral director or financial adviser who recommended your investment in the Lifeplan Tax Minimiser Funeral Bond (as indicated on your application form), then your details (including ongoing policy details) may be provided to that funeral director, adviser and their firm.

You can gain access to your personal information and advise us at any time if it is inaccurate or incomplete.

Lifeplan may from time to time provide you with a newsletter containing valuable information about the Lifeplan group and its financial products and other services and unless you request otherwise, you authorise Lifeplan to forward the abovementioned information. If you do not want to receive any of this information, or you wish to change any of your personal details, you may contact the Privacy Liaison Officer on 1300 133 285.

What else do I need to know?

What happens if I wish to make a complaint?

We have procedures in place to properly consider and deal with any enquiries and complaints that you may have.

If you advise us of a complaint, we will:

- Promptly acknowledge receipt of your complaint.
- Thoroughly investigate the complaint.
- Formally respond to you within 45 days of receipt of the complaint, advising you of the outcome and of options available to you in order to reach a satisfactory resolution.

If you have a complaint or any other enquiry you may contact us on 1300 133 285 or alternatively you may write to:

The Customer Services Manager
Lifeplan Funds Management
Reply Paid 89 (no stamp required)
Adelaide SA 5001

If you feel that your complaint has not been adequately addressed, you may contact the external dispute resolution scheme, the Financial Industry Complaints Service. Their address is PO Box 579, Collins Street West, Melbourne, Victoria 8007 and their toll free telephone number is 1800 335 405 and their fax number is (03) 9621 2291.

What investments can the Funeral Bond hold?

The governing rules of the Lifeplan Tax Minimiser Funeral Bond provide Lifeplan with significant discretion about what investments (including financial derivatives) may be held by the Fund. Investments may be held directly or indirectly via registered managed investment schemes and/or unlisted funds. This document outlines the investments intended to be held.

We aim to manage and operate the Lifeplan Tax Minimiser Funeral Bond in the best interests of investors and it is sometimes necessary for us to:

- Add to or remove from the range of investments in which the Fund may invest.
- Close or terminate the Fund.
- Change the investment approach used by the Fund.

The governing rules of the Lifeplan Tax Minimiser Funeral Bond do not permit Lifeplan to borrow on behalf of the Fund.

Terms and conditions for fax communications

Investors completing an application are taken to agree to the following conditions:

- We will only act on fax instructions that meet the requirements listed below. If your fax instructions do not meet these requirements, we may refuse to act on them or refuse to act unless your fax instructions have been confirmed by other means. We will not be liable for and will not compensate you for any loss or delay resulting from the non-receipt of any fax transmission.
- We will not be responsible to you and we will not compensate you for any loss for any action undertaken on receipt of a fax communication that to all intents and purposes appears to have been authorised by the correct signatories.
- You will release and indemnify Lifeplan against all losses and liabilities arising from any payment or action that we may or may not take based on any instruction (which may appear to have been signed by the authorised signatories) that is received by us.

Requirements for fax instructions

If you wish to give us instructions by fax in relation to your account (eg. amend your records in any way), you must:

- Send the fax to 'Lifeplan Funds Management' on fax number (08) 8212 2790, or such other fax number that we may advise from time to time.
- Ensure the fax is dated and signed by all the authorised signatories to the investment.
- Include the names of all the investors, the account number(s) and sufficient information to enable us to complete the transaction.

Direct debit client service agreement

By completing and signing the Direct Debit Request Authorisation included in the application form, you authorise us to draw on your nominated account with the following understanding:

- We will advise you in writing of any change to this direct debit client service agreement at least 14 calendar days prior to the date of any such change.
- Where the due date of the debit to be made falls on a non business day, we will draw the amount on the next business day.
- We will not change the amount or frequency of drawing arrangements without your prior approval.
- If you are making a once only lump sum payment, we will deduct this amount only once from your account nominated on the application form. Lifeplan will require 3 business days notice. No further deductions will take place under this direct debit client service agreement.
- We reserve the right to cancel the direct debit arrangements if 3 or more drawings are returned unpaid by your nominated financial institution and to arrange with you an alternate payment method. We may, at our discretion, pass on to you any costs we incur due to any direct debit refusal by deducting the cost from your investment.
- We will collect, retain and use your personal information in accordance with our privacy statement under 'What happens to my personal information?' on page 13 of this document.
- We will resolve any dispute about a direct debit drawing within 7 business days and in the course of resolution we may share information with Lifeplan's direct debit sponsor.

Your rights

- You may terminate the direct debit arrangements at any time by giving written notice to us. Such notice should be received by us at least 3 business days prior to the due date.
- You may stop payment of a direct debit under the agreed arrangements by giving us written notice. Such notice should be received by us at least 3 business days prior to the due date.
- You may change the direct debit amount by advising us in writing of your requirements no less than 3 business days prior to the due date.

- You may dispute a direct debit drawing by advising us in writing of the full details of the transaction. You must include the account numbers of both the account to be debited and credited, the amount, date, nature and circumstances of the disputed transaction. Lifeplan will investigate your claim and in the event of a debit being transacted incorrectly a full refund will be provided within 7 business days.

Your commitment to us

- It is your responsibility to ensure that the nominated account can accept direct debits and that sufficient cleared funds are available in the nominated account to meet a drawing on its due date.
- It is your responsibility to ensure that the authorisation given to draw on the nominated account is identical to the account signing instruction held by the financial institution where the account is based.
- It is your responsibility to advise us in writing if the account nominated by you to be debited is transferred or closed.
- It is your responsibility to arrange with us a suitable alternate payment method if the direct debit arrangements are cancelled either by yourself or the nominated financial institution.
- It is your responsibility to contact Lifeplan direct for any query or dispute in relation to any direct debit transactions. Please direct all telephone enquiries to 1300 133 285.
- It is your responsibility to meet any charges you may incur from your use of the direct debit system.

Transaction processing times

If we receive complete documentation for your contributions by 2:30pm Adelaide time on a business day, your contributions will be processed and will start to earn income that day. Transactions received after this time are processed the following business day.

Application Form Checklist

Help us process your application quickly by using the checklist below.

Steps 1 & 2 – Personal and Contact Details

- Insert your full name, not initials, when completing the form. For applications signed under a power of attorney please provide a copy of the power of attorney.
- Applications in two names are treated as joint tenants. If you require two separate funeral bonds you must complete two separate application forms. Note that Funeral Bonds opened in single or joint names are subject to the maximum contribution limit (which is currently \$10,000). Couples wishing to set aside more than the maximum contribution limit to meet the reasonable cost of their funeral expenses, or wishing to cover the cost of both funerals, should consider opening individual Funeral Bonds.
- Applicants must be at least 16 years of age.
- Provide your contact details in step 2.

Steps 3 & 4 – Contribution and Financial Institution Account Details

- Check you have completed your contribution and payment details, including whether you wish to contribute under an Instalment Plan (step 3).
- If you send us a cheque, cross it 'Not Negotiable' and make it payable to: **'Lifeplan Australia Friendly Society Limited, <Investor name>'**.
- If you are investing by direct debit, check you have completed the account details and signed the Direct Debit Request Authorisation so that we can debit your initial contribution and/or Instalment Plan contributions from your nominated financial institution account (step 4).

Step 5 – Adviser Service Fee (optional)

- Complete the details of any adviser service fee that has been agreed between yourself and your adviser.

Step 6 – Declaration

- All applicants are required to sign and date the application form.

Lodging your application form

Your application cannot be accepted unless personally signed by all the applicant(s).

To help us process your application efficiently, please check that all applicants have signed and dated the form(s) including the Direct Debit Authority if you are participating in the Instalment Plan.

You can lodge your completed application form by mailing it to the following reply paid address, or if you prefer, your adviser can lodge the form for you:

Lifeplan Funds Management
Reply Paid 89 (no stamp required)
Adelaide SA 5001

Please note we do not accept cash deposits.

Lifeplan Tax Minimiser Funeral Bond Application Form



Lifeplan Australia Friendly Society Limited ABN 78 087 649 492 AFS Licence 237989
Disclosure Document dated 22 May 2008
Forward to Lifeplan Funds Management, Reply Paid 89, Adelaide SA 5001

Please use BLACK INK and print within the boxes in CAPITAL letters. Mark all answer boxes with a cross (X).

1. PERSONAL DETAILS

APPLICANT 1

Title Mr Mrs Ms Miss Other (please specify)

Given names

Surname

Date of Birth

APPLICANT 2

Title Mr Mrs Ms Miss Other (please specify)

Given names

Surname

Date of Birth

If you require two separate Funeral Bonds you must complete two separate application forms.

2. CONTACT DETAILS

Residential address

Suburb

State Postcode

Phone (Day) Mobile Phone

Email address

3. CONTRIBUTION DETAILS

I/We wish to make (please tick one box)

A. **Lump sum:** A contribution of \$

I/We will be paying my/our contribution by Direct Debit BPAY® Cheque

Collection date for Direct Debit (At least 3 business days notice is required. Complete step 4.)

If paying by BPAY®, contact Lifeplan to obtain a reference number.

If paying by cheque, make payable to 'Lifeplan Australia Friendly Society Limited, <Investor name>' and cross it 'Not Negotiable'.



6. DECLARATION

I/We apply to contribute to the Lifeplan Tax Minimiser Funeral Bond and agree that:

- The information I/we have provided in this application is true and correct.
- I/We have read the Disclosure Document dated 22 May 2008.
- I/We are subject to the terms and conditions of the Disclosure Document and the Constitution of Lifeplan, which includes the governing rules of the Lifeplan Tax Minimiser Funeral Bond, as amended from time to time.
- Lifeplan is authorised to supply relevant information about me/us and my/our investment to the adviser whose name appears on this application form.
- My/Our adviser will receive the payments detailed in this Disclosure Document and this application form including, where applicable, through the redemption of funds from my/our investment.

I/We declare that the amount paid to the Lifeplan Tax Minimiser Funeral Bond together with the amount paid to other funeral funds does not exceed the amount reasonably required to meet the cost of my/our desired funeral arrangements.

I/We acknowledge that no amount may be withdrawn from the Lifeplan Tax Minimiser Funeral Bond until an entitlement arises on death, except in accordance with the cooling off period.

I/We acknowledge that neither Colonial First State Global Asset Management, Commonwealth Bank of Australia nor its subsidiaries guarantees the payment of my/our investment in the Lifeplan Tax Minimiser Funeral Bond or any particular rate of return.

I/We understand that Lifeplan guarantees the payment of my/our investment in the Lifeplan Tax Minimiser Funeral Bond but does not guarantee the level of future investment performance or the Funeral Bond tax benefit.

Signed by Applicant(s) Power of Attorney

Signature(s) (All applicants must sign and date this form)

Signature of Applicant 1
(or power of attorney*)

Signature of Applicant 2
(or power of attorney*)

[Signature box for Applicant 1]

[Signature box for Applicant 2]

Print name

[Print name grid for Applicant 1]

Print name

[Print name grid for Applicant 2]

Date

[Date grid for Applicant 1]

Date

[Date grid for Applicant 2]

* Please provide a copy of the power of attorney.





ADVISER USE ONLY (ONLY COMPLETE APPLICABLE SECTIONS)

Adviser name

Referring branch Depositing branch

Dealer group

Phone (Day) Fax number

Adviser ID

Adviser please note: Attach your business card.

Adviser commission details

A. Contribution fee

Please indicate below the total contribution fee percentage (excluding GST) to be charged to the investor up to a maximum of 4.00%.

Initial investment . %

Additional investment . %

Instalment Plan . %

Where no contribution fee has been nominated or a contribution fee has been requested which is greater than the maximum fee of 4.00%, the maximum will apply.

B. Ongoing commission

Please indicate the percentage of ongoing commission you have agreed with the investor to receive (excluding GST) up to a maximum of 0.40% pa.

0 . % pa

Where no ongoing commission rate has been nominated, the maximum rate of 0.40% pa will apply.

The difference between the maximum rate of 0.40% pa and the amount indicated, excluding GST, will be rebated to your client's investment.

OFFICE USE ONLY

Receipt No. Eff. Date

The Lifeplan Tax Minimiser Funeral Bond is issued by Lifeplan Australia Friendly Society Limited ABN 78 087 649 492 AFS Licence 237989.



Notes

Notes



Directory

Lifeplan Funds Management

Lifeplan Australia Friendly Society Limited
ABN 78 087 649 492
AFS Licence 237989
(Lifeplan)

Customer Service

Telephone 1300 133 285
Facsimile (08) 8212 2790
Email enquiries@lifeplan.com.au
Website lifeplan.com.au

Registered Office

111 Gawler Place, Adelaide SA 5000
Telephone (08) 8212 3838

Victorian Office

Level 9, 520 Collins Street, Melbourne VIC 3000
Telephone (03) 9616 2444

Lifeplan Funds Management is a business name and a registered trademark of Lifeplan.

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