



Pathway Education Fund (New Zealand)

Product Disclosure Statement

Offer of membership of the Pathway Education Fund (New Zealand)
Issued by Australian Scholarships Group Friendly Society Limited

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on www.business.govt.nz/disclose. Australian Scholarships Group Friendly Society Limited has prepared this document in accordance with the *Financial Markets Conduct Act 2013*. You can also seek advice from a financial adviser to help you make an investment decision.

This Replacement Product Disclosure Statement is dated 21 December 2017, and replaces the Product Disclosure Statement dated 4 August 2017.

Date: 21 December 2017

Who manages Pathway

The Australian Scholarships Group Friendly Society Limited is the manager of Pathway. Refer to section 7 'Who is involved?' for further details.

How can you get your money out?

Your investment in Pathway is redeemable. You can request a withdrawal of at least \$500 in July, October, January and April, which will be paid on the 15th of the following month. Unscheduled withdrawals may be made at a cost of \$25 and will generally be paid within 10 business days of the request. Unless you are making a full withdrawal, you must leave a minimum of \$2000 in your Member Account. We can defer or suspend withdrawals in certain limited circumstances. For further details of how and when you receive your money please refer to section 2 'How does this investment work?'

Your investment in Pathway cannot be sold or transferred to anyone else.

How will your investment be taxed?

Pathway is not a portfolio investment entity (PIE). Please refer to section 6 'What taxes will you pay?' for further details on how your investment is taxed.

Where can you find more key information?

ASG is required to publish quarterly updates for Pathway. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at www.asg.co.nz. We will also give you copies of those documents on request.

Contents

Section 1: Key information summary	2
Section 2: How does this investment work?	5
Section 3: Description of your investment option	8
Section 4: What are the risks of investing?	8
Section 5: What are the fees?	10
Section 6: What taxes will you pay?	11
Section 7: Who is involved?	12
Section 8: How to complain	12
Section 9: Where you can find more information	13
Section 10: How to apply	13

Section 2: How does this investment work?

This product disclosure statement offers you membership in the Scheme. The Scheme is a registered managed investment scheme under the *Financial Markets Conduct Act 2013*. The assets of the Scheme are not held on trust by the Supervisor or an external custodian but are instead held by ASG as a benefit fund in accordance with and subject to the requirements of the *Life Insurance Act 1995* (Australia) and the relevant approved benefit fund rules.

About the Scheme

Pathway is a contractual arrangement between you (the member) and ASG, the terms of which are contained in this product disclosure statement. In summary, members make contributions to the Fund, the contributions are pooled with other members' contributions and invested, and members are able to withdraw their net contributions and/or investment returns, including a tax benefit for education related expenses, during their membership.

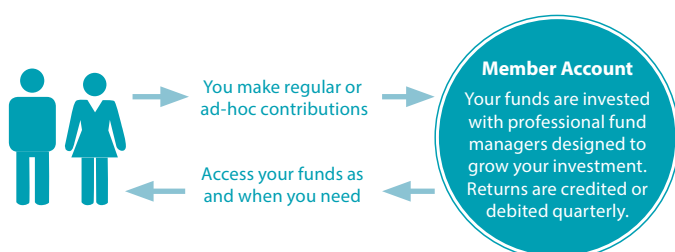
Pathway is a benefit fund of ASG under Rule 66 of its Constitution which is registered in Australia under the *Life Insurance Act 1995* (Australia). It operates with the sole purpose of providing benefits for the education of nominated children or individuals (known as nominated beneficiaries). Pathway is governed by the applicable Rules in ASG's Constitution and also by a deed of participation entered into by ASG and the Supervisor. This deed appoints the Supervisor and sets out additional terms relating to Pathway. As a member of Pathway, you have an interest in your share of the assets held by the Scheme as referenced by your Member Account.

ASG is a mutual organisation and member owned friendly society. The assets of Pathway are separate from the operational funds and other benefit funds of ASG. ASG is regulated by the Australian Prudential Regulation Authority (APRA).

None of the assets of Pathway are available to be applied to meet the liabilities of any other benefit funds issued or managed by ASG.

No distributions are made from Pathway.

For a summary of how Pathway works please refer to the following diagram.



A bonus rate for the Fund is determined by ASG quarterly (or for periods we determine) on the advice of our actuary. It is calculated by taking into account the investment returns of the Fund, less certain expenses of the Fund, tax and any applicable prudential requirement. The bonus rate is allocated to your Member Account based on the balance of your Member Account in that period. The bonus rate can be positive or negative. Please note that the first bonus rate for the Fund will not be declared until January 2018 and will refer to the period 21 July 2017 to 31 December 2017.

Key features and benefits

Feature	Description
Range of education expenses covered	Assists with a wide range of education costs across preschool, primary school, secondary school, university, polytechnic, NZQA, vocational courses and apprenticeships. Covers full-time and part-time study anywhere in the world.
Flexible contributions	A flexible contribution structure allows you to make payments as and when you wish.
Tax benefit	Designed to qualify as a scholarship plan under Australian taxation law, which means ASG can claim a tax deduction on the Education Benefits it pays, thereby allowing ASG to recoup fund tax paid and increase the amount paid.
Investment management	Your contributions are invested with professional investment managers, chosen and monitored by ASG.
Estate planning	To aid your estate planning you can appoint a Fund Guardian to your Member Account, ensuring your nominated beneficiary receives their benefit in the event of either your death or mental incapacity.

Joining the Scheme

Anyone wanting to support a child's future education can become a member of ASG's Pathway. This includes prospective parents, parents, grandparents or relatives and existing ASG members. Members must be aged 16 years or over.

When you become a member you can nominate a beneficiary who will be the recipient of Education Benefits paid from the Member Account.

If you are saving for a beneficiary who hasn't been born yet or you haven't decided which beneficiary you would like to nominate, you can open an account and then notify ASG when you have decided. You must nominate a beneficiary prior to them being eligible to receive Education Benefits. You can then elect for the beneficiary to receive benefits during their primary, secondary, post-secondary schooling or vocational studies.

Can I change my nominated beneficiary?

After you have nominated a beneficiary, you have the ability to change your nomination.

Making investments

Minimum contributions

Regular contributions start from \$50 a month.

Ad-hoc contributions start from \$500 at enrolment and \$100 per subsequent ad-hoc contributions.

Contributing to Pathway

Upon joining, ASG will establish a Member Account on your behalf. Any contributions you make will be allocated to this account and any applicable investment returns will be credited or debited to this account. A minimum of \$100 is required as an initial contribution to establish your Member Account.

Pathway offers flexibility to maximise your saving ability in a way that best suits you.

At enrolment, you may contribute to the Fund using credit card* (VISA or MasterCard) or by cheque. Afterwards you can contribute to your Member Account in four ways, as shown in the following table.

**Credit card fees apply*

Ways to contribute	How much and when	Method of contribution
Regular contributions	» Start from as little as \$50 per month. » Pay bi-monthly, monthly, quarterly, bi-annually or annually.	Payments can be made by direct debit.
Ad-hoc contributions	» You can make ad-hoc payments of \$100 or more.	Payments can be made by direct debit
Combination of regular and ad-hoc contributions	You can make ad-hoc contributions in addition to your regular contributions, as described above.	Regular or ad-hoc payments can be made by direct debit.
Employer contributions	Your employer may enter an employment benefit arrangement with you to make either regular or ad-hoc contributions, subject to the above minimums, into your Member Account on your behalf.	Your employer can arrange for payments to be made directly to ASG.

What is the maximum amount of contributions I can make?

You can make contributions up to \$600,000 per nominated beneficiary enrolled. We review this maximum annually in line with changes in total education costs and will advise you accordingly. If you make a contribution that causes you to exceed the \$600,000 maximum per nominated beneficiary, we will return the contribution to you.

What is the minimum amount I can have in my account?

Your Member Account is subject to a \$2000 minimum account balance. This minimum balance must be achieved within the first two years of enrolment, or we may close your Member Account.

If the minimum balance is not maintained (after the first two years of joining the Fund) and no contributions have been received for a period of 12 months, ASG will then take steps to close your Member Account and return the funds to you. You will receive any investment returns as a Non-education Benefit for tax purposes. Your net contributions will be returned tax-free.

How do I help offset the rising costs of education?

To help offset the rising costs of education, you can automatically increase (index) your regular contributions each year by up to 25 per cent of the previous year's contributions. You can specify the indexation percentage (from zero to 25 per cent) at enrolment and change it at any time to suit your needs. Indexation will apply from the next anniversary of the date you made the initial contribution.

You can also vary the amount and frequency of your regular contributions at any time. An example of how indexation works appears below, at an indexation rate of 5 per cent per annum.

Year of contributing	Monthly contribution amount	Indexation applied
Year 1	\$50	N/A
Year 2	\$52.50	5%
Year 3	\$55.13	5%
Year 4	\$57.88	5%
Year 5	\$60.78	5%

By not specifying an indexation rate there is an increased risk that the rate of increase in the cost of education may exceed investment returns. As such, ASG will apply a default indexation rate of 5 per cent. This default indexation rate can be changed by you at any time.

Withdrawing investments

Net contributions in your Member Account can be withdrawn tax-free. Your investment returns can be withdrawn as either an Education Benefit or Non-Education benefit.

What is an Education Benefit?



An Education Benefit is an education related payment made from your investment returns for the benefit of your nominated beneficiary.

You can claim education expenses where they relate to or have been incurred for an education or training program that meets ASG's Education Benefit criteria. See page 7 for more information.

What is a Non-education Benefit?



If your claim for the withdrawal of investment returns from your Member Account does not satisfy ASG's Education Benefit criteria it will be treated as a Non-education Benefit. See page 7 for more information.

ASG's Education Benefit criteria

You can withdraw funds as an Education Benefit to help pay for school or course fees and a broad range of education related expenses. The request for withdrawal must meet ASG's Education Benefit criteria. You may be required to submit relevant evidence to show that the funds are being used for valid education related expenses.

All full-time and part-time post-secondary studies recognised by government education departments qualify. Study may be taken in New Zealand or overseas (in which case recognition by an equivalent overseas government education department will also be accepted).

Details of Education Benefit criteria

Course fees

Any course fee charged by the following institutions can be claimed as an Education Benefit:

- » University (New Zealand or overseas)
- » Polytechnic
- » NZQA
- » Registered Training Organisations
- » Professional bodies (CPA, CFA® etc.)
- » Secondary school
- » Primary school
- » Preschool

Government recognised or sanctioned apprenticeship courses are also eligible.

Expenses

Expenses can be claimed in relation to the completion of any course that meets ASG's Education Benefit criteria, where the expenses are a requirement of completing the course, e.g. claiming an accounting text book when you are completing an accounting degree.

Expenses include:

- » text books
- » computers
- » travel expenses
- » excursions and schools camps
- » living away from home expenses (rent, utilities)
- » tools of the trade (calculators, measuring devices, hammers, personal safety equipment).

ASG's Education Benefit criteria may be changed at any time. For the most up-to-date list of criteria, go to www.asg.co.nz/educationbenefitcriteria. Whether evidence provided meets ASG's Education Benefit criteria is at the sole discretion of ASG.

When can I make a withdrawal?

You can request a withdrawal of at least \$500 in July, October, January and April which will be paid on the 15th of the following month. However, where the payment cannot be made on this day, it will be paid as soon as practicable after this date.

If you require your withdrawal sooner than the next scheduled withdrawal period, you may request an unscheduled withdrawal. An unscheduled withdrawal will attract a fee of \$25 and will be processed generally within 10 business days.

Unless you are making a full withdrawal you must leave a minimum of \$2000 in your Member Account.

We can defer or suspend withdrawals in certain limited circumstances set out in Rule 66 of ASG's Constitution.

For more information and to access the 'Withdrawal form' log onto My ASG at www.asg.co.nz.

What do I get if I cancel my Member Account?

You can cancel your account by notifying ASG in writing. You will receive your net contributions plus or minus any investment returns (whether positive or negative) calculated up to the day your withdrawal is processed by ASG, less any fees and benefits paid out of your Member Account.

You will receive your investment returns in two instalments. First you will receive your investment returns already credited to your account, together with your net contributions. This will generally be payable within 14 business days from the request being received and processed by ASG.

The second instalment will be for the bonus rate in respect to the quarter in which you made your withdrawal. This bonus rate is proportioned according to the number of days your Member Account was open during the quarter.

The second instalment is paid once the bonus rate for the quarter has been declared. Any investment returns returned to you will be treated as a Non-education Benefit for tax purposes.

Death of the nominated beneficiary

If a nominated beneficiary dies you have two options:

- » At your request, your residual net contributions will be returned tax free, and any applicable investment returns will be returned to you as a Non-education Benefit; or
- » You can nominate another beneficiary as the beneficiary of the Member Account.

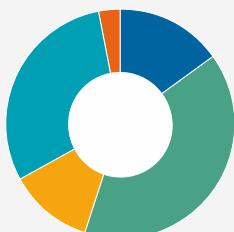
If the nominated beneficiary dies after the death of the last surviving member, the net residual contributions and any applicable investment returns are paid to your legal personal representative. Your Member Account will close on completion of this process.

Estate planning

Pathway's estate planning feature allows you to nominate a guardian (referred to as a Fund Guardian) to ensure your nominated beneficiary receives their benefit with minimal disruption, in the event of your death or mental incapacity.

For more information about nominating a Fund Guardian log onto My ASG at www.asg.co.nz

Section 3: Description of your investment option

Fund name	Pathway Education Fund (New Zealand)										
Summary of investment objectives and strategy	The investment strategy for the Fund is to provide long term returns in excess of inflation by using a range of investment funds managed by professional fund managers to achieve a conservative balanced risk profile. This is constructed using a 45 per cent growth and 55 per cent defensive asset allocation.										
Target investment mix	<div><table><tr><td>15%</td><td>Cash and cash equivalents</td></tr><tr><td>40%</td><td>International fixed interest</td></tr><tr><td>12%</td><td>Australian equities</td></tr><tr><td>30%</td><td>International equities</td></tr><tr><td>3%</td><td>Unlisted property</td></tr></table></div>	15%	Cash and cash equivalents	40%	International fixed interest	12%	Australian equities	30%	International equities	3%	Unlisted property
15%	Cash and cash equivalents										
40%	International fixed interest										
12%	Australian equities										
30%	International equities										
3%	Unlisted property										
Risk indicator	<div><div>← Lower risk</div><div>Higher risk → *</div><div><table><tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td></tr></table></div><div><div>← Potentially lower return</div><div>Potentially higher return →</div></div></div> <p>* As the Fund has not commenced operation prior to the date of this PDS, market index returns have been used rather than the Fund's actual returns to calculate the risk indicator (for five years to 30 June 2017). As a result of these returns being used, the risk indicator may provide a less reliable indicator of the potential volatility of the Fund.</p>	1	2	3	4	5	6	7			
1	2	3	4	5	6	7					
Minimum suggested time frame	10 years. This time frame would be aligned to the age of your nominated child upon joining the Scheme, and the age at which funds will be required for their education.										

The Statement of Investment Policy and Objectives (SIPO) sets out the investment policies and objectives for the Scheme. We may change the SIPO from time to time. Changes to the SIPO are undertaken in consultation with the Supervisor (see section 7 'Who is involved?'). All material changes will be communicated to members on the ASG website and will also be detailed in the Scheme's annual report. The most current version of the SIPO will be available from the scheme register on www.business.govt.nz/disclose.

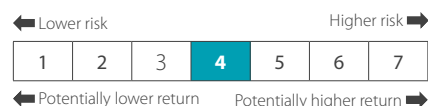
Further information about the assets in the Fund can be found in the fund updates at www.asg.co.nz.

Section 4: What are the risks of investing?

Understanding the risk indicator

Managed funds in New Zealand must have a standard risk indicator. The risk indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment. You can compare funds using the risk indicator.

An example of a risk indicator is shown below:



See section 3 'Description of your investment option' for the risk indicator that applies to the Fund.

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-kickstarter.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

The risk indicator is not a guarantee of a fund's future performance. As the Fund has not commenced operating, the risk indicator is based on market index returns data for the five years ending 30 June 2017.

While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest fund update for this Fund.

General investment risks

Some of the things that may cause the Fund's value to move up and down, which affect the risk indicator, are: market risk, credit risk, liquidity risk, currency risk and manager risk.

Risk	Explanation
Market risk	Certain events may have a negative effect on the value of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, as well as market sentiment.
Credit risk	The issuer or party to a transaction may not repay the principal, make interest payments or fulfil other financial obligations in full and/or on time. The market value of an investment can also fall significantly when the perceived risk of this investment increases or its credit rating declines.
Liquidity risk	From time to time, some investments of the Fund may not be easily converted to cash due to market conditions.
Currency risk	Contributions to Pathway are made in New Zealand dollars, some of which are invested into international assets based in foreign currencies, where there is the potential that adverse movements in exchange rates will reduce their New Zealand dollar value. This will affect the bonus rate allocated to your Member Account. Benefit payments out of Pathway are also made in New Zealand dollars.
Manager risk	The funds we invest in may not achieve their investment objectives in the short or long term. This could be caused by a number of factors, for example, the loss of key personnel or economic conditions which do not favour a particular style of investing.

Section 5: What are the fees?

You will be charged fees for investing in the Fund. Fees are deducted from your investment and will reduce your returns. If ASG invests in other funds, those funds may also charge fees. The fees you pay will be charged in two ways:

- » regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term; and
- » one-off fees (for example, withdrawal fees).

Annual fund charges and other charges

Annual fund charges

Type of fee	Amount	How and when paid
Indirect investment management costs	0.37% p.a. (percentage of net asset value of the Fund). This amount is an estimate and can vary from 0.00% to 0.50% p.a depending upon the investment managers in place at any time. With the current investment managers, this cost is approximately 0.37% p.a.	Calculated and charged in accordance with the rules of the underlying investment products utilised by ASG. Fees are deducted from the investment earnings paid by the underlying investment managers.
ASG's management costs	1.30%* p.a. (percentage of net asset value of the Fund).	These costs are calculated on the average balance of the net assets of the Fund in each quarter and deducted from the net investment returns of the Fund prior to a bonus rate being determined and applied to the Fund.
Total annual fund charges	1.67% p.a. estimated (percentage of net asset value of the Fund).	

* This fee is a fixed amount.

Other charges

Type of fee	Amount	How and when paid
Administration fee	\$60* p.a.	Deducted from your Member Account on a quarterly basis to cover general administration of your Member Account.

* During each of the first two years of enrolment, if the value of the annual Administration Fee is greater than the sum of the quarterly declared bonuses for that year, then a rebate of the difference will be applied to your account up to the amount of the Administration Fee charged for that year.

Individual action fees

You may be charged other fees on an individual basis for investor specific decisions or actions. Fees currently charged by ASG are outlined in the following table.

Action	Fee	Description
Joining fee	\$89 for new ASG members. Nil for existing ASG members.	A separate one off fee payable upon joining ASG.
Withdrawal fee	Nil if withdrawals are made within the four scheduled withdrawal periods, or \$25 for withdrawals made outside the scheduled withdrawal periods.	If applicable, deducted from your Member Account at the time of withdrawal.
Dishonour fee	\$2.20 per dishonour. ASG retains the right to reimburse itself the fee payable by ASG to the banking institution, from your Member Account.	Where a contribution paid by a member via cheque or direct debit is dishonoured.
Credit card fee	2.15% per transaction amount. This fee is charged on a cost recovery basis and reflects the amount payable by ASG to cover the cost of merchant fees in offering this service.	Deducted from your Member Account when you choose to make your initial contributions by credit card. Only VISA and MasterCard are accepted.

Example of how fees apply to investors

James invests \$5000 in the Pathway. He is charged a joining fee of \$89. This brings the starting value of his investment to \$4911.

He is also charged management and administration fees, which work out to about \$82 (1.67 per cent of \$4911). These fees might be more or less if his account balance has increased or decreased over the year.

Over the year, James pays other charges of \$60.

Estimated total fees for the first year:

Individual action fees: \$89

Fund charges: \$82

Other charges: \$60

See the latest fund update for an example of the actual returns and fees investors were charged over the past year.

The fees can be changed

If we choose to increase any of these fees and costs or introduce new fees at our discretion and in accordance with the rules of the Fund, we will advise you with no less than two months' notice in writing of the changes.

ASG must publish a fund update for each fund showing the fees actually charged during the most recent year. Fund updates, including past updates, are available at www.asg.co.nz.

Maximum fees that may be charged

The Fund rules provide as follows:

- (i) a maximum enrolment fee of \$250 per enrolment may be charged by ASG. This is called the 'Joining Fee', included in the individual action fees table.
- (ii) a maximum administration fee of \$150 per annum may be charged by ASG.
- (iii) a maximum ongoing management fee of 1.95 per cent of the average balance of the net assets of the Fund for the relevant period may be charged by ASG. This is called the Management cost in the annual fund charges table.
- (iv) a maximum fee of \$250 for each payment which can be deducted from a Member Account prior to a partial or full withdrawal. This is called the Withdrawal fee within the individual action fees table.

ASG reserves the right from time to time to reduce or waive all or part of any fee on terms and at times determined by ASG in its sole discretion. In these circumstances a reduction or waiver is not borne as an expense to the Fund.

Section 6: What taxes will you pay?

Tax can have significant consequences for investments. ASG is not providing tax or financial advice specific to your individual circumstances. Information provided below is only general in nature. If you have any queries relating to the tax consequences of the investment, you should obtain professional advice on those consequences.

Taxation of fund income

ASG is a resident in Australia for tax purposes. All income received by the Fund will be subject to tax at the appropriate corporate rate, which is currently 30 per cent. However, ASG will be able to claim a deduction in the year that education benefits are paid, thereby recovering the tax paid on fund income. ASG will pass on the benefit of that recoupment to the eligible beneficiaries.

Tax treatment of benefits

Member Benefits

A Member Benefit under Pathway should not be taxable to the member on the basis such payments are a return of capital (or a return of the member's contribution).

Education benefits and Non-education benefits

Education Benefits withdrawn and used for education related expenses will be increased by a tax benefit. This is because ASG can claim a tax deduction for Education Benefits paid, and it passes this benefit on to your nominated beneficiary. Earnings withdrawn as Education Benefits, including the tax benefit, are taxable to the recipient.

Earnings withdrawn as Non-education Benefits are taxable in the hands of the recipient.

ASG recommends that you seek independent professional advice to confirm how prevailing tax rules apply to your individual circumstances.

The tax position of ASG, its members and the beneficiaries of the education benefit funds could be affected by any changes in tax laws in New Zealand and Australia as well as by any court decisions or rulings made by tribunals or revenue authorities in either country.

Section 7: Who is involved?

About ASG

The Australian Scholarships Group Friendly Society Limited (ASG) is the largest member owned provider of education funds in Australia and New Zealand. ASG is a licensed manager for the benefit funds operated by ASG as a Friendly Society under the *Life Insurance Act 1995* (Australia).

You can contact us by:

Address: Australian Scholarships Group Friendly Society Limited
PO Box 8289 Symonds Street Auckland 1023, New Zealand

Telephone: 09 366 7670

Facsimile: 09 373 2030

Email: memberservice@asg.co.nz

Who else is involved?

Party	Name	Role
Supervisor	Covenant Trustee Services Ltd	Licensed by the Financial Markets Authority (FMA) to supervise the Scheme's management and administration.

Section 8: How to complain

Complaints about your investment in the Scheme should be made to us at:

Australian Scholarships Group Friendly Society Limited
PO Box 8289 Symonds Street Auckland 1023, New Zealand

Telephone: 09 366 7670

Facsimile: 09 373 2030

Email: memberservice@asg.co.nz

ASG is a member of an approved dispute resolution scheme, Financial Dispute Resolution Service. If your complaint was not resolved in the first instance or if you are unsatisfied with the resolution, you can make a complaint to Financial Dispute Resolution Service at:

Financial Dispute Resolution Service Level 9, 109 Featherston Street
Wellington 6011 New Zealand

or

Financial Dispute Resolution Service Freepost 231075, PO Box 5730
Wellington 6145, New Zealand

Telephone: 0508 337 337

Website: www.fdr.org.nz

Financial Dispute Resolution Service will not charge a fee to any complainant.

Complaints about your investment can also be made to the Supervisor:

Covenant Trustee Services Limited
Level 6, Crombie Lockwood Tower, 191 Queen Street, Auckland 1010
P O Box 4243, Shortland Street, Auckland 1140

Telephone: 09 302 0638

Facsimile: 09 302 1037

The Supervisor is a member of an approved dispute resolution scheme, Financial Services Complaints Limited. If your complaint was not resolved in the first instance or if you are unsatisfied with the resolution, you can make a complaint to Financial Services Complaints Limited at:

Financial Services Complaints Limited
Level 4, Sybase House, 101 Lambton Quay, Wellington 6011
New Zealand

Telephone: 0800 347257

Website: www.fscl.org.nz

Financial Services Complaints Limited will not charge a fee to any complainant.

Different procedures apply for making a complaint to Financial Dispute Resolution Service or Financial Services Complaints Limited.

ASG's and the Supervisor's dispute resolution provider may change from time to time. Details of ASG's and the Supervisor's current dispute resolution scheme provider can be found by searching the Financial Service Providers Register at www.business.govt.nz/fsp.

Section 9: Where you can find more information

Further information relating to the Scheme (for example financial statements) is available on the offer register and the scheme register at www.business.govt.nz/disclose, as well as on our website www.asg.co.nz. A copy of information on the offer register or scheme register is available on request to the Registrar of Financial Service Providers. You can also obtain this information by contacting ASG using the contact details in section 7 'Who is involved?'.

Once your application has been completed, you can view your account balance, transaction history, bonus rate and funds you are invested in on the *My ASG* member portal available on our website www.asg.co.nz. Your annual member statements as well as other member correspondence will also be available on *My ASG*.

In addition ASG will provide you with a copy of *ASG's Scholastic*, the member quarterly newsletter, and other relevant communication to keep you informed of news and information that is pertinent to your membership.

All information can be obtained from ASG free of charge.

Section 10: How to apply

To become a member of the Scheme, complete the application form attached to this product disclosure statement.

Presentation date

 / /

☐ New member (tick) ☐ Existing member (tick) Member number

	Title	Surname	Given names	D.O.B.	Gender
1					
2					

First named member is the Prime member

Residential address (required)					
Suburb		City		Postcode	Phone (H)
1	Email address		Phone (W)	Mobile	
2	Email address		Phone (W)	Mobile	

Postal address (if different from residential address)		
Suburb	City	Postcode

Occupation	Relationship to beneficiary
1	
2	

Are you a Politically Exposed Person?[†]

If YES please identify the source of your investment assets or wealth

Member 1 ☐ Yes ☐ No ☐ Gainful employment ☐ Inheritance/gift ☐ Financial investments ☐ Superannuation ☐ Other

Member 2 ☐ Yes ☐ No ☐ Gainful employment ☐ Inheritance/gift ☐ Financial investments ☐ Superannuation ☐ Other

[†] A Politically Exposed Person means, an individual who holds, or has held at any time in the preceding 12 months, in any overseas country a prominent public function

Beneficiary nomination

	Surname	Given names	D.O.B.	Gender
Member Account 1				
	Phone		Email	
Member Account 2				
	Phone		Email	
Member Account 3				
	Phone		Email	

A new Member Account is created in Pathway for each Nominated Beneficiary with the member details contained in this form and the terms and conditions outlined in this PDS apply to each of those Member Accounts.

Initial contribution

Pathway Education Fund (New Zealand)

Date of initial payment

/ /

	Lump sum payment	First regular contribution	Sub total
A/c 1	\$	\$	\$
A/c 2	\$	\$	\$
A/c 3	\$	\$	\$
Joining fee			\$
*TOTAL (Exc credit card fees)			\$

* A minimum of \$100 is required as an initial contribution to establish your Member Account.

Payment options

- ☐ Use existing direct debit details on file
- ☐ Credit card*
- ☐ Cheque
- ☐ Once only direct debit (use direct debit request form)

Credit card number

(Please circle)

MasterCard

Visa

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Name of cardholder _____ Expiry date ____/____

Signature of cardholder _____

*If debiting from a credit card ASG will charge you 2.15% per transaction amount to cover the cost of the merchant fee payable in offering this service.

Regular contributions

Total monthly contribution amount ☐ \$50 ☐ \$75 ☐ \$100 ☐ other \$ _____

Payment options

- ☐ Direct debit
- ☐ Existing direct debit (Account holder/s' initials)

Note: regular direct debits will commence on the 1st of the month following the initial contribution unless specified below.

Alternate date to be debited

01 / /

	Contribution amount frequency (complete one amount per account)					
	Bi-monthly (1 st and 15 th)	Monthly	Quarterly	Bi-annually	Annually	Indexation amount (from 0-25%)
A/c 1						5%
A/c 2						5%
A/c 3						5%

Indexation

To assist with the rising cost of education, you can increase (index) your contributions each year up to 25 per cent. To do this, indicate in the column above the amount you want your contributions indexed by. You can change the indexation amount or cancel it altogether at any time, by logging into My ASG. A default indexation rate of 5% will apply unless otherwise advised.

I/We declare that all information supplied in this application form is true and correct. I/We agree that this application and the terms and conditions set out in this PDS and Benefit Fund Rule 66 for the Pathway Education Fund (New Zealand) and the Deed of Participation dated 21/07/2017 entered into between ASG and the Supervisor shall be the basis of the contract for my/our membership in the Fund, which shall at all times be subject to the ASG Constitution. I/We have received and sighted the PDS and any Supplementary PDS for Pathway either directly from an ASG Education Planning Consultant or via electronic means.

I/We note and agree that this includes the use of my/our information for direct marketing, promotional and research purposes.

I/We choose to opt-out of future direct marketing content by marking the following box. ☐

We confirm that any joint Member Account arising from this application is to be operated on the following basis:

- Both/all members must sign for and authorise all transactions which are conducted by means other than My ASG (e.g. transactions received by telephone or in writing).
- Both/all members authorise any/either of the joint members to sign for and authorise any transactions via My ASG (with the exception of changing the Account name or its joint membership status). We confirm that responsibility for the consequences of this operating instruction will remain with both/all the joint members.
- Both/all members may withdraw their authorisation (in whole or in part) that a joint account be able to be transacted via My ASG. This is to be done by written notice signed by both/all members.

We acknowledge that in the absence of all members effecting a transaction via My ASG, ASG is to conduct the Account in accordance with its Rules and/or normal business practices (i.e. both or all members must sign for and authorise transactions in a joint membership). ASG reserves the right, upon notice being provided to the member(s), to override any member instructions and conduct a joint Member Account in accordance with its Rules and/or normal business practices (e.g. when it is notified of a dispute between the members) including withholding member payments pending written instructions from all/both members.

Applicant 1 signature _____ Date ____/____/____

Applicant 2 signature _____ Date ____/____/____

Important: This application is tendered in accordance with, and is subject to, the terms and conditions set out in this PDS, which should be considered by applicants prior to signing this application form. Application for benefits may only proceed on the application form attached to the PDS for the Pathway Education Fund (New Zealand) dated 21/12/2017. If I/we have obtained and/or completed a copy of the application form via electronic means it has been accompanied by the PDS.

Quote for certificate (circle one) ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ N/A

How did you hear about ASG? (new member only)

☐ 1 Friend ☐ 2 Family ☐ 3 Web ☐ 4 Work ☐ 5 Magazine ☐ 6 Newspaper ☐ 7 Radio ☐ 8 ASG staff ☐ 9 Other ☐ 10 Event ☐ 11 Social media

Education Planning Consultant's details

Name _____

Number _____

Opp ID _____

Anti-Money Laundering and Countering Financing of Terrorism Act 2009 Identification Requirements

It is a legal requirement for us to confirm your identity and your residential address. (Acceptable documents to verify your residential address are listed below.)

The identification requirements are designed to protect you and ASG.

Option A	Option B	Option C
One of the following forms of ID: » NZ passport » NZ certificate of identity » NZ firearms licence » Emergency travel document » Overseas passport » Foreign issued national identity document » NZ refugee travel document	Or, your NZ driver's licence plus one of the following: » A credit card, debit or eftpos card issued by a registered NZ bank (name and signature must be on the card) » Bank account statement issued by a registered NZ bank, addressed to you from the last 12 months » A document issued by an NZ government agency containing your name and signature (e.g. a SuperGold card) » IRD statement or other NZ government agency » Statement, addressed to you and from the last 12 months	Or, one of the following forms of photo ID: » NZ driver's licence » 18+ card (Hospitality Association) » A valid and current international driving permit Plus one of the following: » NZ full birth certificate » Certificate of NZ citizenship » Citizenship certificate issued by a foreign government » Birth certificate issued by a foreign government

To verify your residential address, any one of the following documents with your name and residential address dated within the last three months is acceptable:

- » Bill from your power, gas, water, telephone or Internet service provider
- » Insurance policy
- » Anything from a Government agency, which includes a unique reference ID
- » Council rates notice/valuation
- » New Zealand bank statement
- » Tenancy agreement

Ensure that the document issuer is clearly identified as part of the Document type in the table below.

Applicant 1

Full name _____

Identification Option A

Document type _____ Date of issue ____/____/____ Document type _____ Date of issue ____/____/____

Identification Option B or C

Document type _____ Date of issue ____/____/____ Document type _____ Date of issue ____/____/____

Document type _____ Date of issue ____/____/____ Document type _____ Date of issue ____/____/____

Residential address

Document type _____ Date of issue ____/____/____ Document type _____ Date of issue ____/____/____

Verification requirement: ☐ Full name ☐ Date of birth ☐ Residential address

Applicant 2

Full name _____

Identification Option A

Document type _____ Date of issue ____/____/____ Document type _____ Date of issue ____/____/____

Identification Option B or C

Document type _____ Date of issue ____/____/____ Document type _____ Date of issue ____/____/____

Document type _____ Date of issue ____/____/____ Document type _____ Date of issue ____/____/____

Residential address

Document type _____ Date of issue ____/____/____ Document type _____ Date of issue ____/____/____

Verification requirement: ☐ Full name ☐ Date of birth ☐ Residential address

Identification certification

Education Planning Consultant _____ Number _____

☐ ID checked in person ☐ Confirmed details to application form



Australian Scholarships Group
Friendly Society limited
ABN 21 087 648 879 AFSL No. 236665

Registered Office:
23-35 Hanover Street Oakleigh Vic 3166 Australia
Ph: 131 ASG (131 274) Fax: 03 9563 2780

Direct debit authority Initial contribution

Member number

--	--	--	--	--	--	--	--

Initial amount

\$	
----	--

Name of account to be debited:

.....

AUTHORITY TO ACCEPT DIRECT DEBITS

(Not to operate as an assignment or
an agreement)

Account details:

--	--

Bank

--	--	--	--	--

Branch number

--	--	--	--	--	--	--	--

Account number

--	--

Suffix

AUTHORISATION CODE

0316972

To: The Manager

Bank:

Branch:

Date:

I/We authorise you until further notice in writing to debit my/our account with you with all amounts which

Australian Scholarships Group Friendly Society Limited

(hereinafter referred to as the Initiator)

The registered initiator of the above Authorisation Code may initiate by Direct Debit.

I/We acknowledge and accept that the Bank accepts this Authority only upon the conditions listed on this form.

Information to appear in my/our bank statement:

A	S	G									
---	---	---	--	--	--	--	--	--	--	--	--

Payer Particulars

M	E	M	B	E	R	S	H	I	P		
---	---	---	---	---	---	---	---	---	---	--	--

Payer Code

--	--	--	--	--	--	--	--	--	--	--	--

Payer Reference

Authorised signature(s):

APPROVED

1697

06 17

For Bank Use Only:

Date Received:

Recorded By:

Checked By:

Original – Retain at Branch
Copy – Forward to Initiator if requested

BANK
STAMP

CONDITIONS OF THIS AUTHORITY TO ACCEPT DIRECT DEBITS

1) For customer initiated one-time payments the Initiator:

- a) Will not initiate a Direct Debit on my/our account unless authorisation is received from me/us in accordance with the terms and conditions agreed between me/us and the Initiator of each amount to be debited from my/our account.

Has agreed to send notice of the net amount of each Direct Debit and the due date of debiting after receiving authorisation from me/us under clause 1(a) but no later than the date the Direct Debit will be initiated. This notice must be provided in writing (including by electronic means and SMS where I/we have provided prior written consent (including by electronic means and SMS) to communicate electronically).

The notice will include the following message:

"The amount \$.....was directly debited to your Bank account on (initiating date)."

OR For scheduled payments the Initiator:

- a) Undertakes to give notice of the commencement date, frequency and net amount **at least 10 calendar days** before the first Direct Debit is drawn (but not more than 2 calendar months). This notice will be provided in writing (including by electronic means and SMS where I/we have provided prior written consent (including by electronic means including SMS) to communicate electronically).

Where the Direct Debit system is used for the collection of payments which are regular as to frequency, but variable as to amount, the Initiator undertakes to provide the Customer with a schedule detailing each payment amount and each payment date.

In the event of any subsequent change to the frequency or amount of the Direct Debit, the Initiator has agreed to give advance notice of **at least 30 days** before the change comes into effect. This notice must be provided in writing (including by electronic means and SMS where I/we have provided prior written consent (including by electronic means including SMS) to communicate electronically).

- b) May, upon the relationship which gave rise to this Authority being terminated, give notice to the Bank that no further Direct Debits are to be initiated under the Authority. Upon receipt of such notice the Bank may terminate this Authority as to future payments by notice in writing to me/us.
- c) May, upon receiving written notice (dated after the date of this Authority) from a bank to which I/we have transferred my/our account, initiate Direct Debits in reliance of that written notice and this Authority from the account identified in the written notice.

2) The Customer may:

- a) At any time, terminate this Authority as to future payments by giving written notice of termination to the Bank and to the Initiator.
- b) Stop payment of any Direct Debit to be initiated under this Authority by the Initiator by giving written notice to the Bank prior to the Direct Debit being paid by the Bank.
- c) Where a variation to the amount agreed between the Initiator and the Customer from time to time to be Direct Debited had been made without notice being given in terms of clause 1(a) above, request the Bank to reverse or alter any such Direct Debit initiated by the Initiator by debiting the amount of the reversal or alteration of Direct Debit back to the Initiator through the Initiator's Bank, PROVIDED such request is made not more than 120 days from the date when the Direct Debit was debited to my/our account.

3) The Customer acknowledges that:

- a) This Authority will remain in full force and effect in respect of all Direct Debits passed to my/our account in good faith notwithstanding my/our death, bankruptcy or other revocation of this Authority until actual notice of such event is received by the Bank.
- b) In any event this Authority is subject to any arrangement now or hereafter existing between me/us and the Bank in relation to my/our account.
- c) Any dispute as to the correctness or validity of an amount debited to my/our account shall not be the concern of the Bank except in so far as the Direct Debit has not been paid in accordance with this Authority. Any other dispute lies between me/us and the Initiator.
- d) Where the Bank has used reasonable care and skill in acting in accordance with this Authority, the Bank accepts no responsibility or liability in respect of:
 - The accuracy of information about Direct Debits on Bank statements; and
 - Any variations between notices given by the Initiator and the amounts of Direct Debits.
- e) The Bank is not responsible for, or under any liability in respect of the Initiator's failure to give notice in accordance with 1(a) nor for the non-receipt or late receipt of notice by me/us for any reason whatsoever. In any such situation the dispute lies between me/us and the Initiator.
- f) Notice given by the Initiator in terms of clause 1(a) to the debtor responsible for the payment shall be effective. Any communication necessary because the debtor responsible for payment is a person other than me/us is a matter between me/us and the debtor concerned.

4) The Bank may:

- a) In its absolute discretion conclusively determine the order of priority of payment by it of any monies pursuant to this or any other authority, cheque or draft properly signed by me/us and given to or drawn on the Bank.
- b) At any time terminate this Authority as to future payments by notice in writing to me/us.
- c) Charge its current fees for this service in force from time-to-time.

These terms and conditions are Payments NZ Limited approved and are non-negotiable.



Direct debit authority

Ongoing contribution

Australian Scholarships Group
Friendly Society limited
ABN 21 087 648 879 AFSL No. 236665

Registered Office:
23-35 Hanover Street Oakleigh Vic 3166 Australia
Ph: 131 ASG (131 274) Fax: 03 9563 2780

Member number

--	--	--	--	--	--	--	--	--	--

Name of account to be debited:

.....

AUTHORITY TO ACCEPT DIRECT DEBITS

(Not to operate as an assignment or
an agreement)

Account details:

--	--

Bank

--	--	--	--

Branch number

--	--	--	--	--	--	--	--

Account number

--	--

Suffix

AUTHORISATION CODE

0301013

To: The Manager

Bank:

Branch:

Date:

I/We authorise you until further notice in writing to debit my/our account with you with all amounts which

Australian Scholarships Group Friendly Society Limited

(hereinafter referred to as the Initiator)

The registered initiator of the above Authorisation Code may initiate by Direct Debit.

I/We acknowledge and accept that the Bank accepts this Authority only upon the conditions listed on this form.

Information to appear in my/our bank statement:

A	S	G													
---	---	---	--	--	--	--	--	--	--	--	--	--	--	--	--

Payer Particulars

M	E	M	B	E	R	S	H	I	P						
---	---	---	---	---	---	---	---	---	---	--	--	--	--	--	--

Payer Code

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Payer Reference

Authorised signature(s):

APPROVED

0101

06 17

For Bank Use Only:

Original – Retain at Branch
Copy – Forward to Initiator if requested

Date Received:

Recorded By:

Checked By:

BANK
STAMP

CONDITIONS OF THIS AUTHORITY TO ACCEPT DIRECT DEBITS

1) For customer initiated one-time payments the Initiator:

- a) Will not initiate a Direct Debit on my/our account unless authorisation is received from me/us in accordance with the terms and conditions agreed between me/us and the Initiator of each amount to be debited from my/our account.

Has agreed to send notice of the net amount of each Direct Debit and the due date of debiting after receiving authorisation from me/us under clause 1(a) but no later than the date the Direct Debit will be initiated. This notice must be provided in writing (including by electronic means and SMS where I/we have provided prior written consent (including by electronic means and SMS) to communicate electronically).

The notice will include the following message:

"The amount \$.....was directly debited to your Bank account on (initiating date)."

OR For scheduled payments the Initiator:

- a) Undertakes to give notice of the commencement date, frequency and net amount **at least 10 calendar days** before the first Direct Debit is drawn (but not more than 2 calendar months). This notice will be provided in writing (including by electronic means and SMS where I/we have provided prior written consent (including by electronic means including SMS) to communicate electronically).

Where the Direct Debit system is used for the collection of payments which are regular as to frequency, but variable as to amount, the Initiator undertakes to provide the Customer with a schedule detailing each payment amount and each payment date.

In the event of any subsequent change to the frequency or amount of the Direct Debit, the Initiator has agreed to give advance notice of **at least 30 days** before the change comes into effect. This notice must be provided in writing (including by electronic means and SMS where I/we have provided prior written consent (including by electronic means including SMS) to communicate electronically).

- b) May, upon the relationship which gave rise to this Authority being terminated, give notice to the Bank that no further Direct Debits are to be initiated under the Authority. Upon receipt of such notice the Bank may terminate this Authority as to future payments by notice in writing to me/us.
- c) May, upon receiving written notice (dated after the date of this Authority) from a bank to which I/we have transferred my/our account, initiate Direct Debits in reliance of that written notice and this Authority from the account identified in the written notice.

2) The Customer may:

- a) At any time, terminate this Authority as to future payments by giving written notice of termination to the Bank and to the Initiator.
- b) Stop payment of any Direct Debit to be initiated under this Authority by the Initiator by giving written notice to the Bank prior to the Direct Debit being paid by the Bank.
- c) Where a variation to the amount agreed between the Initiator and the Customer from time to time to be Direct Debited had been made without notice being given in terms of clause 1(a) above, request the Bank to reverse or alter any such Direct Debit initiated by the Initiator by debiting the amount of the reversal or alteration of Direct Debit back to the Initiator through the Initiator's Bank, PROVIDED such request is made not more than 120 days from the date when the Direct Debit was debited to my/our account.

3) The Customer acknowledges that:

- a) This Authority will remain in full force and effect in respect of all Direct Debits passed to my/our account in good faith notwithstanding my/our death, bankruptcy or other revocation of this Authority until actual notice of such event is received by the Bank.
- b) In any event this Authority is subject to any arrangement now or hereafter existing between me/us and the Bank in relation to my/our account.
- c) Any dispute as to the correctness or validity of an amount debited to my/our account shall not be the concern of the Bank except in so far as the Direct Debit has not been paid in accordance with this Authority. Any other dispute lies between me/us and the Initiator.
- d) Where the Bank has used reasonable care and skill in acting in accordance with this Authority, the Bank accepts no responsibility or liability in respect of:
 - The accuracy of information about Direct Debits on Bank statements; and
 - Any variations between notices given by the Initiator and the amounts of Direct Debits.
- e) The Bank is not responsible for, or under any liability in respect of the Initiator's failure to give notice in accordance with 1(a) nor for the non-receipt or late receipt of notice by me/us for any reason whatsoever. In any such situation the dispute lies between me/us and the Initiator.
- f) Notice given by the Initiator in terms of clause 1(a) to the debtor responsible for the payment shall be effective. Any communication necessary because the debtor responsible for payment is a person other than me/us is a matter between me/us and the debtor concerned.

4) The Bank may:

- a) In its absolute discretion conclusively determine the order of priority of payment by it of any monies pursuant to this or any other authority, cheque or draft properly signed by me/us and given to or drawn on the Bank.
- b) At any time terminate this Authority as to future payments by notice in writing to me/us.
- c) Charge its current fees for this service in force from time-to-time.

These terms and conditions are Payments NZ Limited approved and are non-negotiable.

Receipt for initial contribution for the Pathway Education Fund (New Zealand) Rule 66

Official acceptance of application to funds and membership documentation will be forwarded by ASG and will serve as the official receipt of payment and membership registration.

Initial contribution

Pathway Education Fund (New Zealand) Rule 66

		Sub total
A/c 1	\$	\$
A/c 2	\$	\$
A/c 3	\$	\$
Joining fee		\$
TOTAL (Exc credit card fees)		\$

Please note the amounts include any contribution in respect to future month's contributions.

Payment options

☐ Use existing direct debit details on file ☐ Credit card ☐ Cheque ☐ Once only direct debit

Date of initial payment

Regular contributions

Regular direct debits occurring monthly will be debited on the 1st of each month, commencing from the month following the initial contribution unless specified below.

Alternate date to be debited

Education Planning Consultant	Signature	Date
		/ /

Notes:

- Cooling off period: If you change your mind within 14 days of receiving your confirmation of enrolment letter, please notify ASG in writing and we will fully refund all monies you have paid including any fees we have deducted from monies received from you.
- This receipt is for an application for the Pathway Education Fund (New Zealand) on an application form attached to the PDS for the Pathway Education Fund (New Zealand) dated 21/12/2017. If you have obtained and/or completed a copy of the application form via electronic means, you confirm that it has been accompanied by the PDS and that you have received the PDS.
- All amounts are expressed in New Zealand dollars. Cheques are to be crossed 'a/c payee only' and made payable to 'ASG Friendly Society (Trust Account)'. Covenant Trustee Services Limited is the Supervisor appointed for the purposes of the *Financial Markets Conduct Act 2013*, and will hold the money on trust until your application is accepted by ASG. If your application is not accepted for any reason, your money will be refunded to you by the Supervisor without deduction.

Registered Office and Administration

Australian Scholarships Group Friendly Society Limited

ABN: 21 087 648 879

AFSL: 236665

23-35 Hanover Street Oakleigh

Victoria 3166 Australia

Phone: 613 9276 7777

Fax: 613 9563 2780

www.asg.com.au

Australian Scholarships Group Friendly Society Limited

PO Box 8289 Symonds Street Auckland 1023

New Zealand

Phone: 09 366 7670

Fax: 09 373 2030

www.asg.co.nz

