

# ING's mortgage and Income Plus funds – withdrawal offer No. 2

3 March 2009

ING Funds Management Limited is making a withdrawal offer to allow investors in its mortgage and Income Plus funds the opportunity to submit a request to withdraw or switch from one of these funds should they wish to do so.

## Background

On 24 October 2008, withdrawals from, and applications to, the ING Mortgage Pool were suspended. ING's mortgage and Income Plus funds invest in mortgages via the ING Mortgage Pool and therefore withdrawals from and applications to these funds have also been suspended.

ING previously indicated its intention to offer quarterly withdrawals subject to the level of liquidity available in each fund. Below are details of the second withdrawal offer. If you wish to participate in this offer to withdraw or switch your investment from ING's mortgage or Income Plus funds, you should carefully read the withdrawal offer detailed below and follow the instructions provided.

## What funds does the withdrawal offer apply to?

This withdrawal offer applies to the following funds (the Funds):

- ING Mortgage Trust No.2 – available via OneAnswer Investment Portfolio
- ING Income Plus Trust - available via OneAnswer Investment Portfolio
- ING AJ Mortgage Fund
- ING Monthly Income Trust
- ING Original Income Plus Trust.

Please note that this withdrawal offer does not apply to ING's Mortgages and Income Plus funds available via OneAnswer Personal Super, OneAnswer Pension, Corporate Super, Integra Super, Allocated Annuity or Deferred Annuity. Withdrawals and switches from these funds for these products can be submitted at any time using the standard withdrawal and switch out forms. These standard forms are available from [www.ing.com.au](http://www.ing.com.au) > Resources > Publications and forms. The requests will be considered for payment as liquidity becomes available, subject to the discretion of the trustee of the ING MasterFund.

## How does a withdrawal offer work?

A withdrawal offer, as the name suggests, is an offer to all investors to request a withdrawal (including a switch to another fund) of all or part of their investment in a fund. Each withdrawal offer is for a set period of time with an opening date and closing date. All withdrawal and switch requests received during a withdrawal offer period are pooled and processed together following the end of the withdrawal offer period.

Please note a switch is treated as a withdrawal from a fund followed by an investment into a new fund. The rules relating to the withdrawal offer therefore apply to a request to switch out.

The amount paid to each investor requesting a withdrawal, or able to be switched out to a new fund, depends on the amount of cash made available within the applicable fund to make withdrawal payments and the value of all requests received from investors during a withdrawal offer period. The amount available within a fund to pay withdrawals and switches depends on a number of factors including the level of liquidity at the time the withdrawal offer closes and the level of cash required to be retained in the fund to ensure the ongoing efficient management of the fund. We will advise you of the expected amount of money available to pay withdrawals at the beginning of each withdrawal offer period.

It is important to note that this process for making and processing withdrawals and switch outs under this offer is in accordance with the Corporations Act. The withdrawal and switch out procedures outlined in the fund's Product Disclosure Statement or other disclosure documents do not currently apply.

We may cancel a withdrawal offer before it closes if the offer contains a material error or we believe it is in the best interests of unit holders in the relevant fund to do so. If we cancel the offer, we will provide an update on the ING website.

### **What if I do not want to make a withdrawal or switch?**

If you do not want to make a withdrawal or switch to another fund you do not need to do anything. A withdrawal offer is only intended to provide an opportunity for investors to make a withdrawal, or switch out to another fund, should they need to.

### **When does the current withdrawal offer open and close?**

The opening and closing dates and times for the current withdrawal offer period are:

**Opening date: Tuesday, 3 March 2009**

**Closing date and time: 5pm (Sydney time), Tuesday 2 June 2009**

We may extend the closing time of the withdrawal offer where required. If we do, a confirmation of this extension will be provided on the ING website.

Requests to withdraw or switch received and accepted by us between the opening date and closing time specified above will be included in the current withdrawal offer. Requests received before the opening date or after the closing time will not be accepted and a new request will need to be made as part of a future withdrawal offer.

Subject to the level of liquidity available in each Fund, it is our intention to continue to make withdrawal offers on a rolling quarterly basis following the end of the current withdrawal offer. This means that a withdrawal offer is expected to be open at all times with each new withdrawal offer period commencing immediately following the close of the previous withdrawal offer. Details of any future withdrawal offers will be made available at [www.ing.com.au](http://www.ing.com.au) > Resources > Withdrawal offers or by calling Customer Services on 1800 195 487, weekdays between 9.00am and 5.00pm (Sydney time).

### **How much is available to meet withdrawal and switch requests?**

The following amounts are estimated to be made available to make withdrawal payments and satisfy switch requests after the current withdrawal offer period closes:

<b>Investment fund</b>	<b>Estimate of liquidity available</b>	<b>Legal trust</b>
ING Mortgage Trust No.2	\$4,000,000	Mortgage Trust No.2 (ARSN 089 938 929)
ING Income Plus Trust and ING Original Income Plus Trust	\$1,000,000	Income Plus Trust (ARSN 089 037 856)
ING AJ Mortgage Fund	\$300,000	ING AJ Mortgage Fund (ARSN 089 940 401)
ING Monthly Income Trust	\$3,000,000	Monthly Income Trust (ARSN 089 038 924)

The actual amount available will depend on a number of factors including the level of liquidity at the time the withdrawal offer closes and the level of cash required to be retained in the fund to ensure the ongoing efficient management of the fund. These amounts will be sourced from redemption of units from the ING Mortgage Pool, available cash and other liquid investments.

Please see below for further information about what happens if the value of all withdrawal and switch requests received during the current withdrawal offer period exceeds the amount being made available to meet requests.

### **How can I make a withdrawal or switch request?**

Firstly, we suggest you talk to your adviser about your individual circumstances and your need to make a withdrawal or switch from a fund. If you decide you would like to make a request to withdraw or switch you should download, print and complete the relevant form available from [www.ing.com.au](http://www.ing.com.au) > Resources > Withdrawal offers:

#### **To withdraw from the fund:**

Complete the form entitled 'ING's Mortgage and Income Plus funds - Withdrawal Offer No. 2 – Withdrawal Request Form' for OneAnswer Investment Portfolio and other ING Retail Trusts.

#### **To switch from the fund:**

Complete the form entitled 'ING's Mortgage and Income Plus funds - Withdrawal Offer No. 2 – Switch Request Form' for OneAnswer Investment Portfolio and other ING Retail Trusts.

Please complete the applicable form carefully to ensure that all relevant information is provided and is accurate. We are unable to process your request if it is incomplete or contains incorrect information. Requests must be made using the form provided for the current withdrawal offer. We are unable to accept withdrawal or switch requests from the Funds on any other forms including the standard OneAnswer Withdrawal or Switch form or forms relating to a previous withdrawal offer for these funds or forms relating to a withdrawal offer relating to funds other than those listed in this offer.

Withdrawal request proceeds will be deposited into the nominated financial institution account we currently have on file. If you would like to nominate an alternate financial institution account, please provide the details in Section 4 of ING's Mortgages and Income Plus funds - Withdrawal Offer No. 2 – Withdrawal Request Form for OneAnswer Investment Portfolio and other ING Retail Trusts or complete a Change of Details Form. A deposit into your nominated financial institution account is the quickest way to send you your withdrawal proceeds. If you don't have a nominated financial institution account, a cheque will be sent to the address you provide or the address we have on file if one isn't provided.

If you first invested in the fund you now wish to withdraw from after 31 January 2008 and have not been previously formally identified by ING (as required by law), you will also need to send in certified copies (not originals) of the following:

- One primary photographic document or
- One primary non-photographic identification document and one secondary identification document.

**Please note:** we cannot accept certified copies by fax.

Details of the different types of documents can be found on the last page of ING's Mortgages and Income Plus funds - Withdrawal Offer No. 2 – Withdrawal Request Form for OneAnswer Investment Portfolio and other ING Retail Trusts.

Completed forms (and identification documents if required) should be sent to us by:

**Mail:**

ING Funds Management Limited  
PO Box 2709  
Sydney NSW 2001

**Fax:**

Fax no: 02 9234 8402

Please ensure you allow sufficient time for your request to reach us before the closing time. If your request is dated in the current withdrawal offer period but received by us after the closing time we will not be able to process it and you will need to complete another request in the next or a future withdrawal offer period.

### **Can I cancel or change my withdrawal or switch request?**

You can cancel your withdrawal or switch request by writing to us prior to the closing time of the withdrawal offer period in which your request was lodged.

If you would like to change your request you should submit a new withdrawal or switch request prior to the cut-off time for the applicable withdrawal offer period.

If you submit more than one request during a particular withdrawal offer period, the last request received by us prior to the closing time for that period will be processed and all other requests will be cancelled.

### **How much can I request?**

You can submit a request for an amount less than your balance in the fund or the full balance of the fund.

### **What happens if the amount available to meet withdrawals and switches is insufficient to satisfy all withdrawal requests?**

If the total value of all withdrawal and switch requests received exceeds the amount of cash available in the applicable fund to meet withdrawals and switches then requests will be satisfied proportionately. The proportion that each investor making a request will receive is calculated according to the following formula:

$$\% \text{ of request paid} = \frac{\text{Total cash available from Fund}}{\text{Total investor withdrawal and switch requests received}}$$

All investors making a withdrawal or switch request during a particular withdrawal period will receive the same proportion of their request irrespective of when their request was received during the offer period.

Withdrawal and switch amounts that are unable to be satisfied as part of the current withdrawal offer are unable to be carried forward and a new request will need to be made as part of the next or a future withdrawal offer.

Example\*:

If the total value of withdrawal and switch requests received is \$500,000 and the amount of cash available in the Fund to satisfy requests is \$250,000 the proportion each investor will receive is:

$$\frac{\$250,000}{\$500,000} = 50\%$$

This means that if, for example, you requested to withdraw \$100,000 the amount you would receive is \$100,000 x 50% = \$50,000.

\* This example is for illustrative purposes only and is not indicative of the actual pro-rata amount an investor will receive.

### **When will I receive my withdrawal amount?**

Payments will be made within 21 days of the closing date of the withdrawal offer. In the event we extend the closing date of a withdrawal offer, payments will be made within 21 days of the extended closing date.

### **When will my switch request be processed?**

Switch requests received during the withdrawal offer period will be processed together with withdrawal requests following the closing time of the withdrawal offer. Amounts will be switched out of the applicable Fund within 21 days of the closing date of the withdrawal offer and will normally be invested the same day. The actual time taken to process the investment in the new fund will depend on the application rules applying to the new fund.

### **What if I have submitted a hardship request?**

The withdrawal offer outlined on this page is independent of any hardship request you have made.

If you have submitted a hardship request, you may submit a withdrawal request under this offer whether or not your hardship claim has been paid. Any payment made under this withdrawal offer may impact any outstanding hardship claim applications.

You may wish to speak to your financial adviser before making a withdrawal request or switch request under this offer or a hardship claim.

### **Further information**

If you have not already done so, you may wish to speak with your financial adviser before making a request to withdraw or switch. Your adviser can review your financial plan and make recommendations to ensure you continue to meet your financial goals and needs.

If you have any questions about the withdrawal offer or you are unable to print a copy of the forms and would like us to send you a form please contact your financial adviser or call Customer Services on 1800 195 487, weekdays between 9.00am and 5.00pm (Sydney time).

The information in this withdrawal offer is current as at March 2009 but may be subject to change. This withdrawal offer has been produced by ING Funds Management Limited (ABN 21 003 002 800 AFSL 238342) (INGFM) as responsible entity of the Legal Trusts listed in this withdrawal offer and is intended to be of general advice only and does not represent a recommendation or opinion by INGFM or the ING Group to purchase, hold or dispose of a financial product. Before making a decision based on this information, you should consider its appropriateness having regard to your objectives, financial situation and needs. OneAnswer Investment Portfolio and OneAnswer Investment Portfolio //Select are issued by INGFM. Before making any decision to acquire, dispose or continue to hold the product or interest in a fund, investors should consider the relevant Product Disclosure Statement (PDS), any relevant product updates and the terms of this withdrawal offer. Investment performance, earnings and returns in the funds are not guaranteed. Past performance is not indicative of future performance.