



Bendigo Funeral Bond

Disclosure Document

Dated 1 October 2009



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Important information

The Bendigo Funeral Bond (the "Bond") is an investment product issued by Australian Friendly Society Limited ABN 29 087 648 851 AFSL No. 247028 with benefits provided by the Society's Funeral Benefit Fund (the "Fund") established under Schedule 1 Rule E of its Constitution (the "Fund Rules").

References to "Australian Friendly Society", "Society" or "AFS" throughout this Disclosure Document are references to Australian Friendly Society Limited, the issuer of this Disclosure Document.

References to "you" or "your" throughout this Disclosure Document means an investor or potential investor in the Fund.

An application for membership can only be made by completing the application form contained in this document. You should read this Disclosure Document in full before deciding whether to invest in the Bendigo Funeral Bond. We recommend that you consult your financial planner prior to investing in the Bond.

This Disclosure Document is dated 1 October 2009 and expires on 30 September 2010. A copy has been lodged with the Australian Securities & Investment Commission ("ASIC") on 29 September 2009. ASIC takes no responsibility for the contents of this Disclosure Document.

The offer to invest in the Bendigo Funeral Bond is only available to persons receiving a copy (electronic or otherwise) of this Disclosure Document within Australia. Applications from outside Australia will not be accepted.

If this Disclosure Document is received electronically, you should ensure that the complete application form and Disclosure Document have been received. If you are unsure whether the electronic document you have received is complete, please contact Client Services on 1800 803 173 (Mon – Fri 8.30am – 5.00pm Victorian time). A printed copy is available free of charge.

Overview

Bendigo Funeral Bond

- a thoughtful and practical legacy

The Bendigo Funeral Bond is a capital guaranteed investment plan designed solely to accumulate funds to finance the cost of your funeral. Peace of mind and consideration for family and friends are two good reasons why many Australians plan ahead to meet the cost of funeral expenses. They see it as a sensible and responsible way of leaving everything in order so the financial burden does not fall on those they care about. It removes the financial concerns for family and friends and gives them the time to concentrate on supporting each other, rather than worrying about funeral expenses.

Importantly, as your investment in the Bendigo Funeral Bond is made solely for the purpose of meeting your future funeral expenses, your account balance cannot be withdrawn prior to death and must be applied towards the payment of your funeral. This means there's no chance your plans and good intentions can be compromised by the demands of everyday living expenses. There may also be financial planning advantages associated with investing in the Bendigo Funeral Bond, including taxation and pension considerations.

Special taxation arrangements are in place for Bonds issued after 1 January 2003. See page 11 for details.

We recommend that you consult your financial planner prior to investing in the Bendigo Funeral Bond.

We also recommend that you tell your family or the executor appointed under your will about your investment in the Bendigo Funeral Bond so they are aware of your arrangements.

Key Features of the Bendigo Funeral Bond	
Capital Guaranteed	Yes, see page 12
Centrelink & Department of Veterans' Affairs advantaged	Yes, see page 11
Taxation advantaged	Yes, see page 11
Securely invested	Yes, investment details on page 7 & 8
Able to be assigned to a funeral director as part of a pre-paid funeral	Yes, see page 8

Australian Friendly Society

- service, security and performance

Australian Friendly Society has been caring for the financial needs of Australians since it was first registered on 28 April 1969. It is a friendly society for the purposes of the *Life Insurance Act 1995* and retains the historical friendly society philosophy of service and community concern, while encouraging the traditional values of thrift, self-help and fellowship.

Today Australian Friendly Society is associated with Bendigo and Adelaide Bank Limited ("Bendigo and Adelaide Bank") ABN 11 068 049 178 AFSL No. 237879 and its related entities (collectively the "Bendigo and Adelaide Bank Group"). Bendigo and Adelaide Bank is Australia's only regionally based bank, well recognised for its innovative involvement in the development of **Community Bank®** branches throughout Australia.

The Bendigo and Adelaide Bank Group includes the wholly owned subsidiary Sandhurst Trustees Limited ("Sandhurst Trustees") ABN 16 004 030 737 AFSL No. 237906. Through contractual arrangements, AFS outsources administration services to Sandhurst Trustees and also uses the treasury services of Bendigo and Adelaide Bank for some of its asset management.

As with any investment there are inherent risks in investing into the Bond and these risks, including market and security specific risk, are discussed in this Disclosure Document. For this reason, neither the repayment of capital invested, nor the investment performance of the Bond, is guaranteed by Sandhurst Trustees, Bendigo and Adelaide Bank or any other entity in the Bendigo and Adelaide Bank Group or any of their officers, employees or agents. Importantly, a contribution into the Bond is not a deposit or other liability of Bendigo and Adelaide Bank, Sandhurst Trustees or any other entity in the Bendigo and Adelaide Bank Group. However, the Bond is supported by a capital guarantee from the Society. See page 12 for details.

Consents

The Society's Actuary Mr Barry Robertson of Mercer (Australia) Pty Ltd, AIA Australia Limited ("AIA") ABN 79 004 837 861 AFSL 230043, Sandhurst Trustees and Bendigo and Adelaide Bank Limited have given, and have not, before the date of the Disclosure Document, withdrawn their consent to be named in the document. Each of these parties has reviewed this Disclosure Document in relation to statements contained herein concerning their opinions, advice and involvement with the Fund and has consented to the context and form in which those opinions, advice and statements appear. None of the consenting parties have authorised or caused the issue of this Disclosure Document.

How your Bond works

The Bendigo Funeral Bond is simple and flexible. It allows you to save for the cost of future funeral expenses, either progressively or with a single lump sum contribution. You have the option of individual or joint ownership, and you can also assign ownership of the Bond to a funeral director as part of a pre-paid funeral.

Under the Fund Rules, once your application is accepted, you become a member of the Fund and of Australian Friendly Society.

Making a contribution

You can contribute to the Bendigo Funeral Bond in two ways:

- A - initial contribution of at least \$500 plus a 2.00% contribution fee; or
- B - via the regular savings plan with minimum contributions of at least \$42 per month plus a 2.00% contribution fee.

A - \$500 minimum initial contribution

You can start with an initial contribution of at least \$500 plus a 2.00% contribution fee and make further contributions of at least \$500 plus a 2.00% contribution fee, whenever you wish, until you reach your chosen maximum amount.

B - Regular savings plan

You can make regular contributions under the savings plan. This plan allows you to contribute over a time frame that suits you by contributing at least \$42 plus a 2.00% contribution fee per month. Your payments can be via direct debit from your financial institution, until you have reached the nominated maximum amount which should also be stated on the direct debit request (refer step 7 of the application form).

Note that contribution fees are not payable for Bonds assigned to Victorian funeral directors. Refer to "Fees and other costs" on page 10.

Contribution limits

Recipients of an age pension, a service pension or any other means-tested Government benefit should be aware of the contribution limit which applies to a Bond that enjoys an income and asset test exemption and which has not been assigned to a funeral director in conjunction with a pre-paid funeral. See page 11 for details.

Additional contributions

Each additional contribution must be accompanied by a completed additional contribution form or a letter signed

by you (or a funeral director, if assigned).

The letter must state your name, Member Number, current address and amount to be contributed. For your convenience additional contribution forms are contained in this Disclosure Document or may be obtained from any Bendigo Bank branch or by calling the Society on 1800 803 173.

Flexible ownership option

You can choose between individual or joint ownership of your Bond.

Individual ownership

Couples can each own an individual Bond. The advantage of individual ownership is that each person can invest up to the nominated maximum amount with both parties separately covered for their own funeral expenses.

Joint ownership

Bonds may be jointly owned by any two people. However only one funeral may be funded under joint ownership. Upon the death of a joint member, the surviving member must elect in writing, within 14 days from the date of death, whether or not the Bond is to be redeemed to cover the funeral expenses of the deceased or continue for the benefit of the surviving member. If no election is made, the Bond will be redeemed to cover the funeral expenses of the deceased member (with any balance paid to their estate).

A Bond opened under joint ownership is still subject to the contribution limit for income and asset test exemption purposes, unless assigned to a funeral director (refer page 11). Joint applicants wishing to invest above the contribution limit should consider opening individual Bonds.

Assigning your Bond to a funeral director

Ownership of your Bond may be assigned to a funeral director of your choice as part of a pre-paid funeral. It is important to note that assignment of your Bond transfers complete ownership of the Bond to the funeral director. The entire accumulated benefits will be paid to the funeral director following your death upon receipt of evidence from the funeral director that the funeral has been carried out. Members under 16 years of age are unable to assign their Bond. See page 8 for details on investing in a pre-paid funeral.

Changing funeral directors

You can re-assign your Bond at any time, subject to the agreement of the original funeral director. A transfer of assignment form must be completed by you, the original funeral director and the new funeral director. The change of assignment will become effective once all documents have been received by the Society.

Claiming a benefit payment

Once funds have been deposited into your Bendigo Funeral Bond they cannot be withdrawn prior to death (with the exception of the 30 day cooling-off period, see below). If your Bond is not assigned to a funeral director, the Bond benefits will be paid to your estate following your death. Alternatively, your estate can direct us to pay the Bond benefits to your funeral director following your death. Any residual Bond benefits after paying the funeral director will be paid to your estate.

Benefits will be paid upon production of satisfactory evidence that your funeral has been carried out. Benefits will usually be paid within ten business days of receipt of all necessary documentation.

How a benefit payment is calculated

Benefit payments are calculated using the member's account balance as at the date of death, which comprises contributions made by the member and all declared and accumulated bonuses, together with any final bonus. The final bonus is calculated by applying the interim bonus rate pro-rata, between the last declared bonus and the date on which the benefit is paid. A special termination bonus may also be paid at this time.

Minimum age

Applications will not be accepted from or on behalf of children under 10 years of age. Applicants aged between 10 and 16 years must obtain the written consent of a parent or legal guardian before being admitted as a member of the Fund.

Cooling-off period

A 30 day cooling-off period applies to initial contributions made into the Bendigo Funeral Bond. During this 30 day period, you have the right to cancel your Bond and have it repaid in full. This 30 day period starts from the earlier of:

- the time you receive confirmation that your initial contribution has been accepted; or
- 5 business days after your initial application monies are received by the Society.

The cooling-off period will end if you have exercised a right in relation to the Bond, for example, an assignment or a claim. If you wish to cancel your Bond within the 30 day cooling-off period, you will need to write to the Society stating this intention. You will then be sent a refund for the value of your Bond.

Contacts

For any questions regarding the Bendigo Funeral Bond please contact any Bendigo Bank branch or contact Client Services on 1800 803 173 (Mon – Fri 8.30am – 5.00pm Victorian time).

Bonuses

Your annual bonus

In determining whether or not to declare a bonus, and the bonus rate to be declared, Australian Friendly Society considers the investment returns achieved during the year as well as the advice of the Society's Actuary. The actual bonus declared is calculated after the deduction of Fund fees, charges (including tax) and any solvency reserves required by law. If a bonus is declared, it is allocated to each Member's account as at 30 June and becomes part of the total investment for the calculation of future bonuses. The bonus is guaranteed once declared.

A statement showing your annual bonus and current account balance will be sent to you after 30 June each year. If you have assigned your Bond, the statement will be sent to your funeral director.

For more information refer to the following section titled "Investment strategy and performance" on page 7.

Interim bonus rate

An interim bonus rate is also declared each year as at 30 June. If a claim is made during the following year, the interim bonus rate is applied from 1 July to the date on which the benefit is paid.

Termination bonus

The termination bonus is payable in addition to normal benefits at the date of death. It is set each year based on the level of the retained surplus in the Fund following the declaration of bonus. Due to changes to the income tax treatment of funeral policies issued from 1 January 2003, the Society pays tax on income on those policies, and will also recover this tax when benefits are paid. Tax so recovered will be included in the termination bonus.

Difference bonus

If a claim is made after 30 June but before the annual bonus rate is declared, the difference between the interim bonus rate paid and the declared annual bonus rate will be paid to your estate or assigned funeral director, once calculated. Generally the difference bonus is paid in the month of September.

Bendigo Funeral Bond Travel Protection Plan

What is the Travel Protection Plan?

The Travel Protection Plan ("the Plan") is an optional benefit that covers the transportation cost in the event of your death in Australia 70km or further from your residential address. The Plan covers the cost of transportation of your remains from the place of death to the chosen funeral home, up to a maximum of \$3,000. The funeral director must operate within 70km of your residential address.

The distributor of the Plan

The Plan is distributed by Australian Friendly Society of The Bendigo Centre, Bendigo VIC 3550, Freecall 1800 803 173, www.australianfriendlyandsociety.com.au

The issuer of the Plan

The Plan is issued by AIA Australia Limited ("AIA") of 549 St Kilda Road, Melbourne VIC 3004, Freecall 1800 333 613, www.aia.com.au

The Plan will be written in the AIA Statutory Fund No. 1. This is a non-participating policy and the Plan does not participate in the distribution of any surplus of the AIA Statutory Fund No. 1.

AIA has been providing life risk insurance to Australians since 1970.

What transportation costs are covered?

In the event of your death, the transportation costs covered under the Plan include the following:

- funeral director's transfer fee;
- container for transporting (excluding casket or coffin);
- necessary documentation associated with transporting your remains;
- air freight if necessary; and
- mortuary service.

Benefit payment

If your Bendigo Funeral Bond is assigned to a funeral director, the benefit under the Travel Protection Plan will be paid directly to your funeral director. However, if your Bendigo Funeral Bond is not assigned to a funeral director, the benefit will be paid to your estate.

What are the application conditions?

The Plan is only available with the Bendigo Funeral Bond. A new purchaser of the Bendigo Funeral Bond has 3 months following the commencement date of their Bendigo Funeral Bond to apply for the Plan. The Plan is available to a single life insured (under an individually owned Bond) or joint lives insured (under a jointly owned Bond).

The benefit under the Plan for joint lives insured will be paid on the death of either one of the lives insured. The surviving life insured can decide whose funeral is to be covered. If the surviving life insured decides to apply the Bendigo Funeral Bond proceeds to the funeral of the deceased life insured, then a claim under the Plan can be made provided that the death occurred 70kms or further from the deceased's residential address. The surviving life insured must elect in writing, within 14 days from the date of death, whether or not the Bendigo Funeral Bond is to be redeemed to cover the expenses of the deceased or continue for the benefit of the surviving life insured. The Plan terminates when the Funeral Bond proceeds are paid out even if no claim has been paid under the Plan. Although joint lives insured are covered under this Plan, only one benefit is payable under this Plan.

Eligibility

You must be an Australian resident aged 18 to 84 years to be eligible to apply for the Plan.

What is the cost of the Travel Protection Plan?

The cost of the Travel Protection Plan is \$150 per Plan for both individual and joint cover. Premiums are not generally tax deductible. AFS receives remuneration from AIA of \$30 per Plan.

If you are contributing to the Bendigo Funeral Bond under the Regular Savings Plan and wish to apply for the Travel Protection Plan, you will need to send to the Society a separate cheque to cover the cost of the Travel Protection Plan.

Cooling-off period

There is a 30 day cooling-off period applying to the Bendigo Funeral Bond Travel Protection Plan. Within this period, you may cancel your Plan and receive a full refund of the premium paid. This 30 day period starts from the earlier of:

- The time you receive confirmation that your application has been accepted; or
- 5 business days after your premium has been received by Australian Friendly Society.

You will lose the right to return your Plan within the cooling-off period when you first exercise any right or power you have under the terms of your Plan, for example, making a claim.

The Plan terminates if you cancel your Bendigo Funeral Bond within the 30 day cooling-off period.

Exclusion(s)

The Plan does not cover death of a life insured from suicide in the first 13 months from the commencement of the Plan.

Privacy Act disclosure – AIA

AIA needs to collect, use and disclose your personal information to provide the cover under the Plan you have chosen and assess any claim. You can choose not to provide AIA with some of the details or all of your personal information, but this may affect its ability to provide the cover under the Plan.

By providing your personal information to AIA, you acknowledge and consent that AIA can collect and use your personal information for the following purposes:

- i) calculation or offering of discounts;
- ii) investigation, assessment and payment of any claim made by you; and
- iii) disclose it on a confidential basis to AIA's related entities or distributors; other insurers; insurance reference bureaux; law enforcement agencies; investigators; lawyers; advisers and the agents of these.

Where you provide personal information to AIA about another person, you must be authorised to provide that information to AIA and inform that person (unless doing so would pose a serious threat to the life or health of any individual) who AIA is, how AIA uses and discloses its information, and they can gain access to that information.

The complete privacy policy of AIA is available on its website www.aia.com.au

Your Duty of Disclosure

Before you enter into a contract of insurance with an insurer, you have a duty under the *Insurance Contract Act 1984* to disclose to the insurer every matter that you know, or could reasonably be expected to know, which is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

Investment strategy and performance

Allowable portfolio investment ranges

The investments of the Bendigo Funeral Bond will be managed within the broad asset classes and maximum and minimum investment ranges shown in the table.

Authorised investments	Allocation range
Cash and cash equivalents, Bank Accepted Bills, Term Deposits, Negotiable Certificates of Deposit and Government Securities	70% - 100%
Equities	0% - 10%
Other Authorised Investments	0% - 20%

Investment strategy and asset allocation

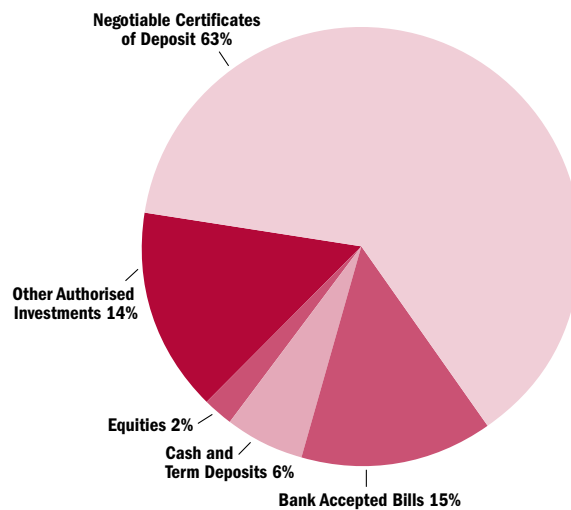
The Bendigo Funeral Bond may invest in a range of assets as detailed in the Fund Rules. The major asset categories, together with the percentage of the Fund's assets invested in each category as at 30 June 2009, are shown in the following charts.

The Bendigo Funeral Bond invests the majority of the Fund's assets in low risk income producing investments with the balance invested in selected growth investments. This aims to limit the Fund's exposure to risk, whilst retaining the opportunity to have a small exposure to growth assets to combat the effects of inflation.

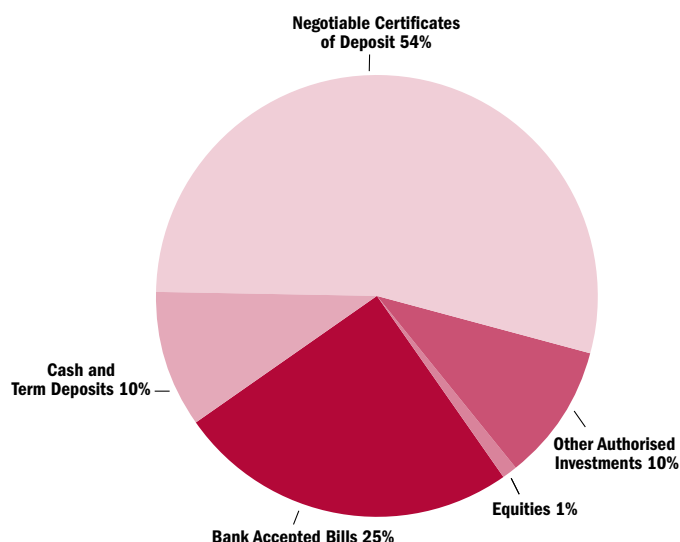
You should be aware that growth and income investments can be subject to market or security specific risk. Market risk is where unexpected market conditions can have a negative impact on the return of all investments in a particular market, such as a sudden decline in share values or a general rise in interest rates.

Security specific risk is a risk that can affect the value of a specific security, such as the fall in profit performance which can impact on share prices or a rise in interest rates which can affect the value of debt securities.

Bonds issued prior to 1 January 2003
(Non assessable)*



Bonds issued from 1 January 2003
(Taxable)*



* For tax information refer page 11

Fund performance

The bonus rates declared for the Bendigo Funeral Bond over the past four years are shown in the following tables.

Bonds issued prior to 1 January 2003 (Non assessable)

30 June	Bonus rate
2009	2.75%
2008	3.50%
2007	5.45%
2006	5.20%

The bonus rates shown above relate to Bendigo Funeral Bonds issued prior to 1 January 2003, where Fund income is non assessable. The bonus rates for Bonds issued from 1 January 2003 are shown below.

Bonds issued from 1 January 2003 (Taxable)

30 June	Bonus rate	Funeral Bond Tax Benefit ¹	Total Return ²
2009	2.15%	0.92%	3.07%
2008	2.50%	1.07%	3.57%
2007	4.10%	1.76%	5.86%
2006	3.75%	1.61%	5.36%

¹ The Funeral Bond Tax Benefit is a non-guaranteed supplementary amount that the Society expects to pay as part of the funeral benefit. For more information, refer to "Taxation and pension information" on page 11.

² The Total Return is the sum of the Bonus rate allocated to your account and the Funeral Bond Tax Benefit.

For Bonds issued from 1 January 2003, investment income is subject to tax, as set out on page 11.

Please note that past performance cannot be taken as a guide to future returns. The future bonus rates for the Bendigo Funeral Bond are not guaranteed and may be subject to fluctuations.

Investing in a pre-paid funeral

Investing in a pre-paid funeral may assist in some of the decisions your family and loved ones will have to make concerning your funeral arrangements.

What is a pre-paid funeral?

A pre-paid funeral is a formal contractual arrangement between you and a funeral director of your choice. You specify and pay in advance, by assigning the Bond to the funeral director, the type of funeral you want and the funeral director guarantees to provide the agreed services in the future. This ensures that your wishes will be carried out exactly as arranged.

You're in control of the costs

Planning and pre-paying a funeral makes good financial sense. Funeral costs are significant and like most things, they continue to rise over time. A key advantage of a pre-paid funeral is that it puts you in control. You pay for the services at today's price and no matter how much funeral costs rise in the future, this will not impact you or your estate.

If accumulated benefits exceed the amount needed to carry out the agreed services, some contracts with funeral directors may allow for the excess benefit to be paid to your estate. However, others may allow the funeral director to retain the excess benefit. We recommend that you check the conditions concerning this issue in any pre-paid funeral contract before you sign it.

The Bendigo Funeral Bond does not restrict the types of services that are eligible for a benefit payment.

Safeguarding your investment

To fully safeguard the money you set aside as a pre-payment for your funeral, it is recommended that it be held independently of the funeral director. The Bendigo Funeral Bond is an ideal way to do this, as the investment is not available to the funeral director until the contracted services are completed.

All you need to do is establish the Bond in your name initially and assign ownership to your chosen funeral director. You must however discuss the details of your required funeral services with the funeral director first to ensure sufficient funds are set aside in the Bond.

Assigning the Bond is a simple procedure that only requires you and the funeral director to complete the assignment instructions on the application form in this Disclosure Document. Under current legislation, assigning a Bendigo Funeral Bond will not cause you to incur any capital gains tax or other tax liabilities.

Assignment of your Bond to your chosen funeral director is only possible when you have entered into a contract for the provision of your funeral service.

A final word about pre-paid funeral arrangements

When you choose a funeral director, it is important to select a reputable professional, so you can feel confident that the services on the day will be as you want them to be.

Neither Australian Friendly Society, AIA, Sandhurst Trustees, Bendigo and Adelaide Bank or any other entity in the Bendigo and Adelaide Bank Group or any of their officers, employees or agents endorse any funeral director or their services, nor accept any liability for the conduct of the funeral director. Arrangements between you and a funeral director are private.

Financial information

The following summarised information is extracted from the audited financial statements of the Australian Friendly Society Funeral Benefit Fund for the financial year ended 30 June 2009. Copies of the audited financial statements are available on request.

Income Statement

	Non assessable \$	Taxable \$	Combined \$
Total income	1,115,977	2,243,696	3,359,673
Total expenses	(409,628)	(740,167)	(1,149,795)
Operating surplus before income tax	706,349	1,503,529	2,209,878
Income tax benefit (expense)	90,619	(604,008)	(513,389)
Operating surplus after income tax	796,968	899,521	1,696,489
Unallocated surplus at beginning of financial year	1,006,370	793,899	1,800,269
Surplus allocated to members	(966,297)	(778,585)	(1,774,882)
Unallocated surplus at end of financial year	807,041	914,835	1,721,876

Balance Sheet

	Non assessable \$m	Taxable \$m	Combined \$m
Assets	29.6	48.4	78.0
Liabilities	(0.4)	(0.6)	(1.0)
Net assets	29.2	47.8	77.0
Member funds	28.4	46.9	75.3
Unallocated surplus	0.8	0.9	1.7
Total funds	29.2	47.8	77.0

Fees and other costs

This table shows fees and other costs that you may be charged. You should read all of the information about fees and costs as it is important to understand their impact on your Bond. All fees and other costs set out in the below table are expressed inclusive of Goods and Services Tax ("GST"), refer to page 11 for more information.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the Bond		
Establishment fee	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment.	2.00%^	On initial and additional contributions For example: Amount to be invested = \$5,000 Contribution fee of 2% = \$100 Total amount payable = \$5,100
Withdrawal fee	Nil	Not applicable
Termination fee	Nil	Not applicable
Management costs		
Management fee Are the fees and costs for operating the Fund. They include administration and other fees charged by the product issuer, distribution costs and other expenses such as legal, accounting and audit fees, computer, printing, stationery, advertising and other operational expenses including investment costs.	1.28%p.a.*	Calculated and paid monthly For example: Balance of Funeral Bond = \$5,000 Management fee = 1.28% p.a. Total Management costs = \$64 for a full year
* Under the Benefit Fund Rules, the Society is able to charge a maximum annual management fee of up to 3.00% p.a. plus GST on the average daily balance of the Fund to meet the costs of managing the Fund. For the life of this Disclosure Document it is not anticipated that the fees detailed in this section will change. Investors will however be given 60 days notice prior to any change.		

Commissions

The Society may pay to its distributors or to licensed/authorised financial planners (which may include financial planners within the Bendigo and Adelaide Bank Group) an upfront or ongoing commission.

Any upfront or ongoing commission paid by the Society is not an extra amount paid by the Member or from the Fund. The payment and terms of payment of any commissions are entirely within the discretion, and at the expense, of the Society.

Typically, the Society pays up to:

- 2.00% plus GST up front commission on initial and additional contributions (contribution fee); and
- 0.25% p.a. plus GST ongoing commission on all funds under management (deducted from the management fee).

Your financial planner may decide to rebate to you his or her upfront commission. However, your financial planner is not obliged to do so. Where an upfront commission is rebated, your contribution fee will effectively be waived. Commission is not payable to a member of the Fund.

^There is no contribution fee payable on Bonds assigned to Victorian funeral directors. Funeral directors operating in Victoria are not paid an ongoing or upfront commission as regulated by the Victorian *Funerals Act 2006*. Marketing support may, however, be made available to them.

Taxation and Pension information

The taxation and pension information that follows is current at the date of issue of this document and is intended to be of a general nature only. You should seek professional advice concerning your personal circumstances.

Taxation

The following summarises the tax position of an investment in a Bendigo Funeral Bond on or after 1 January 2003.

It is important to note that annual bonuses allocated are not subject to personal taxation while the Bond continues to be held and before the year of death and payout. Instead, the investment earnings of the Fund are subject to corporate taxation at a rate of 30%. This is paid by the Society as a Fund expense prior to the allocation of annual bonuses to your Bond.

While annual bonuses declared will be net of the tax paid by the Society, the tax deducted from your bonuses is expected to be recovered and paid to your estate or funeral director as applicable in the termination bonus. Total bonuses paid will therefore be effectively untaxed.

Benefits received by your estate (excluding the amount you have contributed) will be subject to tax in the hands of your estate - but only in the year those benefits are paid and then only if entitlement to Bond proceeds have not been assigned to a funeral director. Whether any actual tax is payable by your estate will depend upon your estate's taxable income in that year, and its relevant marginal tax rate.

If a funeral director is entitled to Bond proceeds as a result of an assignment, the funeral director will be taxed (instead of your estate) on the full amount of the proceeds in the year of payment.

Qualifying funeral policies

For tax purposes, a funeral bond must be issued for the purpose of meeting a person's future funeral expenses and the amount contributed must be reasonably in line with the expected cost of those expenses. Subject to those requirements, the social security threshold limit (refer below) is not relevant, and should only concern a person who receives a means-tested pension or benefit from Centrelink or the Department of Veterans' Affairs.

Where the entitlement to Bond proceeds has been assigned to a funeral director in consideration for purchasing a pre-paid funeral (from a funeral director), the tax purpose test is automatically met.

Goods and services tax ("GST")

GST does not apply to investments made into the Bendigo Funeral Bond issued under this Disclosure Document or to benefits paid upon death. However, if you enter into a pre-paid funeral contract, it is suggested you seek professional advice regarding the impact of GST.

Valuable pension exemptions

The Bond is designed to help you qualify for both income and asset test exemptions, if you receive a means-tested pension or benefit from Centrelink or the Department of Veterans' Affairs.

If you assign ownership of the Bond to a funeral director, in consideration for purchasing a pre-paid funeral, there is no limit to the amount that a Bond owner may invest. Notwithstanding the assignment of your Bond, you remain a Fund and Society member.

Where the Bond does not involve a pre-paid funeral, the qualifying pension exemption rules include the following:

- The Bond must be acquired for the purpose of meeting your future funeral expenses, and Bond proceeds cannot be withdrawn prior to the time of your death;
- Total contributions must not exceed the exemption threshold of \$10,750 (indexed effective 1 July each year);
- Only a maximum of two funeral bonds will qualify for exemption, and the combined total contributions must not exceed the same threshold as applies to a single funeral bond; and
- No exemption threshold will apply if a person has separately planned to fund their funeral by entering into a pre-paid funeral arrangement - because the exemption will then only apply to the amount paid towards the pre-paid funeral.

For further information regarding your own personal circumstances, we recommend that you contact the Financial Information Service of Centrelink or the Department of Veterans' Affairs.

Additional information

Supervision and corporate governance

Under existing legislation, all matters relating to disclosure and consumer protection, incorporation and corporate governance of Friendly Societies are regulated by ASIC. Prudential supervision is conducted by the Australian Prudential Regulation Authority.

Under the *Corporations Act 2001* (Cth), Australian Friendly Society has elected to be registered as a public company limited by guarantee.

Members of the Society (including members who hold a Bendigo Funeral Bond) are taken to have given a guarantee. Broadly, the guarantee provides for the maximum amount that a member can be required to contribute in the event the Society is wound up and the assets of the Society are insufficient to pay its creditors and the costs of winding up. The amount of the guarantee is set out in the Society's Constitution and does not exceed \$2.

Other than in relation to the guarantee, no member is under any personal liability to creditors as a member of the Society.

Members' rights and interests under the Bond

Your contribution legally becomes part of the Funeral Benefit Fund offered by Australian Friendly Society, the sole purpose of which is to make provision for bona fide funeral expenses for members.

The assets and liabilities of the Funeral Benefit Fund are kept separate and distinct from those of other funds of the Society and Sandhurst Trustees, Bendigo and Adelaide Bank or any other entity in the Bendigo and Adelaide Bank Group. No member has any entitlement to the assets or benefits of any benefit fund other than those to which contributions have been paid. Members have an entitlement to share in the Society's Funeral Benefit Fund, being the proportion that the Bond owner's accumulation account balance on the relevant date bears to the aggregate of the accumulation account balances of all Bond owners who have entitlements in relation to the Fund, but do not have any specific interest in any part of the Fund or any authorised investment thereof.

Upon acceptance by the Society of your application, you become a member of the Society and as such, are subject to the rights and obligations set out in the Constitution as registered from time to time, including the right to attend and vote at General Meetings. This Constitution operates as a contract between members, between each member and the Society, and between the Society and each Director and the Secretary.

This Disclosure Document does not relate to, nor are there, different classes of interest in the Fund. Bond owners will have differing entitlements to Bond benefits depending on the level of their contributions, bonus entitlements, length of membership in the Fund and whether the Bonds were issued before or after 1 January 2003.

The Society's Constitution, including the Fund Rules, the administration agreement with Sandhurst Trustees, experts' advice and consents referred to in this Disclosure Document, may be inspected during normal hours of business at the Society's office at The Bendigo Centre, Bendigo Vic 3550.

Capital guarantee

The Bond's capital guarantee is supported by special solvency reserves that Australian Friendly Society must maintain in accordance with regulatory requirements. These reserves are designed to protect investors' investment assets from adverse fluctuations in underlying values.

The nature of the underlying investments reinforces the integrity of the capital guarantee. The Fund Rules provide for the guaranteed payment of the original and additional contributions, less specified management charges, plus bonuses declared. That is, your initial and subsequent net contributions, plus declared bonuses, are guaranteed upon your death.

Communication with members

When your application is accepted you will receive a welcome letter confirming your initial contribution. Included with your welcome letter will be your Certificate of Membership.

You will also receive:

- Confirmation of your investment transactions each time you make additional contributions (unless under the regular savings plan);
- An annual statement detailing the bonus rate allocated to your Bond and the value of your Bond as at 30 June (generally sent during the month of September); and
- If you so elect, an annual report detailing Fund performance, including financial statements.

If you have assigned your Bond to a funeral director, these documents will be sent to them, apart from the annual report which you are still entitled to receive as a member of the Society.

If your personal details change (for example, change of address), you should inform us in writing quoting your Member Number.

Privacy Act disclosure

Australian Friendly Society collects your personal information to provide you with and administer the products you have requested. To do that, it may need to disclose your personal information to organisations such as mailing houses, funeral directors, solicitors, accountants, auditors, AIA, Sandhurst Trustees or other members of the Bendigo and Adelaide Bank Group, that provide services on its behalf, including administration, investment, customer service, secretarial, accounting and information technology support. If any part of that information is not provided, it may not be able to provide you with these products.

Where information is provided to service provider organisations, appropriate confidentiality provisions apply so that the information will only be used by such parties for the Society's purposes. The Society may be allowed or obliged to disclose information by Law, for example, under Court Orders or Statutory Notices pursuant to Taxation or Social Security Law. Members may (subject to permitted exceptions) have access to their information by contacting the Society at:

Australian Friendly Society

Client Services

PO Box 480

Bendigo Vic 3552

Phone (03) 5485 7891 or 1800 803 173

Fax (03) 5485 7671

Email australianfriendlysociety@bendigobank.com.au

Website www.australianfriendlysociety.com.au

You may be sent the Society's marketing material from the Society or from the Bendigo and Adelaide Bank Group, or from AIA, in addition to general corporate communications. You may elect not to receive marketing material by contacting the Society at the above address.

Administration services

Australian Friendly Society has appointed Sandhurst Trustees to provide administration services for the Society under the terms of an administration agreement. Under the agreement, Sandhurst Trustees receives a fee and is required to attend to day-to-day administration. Sandhurst Trustees is not responsible for the management or operation of the Society.

Disclosure of interest

During the year ended 30 June 2009, the Society was party to an agreement with Sandhurst Trustees for which it paid fees for services, including access to the Bendigo and Adelaide Bank Group retail branch network, treasury services and other general administrative services on normal commercial terms and conditions. Investments were also made by the Society in Bendigo and Adelaide Bank Group products on normal commercial terms and conditions.

Total administration fees paid by the Society to Sandhurst Trustees for the year ended 30 June 2009 totalled \$802,912. Commission paid to the Bendigo and Adelaide Bank Group for the year ended 30 June 2009 totalled \$36,273.

From time to time the Directors or other officers of the Society may purchase or subscribe to the various products offered by the Society. These transactions are on the same terms and conditions as those entered into by other members. Otherwise, no Director or officer has any interest in the assets of the Fund or to benefits of the kind to which this Disclosure Document relates.

The Directors of the Society are Mr I.W. Cox (Chairman), Mr G.A. Stevens, Mr I.G. Mansbridge, Mrs M.A. Baker and Mr R.S. Taylor.

All Directors, except for Mr R.S. Taylor and Mr G.A. Stevens, are shareholders of Bendigo and Adelaide Bank. Mr I.G. Mansbridge is the Chairman of Sandhurst Trustees. Mrs M.A. Baker is Chief Executive Officer and Director of Sandhurst Trustees and an executive of Bendigo and Adelaide Bank.

Mercer (Australia) Pty Ltd, Richmond Sinnott & Delahunty and TurksLegal Solicitors receive professional fees in respect of actuarial, audit and legal services and advice provided in relation to the Fund and this Disclosure Document.

Dispute resolution for the assistance of members

Australian Friendly Society is committed to handling disputes and complaints quickly, fairly and in confidence. Any disputes or complaints regarding the Bendigo Funeral Bond should be directed to the AFS Manager by calling 1800 803 173 (Mon – Fri 8.30am – 5.00pm Victorian time) or writing to:

Australian Friendly Society
AFS Manager
PO Box 480
Bendigo Vic 3552

We will endeavour to resolve your complaint by:

- acknowledging the matter as soon as practicable;
- ensuring the matter receives proper consideration by the appropriate person or body;
- acting in good faith by attempting to correct any error capable of being corrected;
- taking appropriate action (if action is required) to remedy the matter; and
- communicating to you the outcomes of our investigations, the remedies (if any) available to you and information regarding any further avenues available for further complaint, remedy or action to you as soon as practicable (but no more than 45 days after receiving your complaint).

If you are not satisfied with the outcome of your dispute or complaint you have the right to refer the matter to an independent external complaint resolution scheme.

Australian Friendly Society is a member of the Financial Ombudsman Service ("FOS") and you are able to refer your complaint to them by telephoning 1300 780 808 or writing to them at:

FOS
GPO Box 3
Melbourne VIC 3001
www.fos.org.au

Directors' Statement

We, the Directors of Australian Friendly Society, state that after due enquiry we believe that this Disclosure Document contains all the information that intending investors and their professional advisers would reasonably expect to find in order to make an informed decision to invest in the Bendigo Funeral Bond, an investment product of the Society's Funeral Benefit Fund, and that we are not aware of any relevant information that is not disclosed in this Disclosure Document.

Further, and after due enquiry by the Directors in relation to the interval between 30 June 2009 (being the last date to which the financial statements of the Funeral Benefit Fund were made up) and the date of this statement, there have been no circumstances which have or will materially affect the trading or profitability or the value of the assets of the Society or the Funeral Benefit Fund.

This statement was made and signed by or on behalf of the Directors on 23 September 2009.

The Directors of the Society are:

Mr I.W. Cox (Chairman)

Mr G.A. Stevens

Mr I.G. Mansbridge

Mrs M.A. Baker

Mr R.S. Taylor.

Completing the application form

The following steps will assist you in completing the application form.

Step 1	Investor details
<p>Please complete your investor or joint investor details including your preferred title e.g. 'Ms' or 'Dr'. Please ensure date of birth details are provided due to minimum age requirements.</p>	
Step 2	Investment details
<p>Please indicate the amount you wish to invest. The minimum is \$500 plus a 2.00% contribution fee. For regular savings plans, the minimum monthly payment is \$42 plus a 2.00% contribution fee.</p> <p>Note that contribution fees are not payable for Bonds assigned to Victorian funeral directors. Refer to "Fees and other costs" on page 10.</p>	
Step 3	Travel Protection Plan
<p>If you wish to apply for the Travel Protection Plan as an optional benefit to your Bendigo Funeral Bond, please tick the box for your chosen cover (single or joint). If you select to take up this optional benefit, an additional amount of \$150.00 will be payable in addition to the amount shown under Step 2 on the application form.</p> <p>Note that applicants under 16 years of age are not eligible to apply for the Travel Protection Plan.</p>	
Step 4	Declaration and signatures
<p>Please carefully read the statements in the declaration before signing the application form. An application form without the signatures of all applicants will not be accepted.</p> <p>If you are signing an application under a power of attorney, a certified copy of the power of attorney must be enclosed with your application form.</p> <p>Applications for children (aged between 10 and 16 years) must be accompanied by the written consent of a parent or legal guardian.</p>	
Step 5	Assigning your Bond to a funeral director
<p>If you wish to assign your Bond to a chosen funeral director, you must provide their name and contact details. Both you and the funeral director must sign to acknowledge the assignment.</p>	
Step 6	Send your cheque and application form
<p>Send your completed application form in the reply paid envelope with a cheque crossed 'not negotiable' made payable to "Australian Friendly Society Ltd". Please note that we do not accept cash deposits, nor do we offer credit card or Centrepay facilities.</p> <p>Alternatively, applications may be lodged at the office of Australian Friendly Society, any Bendigo Bank branch or any office of Sandhurst Trustees.</p> <p>Queensland residents only - Queensland state legislation (<i>Funeral Benefit Business Act 1982</i>) requires all "selling agents" of funeral bonds to provide clients with a Client Care Statement. We are not permitted to accept Bendigo Funeral Bond applications from Queensland residents without receiving a completed Client Care Statement. A Client Care Statement can be obtained by contacting the Society.</p>	
Step 7	Regular savings plan
<p>If you wish to make regular contributions to your investment via deductions from your financial institution account, please read the Direct debit authority Service Agreement (refer page 17) and complete the regular savings plan at step 7. Direct debit facilities are not available for lump sum payments.</p> <p>Alterations to an existing regular savings plan can be made by writing to the Society.</p>	

Completing the additional contribution form (optional)

The following steps will assist you in completing the additional contribution form.

Step 1A	Investor details
Please complete your investor or joint investor details including your preferred title e.g. 'Ms' or 'Dr'.	
Step 2A	Additional contribution
Please indicate the amount you wish to invest and your Member Number (this will be on your Certificate of Membership sent to you when you first invested). The minimum additional contribution is \$500 plus a 2.00% contribution fee. Note that contribution fees are not payable for Bonds assigned to Victorian funeral directors. Refer to "Fees and other costs" on page 10.	
Step 3A	Signatures
An additional contribution form without the signatures of all investors will not be accepted. If you are signing an additional contribution form under a power of attorney, a certified copy of the power of attorney must be enclosed with your form (unless already provided to the Society).	
Step 4A	Send your cheque and additional contribution form
Send your completed additional contribution form with a cheque crossed 'not negotiable' made payable to "Australian Friendly Society Ltd". Please note that we do not accept cash deposits, nor do we offer credit card or Centrepay facilities. Alternatively, additional contribution forms may be lodged at the office of Australian Friendly Society, any Bendigo Bank branch or any office of Sandhurst Trustees.	

Direct debit authority

Service Agreement

1. Australian Friendly Society (the 'debit user') will debit the BSB/ Account nominated in the Schedule of this direct debit request in Step 7 of the application form.
2. The debit user will give not less than 14 days written notice, should it propose to vary the arrangements of this direct debit request.
3. The customer(s) may request the debit user to alter the payment amount specified in the Schedule of this direct debit request provided it is not less than the minimum. Requests authorising these changes may only be made by sending written notice to the office of Australian Friendly Society, Sandhurst Trustees or any Bendigo Bank branch.
4. In compliance with the industry's direct debit claims process, the debit user will assist customers disputing any payment amount drawn on the BSB/account in the Schedule of this direct debit request. The debit user will endeavour to resolve this matter within the industry agreed time frames. Customers may visit any branch of their bank and complete a 'Direct Debit System Claim Request' form to initiate the process.
5. The debit user advises that some Financial Institution accounts do not facilitate direct debits and as such the customer(s) must check with their Financial Institution to ensure the account nominated in the Schedule of this direct debit request enables direct debiting.
6. It is the customer(s) responsibility to ensure at all times that there are sufficient funds available, at a due date of the debit drawing, to enable payment from the BSB/account as nominated in the Schedule of this direct debit request. If after three consecutive months the member fails to hold sufficient funds in their nominated account to cover the payment of the monthly deduction, the Society has the right to cancel the authority.
7. The debit user advises the debit drawing will be made on the agreed date as nominated in the Schedule of this direct debit request. When the due date is a closed business day, the debit user will initiate the debit drawing on the next open business day. Customer(s) may direct processing enquiries to their Financial Institution.

A closed business day is defined as any calendar day on which the customer(s) Financial Institution is not open for direct debit processing. That is:
 - weekends;
 - state public holidays; and
 - national public holidays.
8. Where an unpaid debit item is returned by the customer(s) Financial Institution, the debit user may, in accordance with Bendigo's Schedule of Fees, Charges and Transaction Account Rebates apply a Direct Debit Dishonour Fee to the customer(s) recipient account.
9. A customer(s) who wishes to cancel this direct debit request must notify the debit user in writing not less than seven days before the next scheduled debit drawing. Customer(s) may also cancel this direct debit request by visiting the office of Australian Friendly Society, Sandhurst Trustees, any Bendigo Bank branch or by contacting the customer(s) financial institution.
10. The debit user requests the customer(s) to direct all enquiries, disputes, requests for payment changes or cancellation directly to the debit user.
11. The debit user agrees to keep confidential all customer(s) records and account details contained in the Schedule of this direct debit request, unless authorised to release such information pursuant to a debit item dispute or similar event, where the customer(s) has provided prior consent to do so.

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I/We wish to invest	\$	<input type="text"/>	.	<input type="text"/>	contribution into funeral bond
	plus	\$.	<input type="text"/>
	TOTAL	\$.	<input type="text"/>

contribution fee (2.00% of the amount of the contribution)

Please cross the cheque 'not negotiable' and make payable to "Australian Friendly Society Ltd".

Where your financial planner wishes to waive the contribution fee, please write "NIL FEE" in the contribution fee line **followed by the signature of your financial planner.**

Financial planners please tick the box if you would like confirmation of this application faxed to you. Please ensure a fax number is included on page 1 of this application form.

Step 3 Travel Protection Plan

If you wish to apply for the Travel Protection Plan as an optional benefit to your Bendigo Funeral Bond, please tick the box for your chosen cover.

Single

Joint

Note that "Single" Plans apply to individual Funeral Bonds and "Joint" Plans apply to joint Bonds. If you select to take up this optional benefit, an **additional** amount of \$150.00 will be payable in addition to the total amount shown under Step 2 above. Please cross the cheque "not negotiable" and make payment to the "Australian Friendly Society Ltd". The Travel Protection Plan will not form part of your Bendigo Funeral Bond, but is instead a separate investment.

Step 4 Declaration and signatures

Before signing this application form, applicants should read the entire Disclosure Document to which this application relates.

By signing this application form, the applicant(s) acknowledge, declare and agree that:

- They have read the attached Disclosure Document and agree to be bound by the terms and conditions of the Disclosure Document, and the Constitution of Australian Friendly Society. They understand that the maturity date of the Bond is the date of death of the applicant, or in the case of joint applicants, the Bond will mature upon the death of either one of the applicants as selected by the surviving applicant;
- In the event that they effect more than one funeral bond or enter into additional bonds, the aggregate contributions do not and will not exceed the amount required to meet the cost of their funeral;
- As an investor in the Bendigo Funeral Bond that prior to their Bond maturing, they have no right to access the Bond benefits or surrender the proceeds of the Bond;
- An investment into the Fund does not represent a deposit or other liability with Bendigo and Adelaide Bank, Sandhurst Trustees or any other entity in the Bendigo and Adelaide Bank Group;
- As with any investment contract, there are inherent risks in investing into the Fund and these risks are set out in the Disclosure Document; and
- Neither the payment of capital nor the investment performance of the Fund, including the declaration of bonuses is guaranteed by Bendigo and Adelaide Bank, Sandhurst Trustees or any other entity of the Bendigo and Adelaide Bank Group.

This application form must not be distributed unless issued with the Disclosure Document dated 1 October 2009.

Investor 1 Signature

Date

Investor 2 Signature

Date

If joint investors are applying then all applicants are required to sign.

If you are signing the application under a power of attorney, a certified copy of the power of attorney must be enclosed with the application form. Please note the Society is unable to accept a *photocopy* of a certified document.

Please tick (✓) appropriate box.

I/We request a copy of the Annual Report of the Society be sent to us.

I/We request a copy of the notice of the Annual General Meeting of the Society be sent to us.

Step 5 Assigning your Bond to a funeral director

Application Form No. 1 (cont.)

I/We in accordance with the *Life Insurance Act 1995*, and the Constitution of Australian Friendly Society, wish to assign this Bond to:

Assigned to

Name of Funeral Director

Address of Funeral Director

Town/Suburb

Postcode

NOTE

An assignment transfers complete ownership to the funeral director. Should your circumstances necessitate a change in relation to the Assignee of your Bond (e.g. you move interstate), you will be required to obtain the funeral director's consent in writing before this Bond can be reassigned to another funeral director. All future notices will be forwarded to the specified funeral director. This assignment is not valid until registered by Australian Friendly Society. This assignment is subject to the Bond being issued. The assignment shall not become effective until the expiration of 14 days from the date the membership certificate is issued to the Applicant. Assignors must be at least 16 years of age.

Acknowledgement of assignment

Investor 1 Signature

Date

Investor 2 Signature

Date

Funeral Director Signature

Date

If joint investors are applying then all applicants are required to sign. If you are signing the application under a power of attorney, a certified copy of the power of attorney must be enclosed with the application form.

Step 6 Send your cheque and application form

Send your completed application form in the reply paid envelope with a cheque made payable to "Australian Friendly Society Ltd" and crossed not negotiable. Alternatively, applications may be lodged at the office of Australian Friendly Society, any Bendigo Bank branch or any office of Sandhurst Trustees. Please note that we do not accept cash deposits.

Queensland residents only - Queensland state legislation (*Funeral Benefit Business Act 1982*) requires all "selling agents" of funeral bonds to provide clients with a Client Care Statement. We are not permitted to accept Bendigo Funeral Bond applications from Queensland residents without receiving a completed Client Care Statement. A Client Care Statement can be obtained by contacting the Society.

Dear Sir/Madam,

From 15th of please commence a monthly direct debit from my/our account detailed below on the 15th day of each month.

The Schedule - details of the account to be debited

Name of Financial Institution

Address of Branch **Postcode**

Account Name

Branch No. (BSB) **Account No.**

I/We (Surname) **(Given Names)**

I/We (Surname) **(Given Names)**

request Australian Friendly Society, until further notice in writing, to arrange for funds to be debited from my/our account as described in this Schedule.

Investment details - details of the amount to be debited

Please debit amount of \$. **plus**
 \$. **contribution fee** (2.00% of the amount of the contribution)
TOTAL \$.

and invest into my Bendigo Funeral Bond until the sum of \$. **has been invested or until further notice.**

(Please note a minimum of \$42 per month plus a 2.00% contribution fee applies. Also you may not wish total contributions to exceed the social security threshold limit - if entitled to receive a means-tested pension or other Government benefit. Refer to page 11).

I/We have read the direct debit authority Service Agreement included in the Bendigo Funeral Bond Disclosure Document and understand and agree to the terms by which this direct debit authority operates. I/We also understand and acknowledge that:

1. I/We request this arrangement remain in force in accordance with the Schedule above and in compliance with the 'Service Agreement.'
2. I/We acknowledge that this direct debit arrangement is governed by the terms and conditions of the Bendigo Funeral Bond as outlined in the Disclosure Document and I/we agree to the terms and conditions as outlined above.

I/We authorise Australian Friendly Society with user ID number 203654 to arrange for funds to be debited from my/our account held with the financial institution identified in the Schedule.

Investor 1 Signature

Date

Investor 2 Signature

Date

Please notify the Society in writing if you wish to alter or cancel/stop payments into your regular savings plan.

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Step 2 Investment details

Application Form No. 2 (cont.)

I/We wish to invest	\$	<input type="text"/>	.	<input type="text"/>	contribution into funeral bond
	plus	\$.	<input type="text"/>	contribution fee (2.00% of the amount of the contribution)
TOTAL	\$	<input type="text"/>	.	<input type="text"/>	

Please cross the cheque 'not negotiable' and make payable to "Australian Friendly Society Ltd".

Where your financial planner wishes to waive the contribution fee, please write "NIL FEE" in the contribution fee line **followed by the signature of your financial planner.**

Financial planners please tick the box if you would like confirmation of this application faxed to you. Please ensure a fax number is included on page 1 of this application form.

Step 3 Travel Protection Plan

If you wish to apply for the Travel Protection Plan as an optional benefit to your Bendigo Funeral Bond, please tick the box for your chosen cover.

Single Joint

Note that "Single" Plans apply to individual Funeral Bonds and "Joint" Plans apply to joint Bonds. If you select to take up this optional benefit, an **additional** amount of \$150.00 will be payable in addition to the total amount shown under Step 2 above. Please cross the cheque "not negotiable" and make payment to the "Australian Friendly Society Ltd". The Travel Protection Plan will not form part of your Bendigo Funeral Bond, but is instead a separate investment.

Step 4 Declaration and signatures

Before signing this application form, applicants should read the entire Disclosure Document to which this application relates.

By signing this application form, the applicant(s) acknowledge, declare and agree that:

- They have read the attached Disclosure Document and agree to be bound by the terms and conditions of the Disclosure Document, and the Constitution of Australian Friendly Society. They understand that the maturity date of the Bond is the date of death of the applicant, or in the case of joint applicants, the Bond will mature upon the death of either one of the applicants as selected by the surviving applicant;
- In the event that they effect more than one funeral bond or enter into additional bonds, the aggregate contributions do not and will not exceed the amount required to meet the cost of their funeral;
- As an investor in the Bendigo Funeral Bond that prior to their Bond maturing, they have no right to access the Bond benefits or surrender the proceeds of the Bond;
- An investment into the Fund does not represent a deposit or other liability with Bendigo and Adelaide Bank, Sandhurst Trustees or any other entity in the Bendigo and Adelaide Bank Group;
- As with any investment contract, there are inherent risks in investing into the Fund and these risks are set out in the Disclosure Document; and
- Neither the payment of capital nor the investment performance of the Fund, including the declaration of bonuses is guaranteed by Bendigo and Adelaide Bank, Sandhurst Trustees or any other entity of the Bendigo and Adelaide Bank Group.

This application form must not be distributed unless issued with the Disclosure Document dated 1 October 2009.

Investor 1 Signature

Date

Investor 2 Signature

Date

If joint investors are applying then all applicants are required to sign.

If you are signing the application under a power of attorney, a certified copy of the power of attorney must be enclosed with the application form. Please note the Society is unable to accept a *photocopy* of a certified document.

Please tick (✓) appropriate box.

I/We request a copy of the Annual Report of the Society be sent to us.

I/We request a copy of the notice of the Annual General Meeting of the Society be sent to us.

Dear Sir/Madam,

From 15th of please commence a monthly direct debit from my/our account detailed below on the 15th day of each month.

The Schedule - details of the account to be debited

Name of Financial Institution

Address of Branch **Postcode**

Account Name

Branch No. (BSB) **Account No.**

I/We (Surname) **(Given Names)**

I/We (Surname) **(Given Names)**

request Australian Friendly Society, until further notice in writing, to arrange for funds to be debited from my/our account as described in this Schedule.

Investment details - details of the amount to be debited

Please debit amount of \$. **plus**
 \$. **contribution fee** (2.00% of the amount of the contribution)
TOTAL \$.

and invest into my Bendigo Funeral Bond until the sum of \$. **has been invested or until further notice.**

(Please note a minimum of \$42 per month plus a 2.00% contribution fee applies. Also you may not wish total contributions to exceed the social security threshold limit - if entitled to receive a means tested pension or other Government benefit. Refer to page 11).

I/We have read the direct debit authority Service Agreement included in the Bendigo Funeral Bond Disclosure Document and understand and agree to the terms by which this direct debit authority operates. I/We also understand and acknowledge that:

1. I/We request this arrangement remain in force in accordance with the Schedule above and in compliance with the 'Service Agreement.'
2. I/We acknowledge that this direct debit arrangement is governed by the terms and conditions of the Bendigo Funeral Bond as outlined in the Disclosure Document and I/we agree to the terms and conditions as outlined above.

I/We authorise Australian Friendly Society with user ID number 203654 to arrange for funds to be debited from my/our account held with the financial institution identified in the Schedule.

Investor 1 Signature

Date

Investor 2 Signature

Date

Please notify the Society in writing if you wish to alter or cancel/stop payments into your regular savings plan.

Bendigo Funeral Bond Additional Contribution Form **Additional Contribution Form No. 2**

This form is to be completed by applicants seeking to make an additional contribution to their Bond.

Step 1A Investor details

Investor 1 All correspondence will be forwarded to the address of Investor 1 unless assigned to a funeral director.

(Mr/Mrs/Miss/Ms)	<input type="text"/>	Surname	<input type="text"/>
Given Names	<input type="text"/>	Date of Birth	<input type="text"/>
Address	<input type="text"/>		
Town/Suburb	<input type="text"/>	State	<input type="text"/>
Postcode	<input type="text"/>		
Phone (BH)	<input type="text"/>	Phone (AH)	<input type="text"/>
Mobile	<input type="text"/>		

Investor 2 (for joint investors only)

(Mr/Mrs/Miss/Ms)	<input type="text"/>	Surname	<input type="text"/>
Given Names	<input type="text"/>	Date of Birth	<input type="text"/>
Address	<input type="text"/>		
Town/Suburb	<input type="text"/>	State	<input type="text"/>
Postcode	<input type="text"/>		
Phone (BH)	<input type="text"/>	Phone (AH)	<input type="text"/>
Mobile	<input type="text"/>		

Step 2A Additional contribution

I/We wish to invest	\$	<input type="text"/>	.	<input type="text"/>	plus
	\$	<input type="text"/>	.	<input type="text"/>	contribution fee (2.00% of the amount of the contribution)
TOTAL	\$	<input type="text"/>	.	<input type="text"/>	
Member Number	<input type="text"/>				

Step 3A Signatures

_____ Investor 1 Signature	_____ Date
_____ Investor 2 Signature	_____ Date

If joint investors are making an additional contribution then all investors are required to sign.

Step 4A Send your cheque and additional contribution form

Send your completed additional contribution form with a cheque crossed 'not negotiable' made payable to "Australian Friendly Society Ltd". Alternatively, additional contribution forms may be lodged at the office of Australian Friendly Society, any Bendigo Bank branch or any office of Sandhurst Trustees. Please note that we do not accept cash deposits.

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