

Termination of certain UBS exchange traded funds

Friday 13 March 2020

Dear investor

Termination of certain UBS exchange traded funds

UBS Asset Management (Australia) Ltd ACN 003 731 959 (**UBS**) is the responsible entity for each of the following registered managed investment schemes, each of which is admitted to trading status on the AQUA market of the ASX (each a **Fund**):

- (a) UBS IQ Cash ETF ARSN 618 551 125 (ASX code MONY) (**MONY**);
- (b) UBS IQ Morningstar Australia Dividend Yield ETF ARSN 161 570 574 (ASX code DIV) (**DIV**);
- (c) UBS IQ Morningstar Australia Quality ETF ARSN 159 571 534 (ASX code ETF) (**ETF**);
- (d) UBS IQ MSCI Europe Ethical ETF ARSN 603 813 949 (ASX code UBE) (**UBE**);
- (e) UBS IQ MSCI Japan Ethical ETF ARSN 603 812 451 (ASX code UBJ) (**UBJ**); and
- (f) UBS IQ MSCI USA Ethical ETF ARSN 603 812 246 (ASX code UBU) (**UBU**).

UBS has applied to ASX, and ASX has approved, for each Fund's admission to trading status to be revoked.

UBS expects that you will continue to be able to trade in units in each Fund on the ASX until the close of trading on Monday 11 May 2020 (see the timetable below) (**Last Trading Date**). Following cessation of ASX quotation of a Fund, UBS intends to terminate the Fund. Termination will commence on Thursday 14 May 2020 (see the timetable below) (**Termination Date**) in accordance with the constitution for the Fund and Part 5C.9 of the *Corporations Act 2001* (Cth). An explanation of how and when you will receive any Final Distribution Amount (defined below) following the termination of a relevant Fund is set out below. This notice constitutes a termination notice for the purposes of clause 21.2(a)(ii) of the Constitution of each Fund

More details relating to the termination are set out below.

Background

In respect of each Fund, UBS considers that the Fund is not, and is not likely to become, viable as an ASX quoted exchange traded fund. This is primarily due to insufficient scale, leading to costs that are disproportionately high as a percentage of the net asset value of each Fund. On this basis, UBS has determined for each Fund that it is in the best interests of members as a whole to terminate the Fund.

Important dates

Important dates relating to this notice are set out in the table below. These dates are subject to change. Any change will be announced to the market via the ASX.

Step	Description	Date
1	The last date on which units in each Fund may be traded on ASX or redeemed (in the case of an Authorised Participant) (Last Trading Date).	Monday 11 May 2020
2	The date final trades on ASX will settle. Unitholders following the settlement time on this date (Record Date) will participate in the liquidation of the Fund.	Wednesday 13 May 2020
3	The date on which termination of each Fund will commence (Termination Date).	Thursday 14 May 2020
4	The date by which UBS will pay the relevant Final Distribution Amount (defined below) to each member on the Record Date (Final Distribution Payment Date).	Promptly following the Termination Date.

What can you do?

UBS expects that you will be able to continue to trade in your units until the Last Trading Date referred to above. If you are an Authorised Participant, you may redeem units until the Last Trading Date. Alternatively, you can continue to hold your units in a Fund and participate in the Fund's winding-up. You should seek independent professional advice to ensure that you understand the implications, including the costs and risks of each choice.

How and when will you receive payment following termination?

After the commencement of termination of each Fund on the Termination Date (being Thursday 14 May 2020), the assets of the Fund will be sold and the Fund will be wound up. As noted above, if you hold units on the Record Date you will be entitled to your pro-rata share of any Final Distribution Amount (being an amount equal to your pro-rata share of the proceeds of selling the assets of the Fund (less any reasonable costs of the winding-up of the Fund)). Any such amount will be paid into the bank account nominated to receive distributions for the Fund. To update or confirm the details for this bank account, please contact Link Market Services Limited (the **Registrar** for each Fund) on 1800 810 869 or register (if you have not done so) and login to the Registrar's website: www.linkmarketservices.com.au.

Contact information

If you require any further information relating to this letter, please contact your adviser or Link Market Services Limited via email ubsetf@linkmarketservices.com.au or phone 1800 810 869 between 8:30 am. and 5:30 pm (Sydney time) Monday to Friday

Kind regards



Bryce Doherty
Head of Australia & New Zealand
UBS Asset Management (Australia) Ltd