

PRODUCT DISCLOSURE STATEMENT

for an offer of Secured Convertible Term and Secured Convertible Call Deposits by UDC Finance Limited

This is a replacement product disclosure statement, which replaces the product disclosure statement dated 21 December 2017

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.companiesoffice.govt.nz/disclose. UDC Finance Limited (UDC, we, our or us) 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.



12 January 2018

SECTION 1. Key Information Summary

WHAT IS THIS?

This is an offer of secured convertible term and secured convertible call deposits ("UDC Secured Investments"). UDC Secured Investments are debt securities issued by UDC. You give UDC money, and in return UDC promises to pay you interest and repay the money at the end of the term or when requested for call accounts.

For so long as UDC is owned by ANZ (or another member of the ANZ Group), UDC may choose to repay all of your UDC Secured Investments at any time. If that happens, UDC will send you an "Election Notice", asking you to choose to have your UDC Secured Investments:

- converted into a product issued by ANZ Bank New Zealand Limited ("ANZ") that ANZ considers to have materially the same terms as the relevant UDC Secured Investment ("ANZ Equivalent Product"), being either an unsecured ANZ Term Deposit or an unsecured ANZ Online Account; or
- repaid directly to you.

If you do not choose one of these options in relation to a UDC Secured Investment, that UDC Secured Investment will be converted into an ANZ Equivalent Product.

The returns on your investment will not change if your UDC Secured Investments are converted into an ANZ Equivalent Product, but ANZ will be the issuer of your investment instead of UDC.

If UDC or ANZ (if your UDC Secured Investments have converted into ANZ Equivalent Products) runs into financial trouble, you might lose some or all of the money you invested.

ABOUT UDC FINANCE LIMITED AND ANZ BANK NEW ZEALAND LIMITED

UDC was established in 1938 as a finance company to provide financial services to New Zealand businesses and individuals.

Our principal activities are providing secured investments and asset based finance across a diverse range of industry sectors. In March 2015, we were licensed as a non-bank deposit taker under the Non-bank Deposit Takers Act 2013.

ANZ is a registered bank under the Reserve Bank of New Zealand Act 1989 and has been in the business of banking in New Zealand since 1840. ANZ provides a full range of financial services and comprises some of New Zealand's best known financial brands – ANZ, OnePath, ANZ Investments, Bonus Bonds and ANZ Securities. ANZ is currently the sole shareholder of UDC although the ownership of UDC may change in the future as further described in section 3 (UDC and what it does).

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KEY TERMS OF THE OFFER

Set out below are the key terms of the offer. You should also read section 2 (Terms of the offer).

Secured Term Investments

Description of Secured Term Investments	Secured Term Investments are secured convertible fixed term investments with different interest rates that apply depending on the amount and term of the investment. We offer: <ul style="list-style-type: none">• Term Investments which are investments for different fixed terms.• Capital Drawdown Investments which allow regular payments throughout the investment term to the investor.
Term	Term Investments – from 1 month to 5 years. Capital Drawdown Investments – from 1 year to 5 years. In addition, see "Early repayment or conversion into ANZ Equivalent Products" for information on when a Secured Term Investment may be repaid early or converted into an ANZ Equivalent Product.
Interest rates	Interest rates are available on www.udc.co.nz/investing . We set interest rates on a regular basis after considering current market conditions. Rates are subject to change without notice. The interest rate is fixed for the investment term.
Interest payments	Interest is calculated daily on the balance of your investment up to and including the day before the end of your investment term. Interest may be credited to the nominated bank account or compounded depending on the interest frequency chosen. Interest frequencies <ul style="list-style-type: none">• Term Investments – at maturity, annually, quarterly or monthly• Capital Drawdown Investments – quarterly or monthly Visit www.udc.co.nz/investing for more details.
Minimum investment amount	\$5,000.
Offer opening and closing dates	The offer opened on 22 June 2017. This is a continuous offer with no closing date.
Early withdrawal	In certain situations, such as the death of the investor or financial hardship, we may allow early withdrawal of some or all of the money you have invested. If we agree to early withdrawal, we may apply a reduced rate for the period your money was invested and to any amount left in your investment as further described in section 2 (Terms of the offer).
Early repayment or conversion into ANZ Equivalent Products	For so long as UDC is owned by ANZ (or another member of the ANZ Group), UDC may choose to repay all of the UDC Secured Investments at any time. If that happens, each Secured Term Investment you hold (together with accrued but unpaid interest (but less any applicable withholding tax and deductions)) may be: <ul style="list-style-type: none">• converted into an ANZ Equivalent Product, being an ANZ Term Deposit. The ANZ Term Deposit will have a principal amount equal to the total amount payable on repayment of your UDC Secured Term Investment; or• repaid directly to you. See section 2 (Terms of the offer) for further information.

Secured Call Investments

Description of Call Account and Dealer Reserve Account	Secured Call Investments are secured convertible on-call investments. We offer: <ul style="list-style-type: none"> • Call Accounts which are investments with different interest rates that apply depending on the investment amount. • Dealer Reserve Accounts which are investments that are only available to UDC accredited dealers who have entered into certain underlying trading agreements with us.
Term	There is no fixed term. You can request repayment at any time.
Interest rates	Interest rates are available on www.udc.co.nz/investing . We set interest rates on a regular basis after considering current market conditions. Rates are subject to change without notice.
Interest payments	Interest is calculated on your daily balance and compounded on the last day of each calendar month.
Minimum investment amount	Call Account: Minimum initial balance of \$5,000. Dealer Reserve Account: Minimum balance agreed with each individual dealer.
Offer opening and closing dates	The offer opened on 22 June 2017. This is a continuous offer with no closing date.
Repayment or conversion into ANZ Equivalent Products	For so long as UDC is owned by ANZ (or another member of the ANZ Group), UDC may choose to repay all of the UDC Secured Investments at any time. If that happens, each UDC Secured Call Investment you hold (together with accrued but unpaid interest (but less any applicable withholding tax and deductions)) may be: <ul style="list-style-type: none"> • converted into an ANZ Equivalent Product, being an ANZ Online Account (a call account). The ANZ Online Account will have an initial balance equal to the total amount payable on repayment of your UDC Secured Call Investment; or • repaid directly to you. See section 2 (Terms of the offer) for further information.

NO GUARANTEE

UDC is solely responsible for paying you the principal and interest on your UDC Secured Investments. UDC Secured Investments are not guaranteed by the Supervisor, ANZ or any other person.

If your UDC Secured Investments convert into ANZ Equivalent Products, ANZ is solely responsible for paying you the principal and interest on your ANZ Equivalent Products. ANZ Equivalent Products are not guaranteed by any person.

HOW YOU CAN GET YOUR MONEY OUT EARLY

UDC Secured Investments

Secured Call Investments have no fixed term and you can request repayment at any time.

Investors can apply in writing to have their Term Investment or Capital Drawdown Investment repaid prior to maturity. Approvals are at our discretion. See also the "Early withdrawal" section in the table above.

For so long as UDC is owned by ANZ (or another member of the ANZ Group), it can choose for all of the UDC Secured Investments to be repaid. If that happens, you can choose to have your UDC Secured Investments:

- converted into ANZ Equivalent Products; or
- repaid directly to you.

If you do not choose one of these options in relation to a UDC Secured Investment, that UDC Secured Investment will be converted into an ANZ Equivalent Product.

UDC does not intend to quote these UDC Secured Investments on a market licensed in New Zealand and there is no other established market for trading them. This means you may not be able to sell your UDC Secured Investments before the end of their term (in the case of Secured Term Investments).

ANZ Equivalent Products (if conversion occurs)

If your UDC Secured Investments convert into ANZ Equivalent Products that are:

- ANZ Online Accounts, those ANZ Equivalent Products have no fixed term and you can request repayment at any time; or
- ANZ Term Deposits, you can ask ANZ to have your ANZ Term Deposit repaid prior to maturity. Approvals are at ANZ's discretion.

See section 8 (Summary comparison of the key features of the UDC Secured Investments and ANZ Equivalent Products) for further information.

ANZ does not intend to quote the ANZ Equivalent Products on a market licensed in New Zealand and there is no other established market for trading them. This means that, if your UDC Secured Investments convert into ANZ Equivalent Products, you may not be able to sell your ANZ Equivalent Products before the end of their term (in the case of ANZ Term Deposits).

HOW UDC SECURED INVESTMENTS RANK FOR REPAYMENT

On liquidation of UDC, your rights and claims under the UDC Secured Investments would rank:

After any prior security interests permitted by the Trust Deed and claims deemed to have priority by law;

Equally with all other holders of UDC Secured Investments and first ranking security stock issued to ANZ; and

Ahead of lower ranking secured creditors, unsecured creditors, and shareholders.

Further information can be found in section 4 (Key features of UDC Secured Investments).

If your UDC Secured Investments convert into ANZ Equivalent Products, you will not have a claim on UDC. However, you will have a claim against ANZ in relation to your ANZ Equivalent Products. Unlike any claim you would have had against UDC in relation to the UDC Secured Investments, your claim against ANZ in relation to the ANZ Equivalent Products is unsecured. On liquidation of ANZ, that claim would rank:

After any claims of secured creditors and any claims deemed to have priority by law;

Equally with the claims of other unsecured, unsubordinated creditors, including other holders of ANZ Equivalent Products and depositors.

Ahead of subordinated creditors and shareholders in ANZ.

WHAT ASSETS ARE THESE UDC SECURED INVESTMENTS SECURED AGAINST?

UDC Secured Investments are secured by a security interest granted under the Trust Deed over all of our present and future assets and undertakings, to Trustees Executors Limited, as Supervisor.

Our assets that are subject to this security interest comprise mainly of our loans to our customers and certain plant and equipment.

Further information can be found in section 4 (Key features of UDC Secured Investments).

If your UDC Secured Investments convert into ANZ Equivalent Products, those ANZ Equivalent Products will be unsecured obligations of ANZ.

WHERE YOU CAN FIND UDC'S FINANCIAL INFORMATION

The financial position and performance of UDC are essential to an assessment of UDC's ability to meet its obligations under the UDC Secured Investments. You should also read section 5 (UDC's financial information).

If your UDC Secured Investments convert into ANZ Equivalent Products, it will be ANZ's financial position and performance, not UDC's, that are essential to an assessment of ANZ's ability to meet its obligations under the ANZ Equivalent Products. Information about ANZ and ANZ's financial statements are published in disclosure statements required under the Reserve Bank of New Zealand Act 1989. ANZ's disclosure statements can be viewed and downloaded from ANZ's website at www.anz.co.nz/about-us/media-centre/investor-information.

KEY RISKS AFFECTING THIS INVESTMENT

Investments in debt securities have risks. A key risk is that UDC does not meet its commitments to repay you or pay you interest (credit risk). Section 6 (Risks of investing) discusses the main factors that give rise to the

risk. You should consider if the credit risk of these debt securities is suitable for you.

The interest rate for these UDC Secured Investments should also reflect the degree of credit risk. In general, higher returns are demanded by investors from businesses with higher risk of defaulting on their commitments. You need to decide whether the offer is fair.

UDC considers the most significant other risks are:

Loan default risk

Loan default risk is the risk that our borrowers won't pay back the money we lend them.

If a significant number of borrowers defaulted on their loans around the same time, there may be insufficient funds to fully repay investors.

Liquidity risk

Liquidity risk is the risk we are not able to raise enough cash at short notice to meet our debts as they fall due, including repaying your UDC Secured Investments as they mature.

UDC enters into term loans with borrowers that cannot be called at short notice. We are therefore exposed to liquidity risk if investments are of different maturity.

If your UDC Secured Investments are converted into ANZ Equivalent Products, these risks will change significantly. If you receive an Election Notice, you should ensure that you understand the risks of the ANZ Equivalent Products before electing for, or allowing, your UDC Secured Investments to convert into ANZ Equivalent Products.

This summary does not cover all of the risks of investing in UDC Secured Investments. You should also read section 6 (Risks of investing).

WHAT IS UDC'S CREDIT RATING?

UDC currently holds a BBB (credit watch negative) long-term credit rating from Standard & Poor's. This is an investment grade rating.

A credit rating is an independent opinion of the capability and willingness of an entity to repay its debts (in other words, its creditworthiness). It is not a guarantee that the financial product being offered is a safe investment. A credit rating should be considered alongside all other relevant information when making an investment decision.

UDC has been rated by Standard & Poor's. Standard & Poor's gives ratings from AAA Extremely Strong to C Currently Highly Vulnerable.

Standard & Poor's Rating Scale

Statistics on the Rate of Default for Entities with Rating over a Period of at least 5 years

Range of credit ratings for Standard & Poor's (*)	AAA	AA	A	BBB/negative watch	BB	B	CCC	CC to C	D
				UDC Finance					
Summary description of the rating	Capacity to meet financial commitments				Vulnerability to non-payment				
	Extremely Strong	Very Strong	Strong	Adequate	Less Vulnerable	More Vulnerable	Currently Vulnerable	Currently Highly Vulnerable	In default
Default probability	0.36%	0.35%	0.57%	1.95%	7.71%	18.70%	46.28%	46.28%	

(*) Standard & Poor's ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

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Chairman's Letter

Thank you for considering a UDC Secured Investment.

At 30 September 2017 UDC had \$2.9 billion in lending assets across a diverse range of industry sectors. Our portfolio continues to drive lending growth and as New Zealand's leading finance company we've built on our strength and momentum, with an increase in lending across our core segments. It is our knowledge and expertise in these areas that define us.

ANZ announced in January 2017 that it had entered into a conditional sale agreement to sell 100% of its shares in UDC to TIP-HNA New Zealand Holdings Limited ("TIP-HNA"). The sale was subject to certain conditions (including regulatory approvals) which have not been satisfied and the sale of UDC to TIP-HNA will therefore not proceed. Although the sale of UDC to TIP-HNA will not proceed, the ownership of UDC may still change in the future. There is no certainty that ANZ will own UDC for the duration of your investment.

On the following pages you'll find key information you need to consider when investing with UDC. Please carefully read the Product Disclosure Statement including the risk section and seek financial advice before making an investment decision. Once again, thank you for considering UDC Finance as part of your investment portfolio.

Yours faithfully



Stuart McLauchlan
Chairman
UDC Finance

SECTION 2. Terms of the offer

This section explains the terms that apply to the Secured Term Investments and Secured Call Investments including information about when the UDC Secured Investments may convert into ANZ Equivalent Products and the terms of the ANZ Equivalent Products.

TERMS OF THE SECURED TERM INVESTMENTS AND SECURED CALL INVESTMENTS

Our Secured Term Investment has a number of features:

- You invest money with us for a set period of time, called the `term'. You may choose the length of term.
- You have a first ranking security for your investment (subject to certain exceptions).
- Your interest rate is fixed providing regular returns.
- Our Capital Drawdown Investment has all the above features, plus you can choose to receive regular payments throughout the investment term.
- You may use UDC's on-line platform to manage your investments.

Our Secured Call Investment has a number of features:

- Flexible deposit and withdrawal terms.
- You have a first ranking security for your investment (subject to certain exceptions).
- Interest is calculated on your daily balance.
- You may use UDC's on-line platform to monitor your balance and make withdrawals (or you may call UDC direct).

SECURED TERM INVESTMENTS

Description of Secured Term Investments	<p>Secured Term Investments are secured convertible fixed term investments with different interest rates that apply depending on the amount and term of the investment. We offer:</p> <ul style="list-style-type: none"> • Term Investments which are secured investments for different fixed terms. • Capital Drawdown Investments which allow regular payments throughout the investment term to the investor.
Term	<p>Term Investments – any term of investment can be requested from 1 month to 5 years.</p> <p>Capital Drawdown Investments – any term of investment can be requested from 1 year to 5 years.</p> <p>In addition, see “Early repayment or conversion into ANZ Equivalent Products” for information on when a Secured Term Investment may be repaid early or converted into an ANZ Equivalent Product.</p>
Interest rates	<p>Interest rates are available on our website www.udc.co.nz/investing.</p> <p>We set the interest rates on a regular basis after considering current market conditions. Rates are subject to change without notice.</p> <p>The interest rate is fixed for the investment term.</p>
Interest payments	<p>Interest is calculated daily on the balance of your investment up to and including the day before the end of your investment term. Interest may be credited to the nominated bank account or compounded depending on the interest frequency and option chosen. Compounded means the interest you earn is added to your principal, and you'll also earn interest on that amount from that point on. As a feature of the Capital Drawdown Investment, interest earned is automatically compounded.</p> <p>Interest frequencies</p> <ul style="list-style-type: none"> • Term Investments – at maturity, annually, quarterly or monthly • Capital Drawdown Investments – quarterly or monthly <p>For more details on interest, payment frequencies and options, visit our website www.udc.co.nz/investing.</p>
Offer opening and closing dates	<p>The offer opened on 22 June 2017.</p> <p>This is a continuous offer with no closing date.</p>

Ranking of Secured Term Investments on liquidation	<p>On liquidation of UDC, your rights and claims would rank:</p> <p>After any prior security interests permitted by the Trust Deed and claims deemed to have priority by law (for example: preferential claims by Inland Revenue);</p> <p>Equally with all other holders of UDC Secured Investments and first ranking security stock issued to ANZ; and</p> <p>Ahead of lower ranking secured creditors, unsecured creditors, and shareholders.</p> <p>If your UDC Secured Investments convert into ANZ Equivalent Products, you will not have a claim on UDC. However, you will have a claim against ANZ in relation to your ANZ Equivalent Products. Unlike any claim you would have had against UDC in relation to the UDC Secured Investments, your claim against ANZ in relation to the ANZ Equivalent Products is unsecured. On liquidation of ANZ, that claim would rank:</p> <p>After any claims of secured creditors and any claims deemed to have priority by law;</p> <p>Equally with the claims of other unsecured, unsubordinated creditors, including other holders of ANZ Equivalent Products and depositors; and</p> <p>Ahead of subordinated creditors and shareholders in ANZ.</p>
Minimum investment amount	\$5,000.
Early withdrawal	<p>In certain situations, such as the death of the investor or financial hardship, we may allow the early withdrawal of some or all of the money you have invested. If we agree to the early withdrawal, we may apply a reduced rate for the period that your money was invested and to any amount left in your investment. This may be a reduction of up to 50% of the amount of interest you were expecting to earn on the investment you are withdrawing. This means you will receive a lesser return on your investment but you will always receive the original principal you initially invested.</p> <p>There are no early withdrawal differences between Term Investments and Capital Drawdown Investments.</p>
Early repayment or conversion into ANZ Equivalent Products	<p>For so long as UDC is owned by ANZ (or another member of the ANZ Group), UDC may choose to repay all of your UDC Secured Investments at any time. If that happens, your UDC Secured Investments may be converted into ANZ Equivalent Products, being ANZ Term Deposits, or repaid directly to you. Further information about this is set out below under “Repayment or conversion into ANZ Equivalent Products”.</p>

On Maturity	<p>If you have chosen an auto-renewal option on your investment</p> <p>We will automatically reinvest your investment for the same or a similar term at the applicable interest rate on offer at that time. If your new investment is below the minimum investment amount, we will apply the “On Demand Rate”, which may be lower than other available interest rates. Details of the On Demand Rate are available by contacting us.</p> <p>If you haven’t chosen an auto-renewal option on your investment</p> <ul style="list-style-type: none">• We will send you a maturity notice approximately two weeks before your investment term ends. You can complete and return the notice to us, telling us what you’d like us to do with your investment.• If you haven’t confirmed your chosen option before your investment term ends, we will apply the On Demand Rate to your investment for 10 business days. On business day 11 we will automatically reinvest your investment for the same or a similar term at the interest rate applying to that term on offer at that time. If your new investment is below the minimum investment amount, we will apply the On Demand Rate but there are no other consequences. <p>A similar term means the closest comparable standard investment term as advertised. This would apply if we no longer offered the existing term.</p> <p>The On Demand Rate is lower than the call interest rate provided to the Secured Call Investments. Details of the current On Demand Rate are available by contacting our Investor Services team on 0800 652 832 or +64 9 362 3062.</p> <p>For more information you can call our Investor Services team on 0800 652 832 or visit our website www.udc.co.nz/investing.</p>
Confirmation	<p>We will send you a confirmation when you open an account with us or reinvest your investment, showing the amount you have invested, the term and the applicable interest rate.</p>
Fees	<p>We don’t charge you any fees in relation to the establishment or administration of your Secured Term Investment. If we permit you to terminate your Secured Term Investment, we may reduce your return on your Secured Term Investment.</p>

SECURED CALL INVESTMENTS

Description of Call Account and Dealer Reserve Account	<p>Secured Call Investments are secured convertible on-call investments. We offer:</p> <ul style="list-style-type: none"> • Call Accounts which are secured call investments with different interest rates that apply depending on the amount of the investment. • Dealer Reserve Accounts which are secured call investments that are only available to UDC accredited dealers who have entered into certain underlying trading agreements with us.
Term	There is no fixed term. You can request repayment at any time.
Interest rates	<p>Interest rates are available on our website www.udc.co.nz/investing We set the interest rates on a regular basis after considering current market conditions.</p> <p>Rates are subject to change without notice.</p>
Interest payments	Interest is calculated on your daily balance and compounded on the last day of each calendar month.
Offer opening and closing dates	<p>The offer opened on 22 June 2017.</p> <p>This is a continuous offer with no closing date.</p>
Ranking of Call Account on liquidation	<p>On liquidation of UDC, your rights and claims would rank:</p> <p>After any prior security interests permitted by the Trust Deed and claims deemed to have priority by law (for example: preferential claims by Inland Revenue);</p> <p>Equally with all other holders of UDC Secured Investments and first ranking security stock issued to ANZ; and</p> <p>Ahead of lower ranking secured creditors, unsecured creditors, and shareholders.</p> <p>If your UDC Secured Investments convert into ANZ Equivalent Products, you will not have a claim on UDC. However, you will have a claim against ANZ in relation to your ANZ Equivalent Products. Unlike any claim you would have had against UDC in relation to the UDC Secured Investments, your claim against ANZ in relation to the ANZ Equivalent Products is unsecured. On liquidation of ANZ, that claim would rank:</p> <p>After any claims of secured creditors and any claims deemed to have priority by law;</p> <p>Equally with the claims of other unsecured, unsubordinated creditors, including other holders of ANZ Equivalent Products and depositors; and</p> <p>Ahead of subordinated creditors and shareholders in ANZ.</p>
Minimum investment amount	<p>Call Account: Minimum initial balance of \$5,000.</p> <p>If you use our online platform there is no restriction on the amounts you can subsequently deposit. However, if you use another method to deposit funds (e.g. by telephone or internet banking) you can only make one-off deposits providing they are a minimum of \$500 at any time.</p> <p>Dealer Reserve Account: Minimum balance will be agreed with each individual UDC accredited dealer.</p>

Minimum investment withdrawal	If you use our online platform there is no restriction on amounts you can withdraw. However if you use another method to make withdrawals (e.g. by telephone) you can only make withdrawals of a minimum of \$500 at any time (unless you are withdrawing your entire Call Account investment).
Repayment or conversion into ANZ Equivalent Products	For so long as UDC is owned by ANZ (or another member of the ANZ Group), UDC may choose to repay all of the UDC Secured Investments at any time. If that happens, your UDC Secured Investments may be converted into ANZ Equivalent Products, being ANZ Online Accounts, or repaid directly to you. Further information about this is set out below under “Repayment or conversion into ANZ Equivalent Products”.
Fees	We don’t charge you any fees in relation to the establishment or administration of your Secured Call Investment.

REPAYMENT OR CONVERSION INTO ANZ EQUIVALENT PRODUCTS

The Trust Deed allows us to choose to repay all of the UDC Secured Investments at any time. We can exercise our right to repay all UDC Secured Investments at any time, as long as we are owned by ANZ (or another member of the wider ANZ Group) at the time we choose to exercise that right. UDC is under no obligation to exercise this right and you should not assume that we will do so, regardless of whether ANZ continues to own UDC (as further described in section 3 (UDC and what it does)).

This means your UDC Secured Investments could be repaid earlier than their scheduled maturity date (if any).

Before your UDC Secured Investments are repaid, we must send you an Election Notice which will tell you what the early repayment date will be and will ask you to choose whether to have your UDC Secured Investment, together with any accrued but unpaid interest (but less any applicable withholding tax and deductions):

- converted into an ANZ Equivalent Product, being a product issued by ANZ that ANZ considers to have materially the same terms as the relevant UDC Secured Investment; or
- repaid directly to you.

If you wish to make an election, you will need to make sure we receive your validly completed Election Notice within the time specified in the Election Notice. The Election Notice may specify conditions to early repayment of the UDC Secured Investments.

If we do not receive your valid election in relation to one or more of your UDC Secured Investments, those UDC Secured Investments will be converted into ANZ Equivalent Products on repayment.

It is important that if you receive an Election Notice, you:

- **read the Election Notice;**
- **decide what you want to happen to your UDC Secured Investments on the early repayment date; and**
- **take any necessary actions.**

WHAT ARE THE ANZ EQUIVALENT PRODUCTS?

The table below lists the UDC Secured Investments that are offered under this PDS and identifies the ANZ Equivalent Product for each UDC Secured Investment. We have entered into an agreement with ANZ under which ANZ has agreed to issue the ANZ Equivalent Products if and when required pursuant to the terms of the Trust Deed.

UDC Secured Investment	ANZ Equivalent Product
Term Investment	Term Deposit
Capital Drawdown Investment	Term Deposit
Call Account	Online Account
Dealer Reserve Account	Online Account

The ANZ Equivalent Products are unsecured debt obligations of ANZ and will be subject to the applicable ANZ terms and conditions.

While ANZ considers that each ANZ Equivalent Product has materially the same terms as the corresponding UDC Secured Investment, there are differences between the terms and conditions of the ANZ Equivalent Products and the terms and conditions of the UDC Secured Investments.

To help you understand what the ANZ Equivalent Products are, we have included a table in section 8 (Summary comparison of the key features of the UDC Secured Investments and ANZ Equivalent Products) which shows the key features of each type of UDC Secured Investment and whether those features will remain the same or not in the terms and conditions of the ANZ Equivalent Product.

The full terms and conditions that apply to the ANZ Equivalent Products, together with a table of amendments to those terms and conditions that will apply to ANZ Equivalent Products issued on conversion of the UDC Secured Investments is also available.

You can obtain copies of those terms and conditions by phoning our Investor Services Team on 0800 652 832 or online from our website (www.udc.co.nz/investing/important-documents) or the Disclose Register (www.companiesoffice.govt.nz/disclose).

It is important that you understand the terms and conditions of the ANZ Equivalent Products and how they differ from the UDC Secured Investments. If your UDC Secured Investment is converted into an ANZ Equivalent Product you will be bound by those terms and conditions.

The amendments to ANZ's standard terms and conditions for the ANZ Equivalent Products are intended to ensure that you continue to receive the benefit of certain favourable terms that currently apply to the UDC Secured Investments. Those amendments will apply to the ANZ Equivalent Product that is issued immediately following repayment. However, if your ANZ Equivalent Product matures and you reinvest in another ANZ product, it will be on ANZ's standard terms and conditions at that time, not the terms of the ANZ Equivalent Product. ANZ's standard terms and conditions are available on request from ANZ and are currently also available at www.anz.co.nz/auxiliary/rates-fees-agreements.

TRUST DEED

We entered into a Trust Deed with Trustees Executors Limited dated 22 May 1986 (as amended and restated and most recently amended on 21 June 2017). You can obtain a copy of the Trust Deed from the Disclose Register at www.companiesoffice.govt.nz/disclose.

SECTION 3. UDC and what it does

UDC was established in 1938 as a finance company to provide financial services to New Zealand customers. We take pride in having helped New Zealanders with their financial needs for over 75 years.

During the past 5 years, our principal activities have been providing investments to the public (such as UDC Secured Term Investments) and providing asset based finance to New Zealand companies and individuals.

We help New Zealand businesses buy or upgrade the plant and equipment they need to grow and prosper.

We provide lending to a diverse range of industry sectors throughout New Zealand as identified in the lending diversification section below.

The income generated from the interest and fees that our borrowers pay to us, along with principal repayments, is used to repay the principal and interest you earn on your UDC Secured Investment.

In March 2015, we were licensed by the Reserve Bank of New Zealand as a non-bank deposit taker under the Non-bank Deposit Takers Act 2013.

As one of New Zealand's largest non-bank deposit takers, we have implemented a comprehensive risk management programme and maintain certain capital and liquidity thresholds required by law. These are reviewed regularly by our Board of Directors and the Supervisor.

We raise funds from the public to provide asset-based financing solutions as an alternative to traditional bank lending.

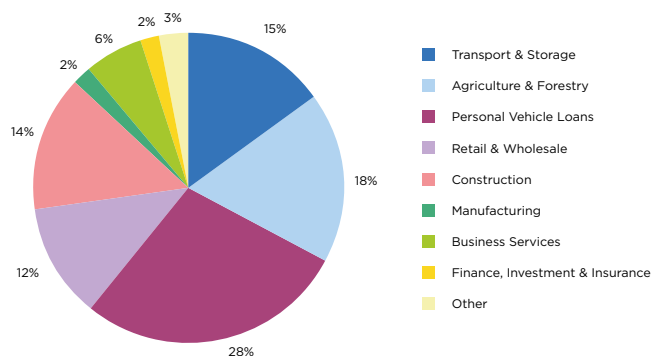
OWNERSHIP OF UDC

We became a wholly-owned subsidiary of ANZ in 1980. Since then we have gained access to the resources and expertise of ANZ who help us achieve best practice corporate governance and risk management. ANZ does not guarantee any of the UDC Secured Investments offered or referred to in this PDS.

ANZ announced in January 2017 that it had entered into a conditional sale agreement to sell 100% of its shares in UDC to TIP-HNA. The sale was subject to certain conditions (including regulatory approvals) which have not been satisfied and the sale of UDC to TIP-HNA will not proceed. Although the sale of UDC to TIP-HNA will not proceed, the ownership of UDC may still change in the future. There is no certainty that ANZ will own UDC for the duration of your investment.

LENDING DIVERSIFICATION

We understand the importance of diversification and that's why we spread our lending activities across a diverse range of industry sectors throughout New Zealand.



UDC lending assets by industry (as at 30 September 2017)

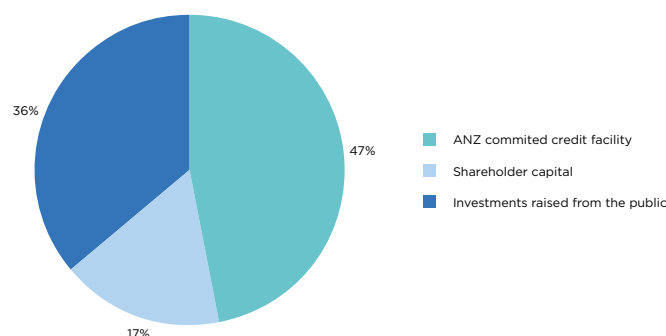
Exposure to single borrowers

As at 30 September 2017, we had approximately \$2,970,767,000 in total lending assets including \$59,173,000 held on deposit with ANZ.

Other than our deposits held with ANZ, no single customer has borrowings of more than 3% of our total lending assets.

How do we fund our business activities?

We have the following three sources of funding:



UDC funding sources (as at 30 September 2017)

While the UDC Secured Investments continue to be an important part of our business, over the last year an increasing proportion of our funding has come from the committed credit facility we have from ANZ.

OUR FOCUS NOW AND FOR THE FUTURE

We will continue to focus on what we do best - raising funds from the public to help our customers finance vehicles and equipment.

BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER ("CEO")

Our Board of Directors meets at least six times a year to review and discuss various areas of our business, including our business strategy, financial performance, risk profile, and compliance with our governance framework.

None of our Directors have been adjudged bankrupt, convicted of a crime involving dishonesty, or prohibited from acting as a director, or taking part in the management, of an entity.

Information about our Directors and CEO is set out below.

Stuart McLauchlan BCom, FCA, AF Inst D

Independent Director, Chairman

Stuart is a professional director and the managing partner of G S McLauchlan & Co., Chartered Accountants. He has over 30 years' experience in the accounting and finance industry.

Stuart holds the role of pro-chancellor of University of Otago and currently holds a number of directorships, including the Chairmanship of Dunedin International Airport, PHARMAC and Scott Technology. He was a director of South Canterbury Finance Limited when it was placed into receivership on 1 September 2010, after which he assisted the receiver to manage the orderly sale of assets.

Stuart was appointed the Chairman of UDC in 2011.

Paul Norris

Independent Director

Paul is the Managing Director of Norris Enterprises Pty Limited and is a franchise owner of the Bank of Queensland. He has over 30 years' experience in the motor vehicle and finance industry and currently sits on a number of governing committees, including Mitsubishi's National Product and Marketing Committee.

Paul was appointed as a Director of UDC in 2011.

Antonia Watson BCom (Hons), CA

Director

Antonia is the Managing Director of ANZ's Retail and Business Banking and is a member of the ANZ Executive team reporting to ANZ's CEO.

She is a Chartered Accountant with over 20 years' experience in a number of accounting and financial services roles both locally and internationally.

Antonia was appointed as a Director of UDC in 2014.

Mark Hiddleston BCM

Director

Mark is the Managing Director of ANZ's Commercial & Agri division and is a member of the ANZ Executive team reporting to ANZ's CEO. He has over 20 years' experience in investment and commercial banking both locally and internationally.

Mark was appointed as a Director of UDC in 2012.

Wayne Percival

CEO

Wayne was appointed as CEO in August 2015. Prior to this appointment he was responsible for all broker introduced business for ANZ, Mobile Mortgage Managers and ANZ@work packages. He has a very strong background in asset finance having spent 15 years holding a number of senior roles with UDC Finance from 1993 through to 2004, then as General Manager of Esanda Fleet Partners from 2004 to 2006 and two years with Esanda Finance in Australia.

SECTION 4. Key features of UDC Secured Investments

RANKING AND SECURITY

The UDC Secured Investments are secured by a security interest which we have granted under the terms of the Trust Deed over all of our present and future assets and undertakings, to Trustees Executors Limited, as supervisor.

If your UDC Secured Investments convert into ANZ Equivalent Products, those ANZ Equivalent Products will be unsecured obligations of ANZ.

In relation to the UDC Secured Investments, as at 30 September 2017, the assets subject to the security interest included short-term deposits (2%), net loans and advances (98%) and other assets (0%). The security interest secures all amounts payable by us on the UDC Secured Investments and all other moneys payable by us under the terms of the Trust Deed.

On liquidation of UDC, your rights and claims would rank:

After any prior ranking security interests permitted by the Trust Deed and claims deemed to have priority by law (for example: preferential claims by Inland Revenue);

Equally with all other holders of UDC Secured Investments and first ranking security stock issued to ANZ; and

Ahead of lower ranking secured creditors, unsecured creditors, and shareholders.

As at 30 September 2017, UDC had total assets of \$2,984,653,000 and total liabilities of \$2,499,008,000. Those liabilities include a number of vehicle and IT equipment lease agreements which are prior ranking security interests because they are purchase money security interests under the Personal Property Securities Act 1999. At 30 September 2017, the total amount owing under those lease agreements was \$435,000.

UDC's obligations to ANZ are secured by first ranking security stock issued under the Trust Deed. This first ranking security stock has a face value of \$3,001,000,000 and ranks equally with the UDC Secured Investments. As at 30 September 2017, the amount owing to ANZ and secured by this first ranking security stock was \$1,385,027,000.

Further details of the amount of liabilities secured under the charge granted to the Supervisor under the Trust Deed and value of our assets subject to the charge are set out in our financial statements which you can obtain from www.udc.co.nz/investing and the Disclose Register at www.companiesoffice.govt.nz/disclose.

The Trust Deed allows UDC to grant certain additional security interests and incur further liabilities which rank ahead of the UDC Secured Investments in certain circumstances.

The Trust Deed permits us to grant the following prior or equal charges:

- any charge granted to finance the cost of buying, building, developing, or improving any property or asset, as long as the amount secured is not more than two-thirds of that cost, together with interest discounts and other financing charges and ancillary sums;
- any charge granted before the date of the Trust Deed;
- any charge granted to the Supervisor to further secure stock that ranks equally with the charges created by the Trust Deed;
- any charge over a specifically charged asset to secure money market secured deposits, as long as the book value of the specifically charged asset does not at any time exceed 125% of the value of the monies secured, and as long as the charge is given for, and in the normal course of business of, a money market dealer, merchant bank or other financial intermediary carrying on similar business in New Zealand. Money market secured deposits are deposits or loans accepted by us at any time that are secured by such charges;


- any charge that is a purchase money security interest we create in favour of a seller of goods to us, or a lease in favour of a lessor of goods to us, that does not in substance secure payment or performance of an obligation. In each case, the purchase money security interest must be created or provided for by a transaction that is in the ordinary course of business and for the purposes of carrying on the same.

The Trust Deed permits us to renew or extend the term, increase the interest rate, or vary or replace the provisions of any permitted prior charge, as long as the principal sum secured by the prior charge (or a prior charge given in replacement or renewal thereof) does not increase.

The following diagram illustrates the ranking of the Secured Call and Term Investments on our liquidation and is based on \$1,039,133,000 of UDC Secured Investments being on issue by UDC as at 30 September 2017.

The amount of UDC Secured Investments, and therefore the amounts in the diagram, may have been changed since that date.

High ranking/earlier priority



Lower ranking/later priority

Ranking on liquidation of UDC	Examples	Indicative amount as at 30/09/2017
Liabilities that rank in priority to the Secured Call and Term Investments	All vehicle and IT equipment lease agreements and Money Market Secured Deposits	\$3,235,000
Liabilities that rank equally to the Secured Call and Term Investments	First ranking stock and other secured call and term investments	\$2,444,458,000
Liabilities that rank below the Secured Call and Term Investments	Second ranking stock, notes, money market secured deposits and other unsecured creditors	\$51,750,000
Equity	Shares in UDC	\$485,645,000

THE TRUST DEED

The Trust Deed between us and the Supervisor dated 22 May 1986 (as amended and restated and most recently amended on 21 June 2017) applies to the UDC Secured Investments offered under this PDS.

Under the Trust Deed, we may issue any of the following types of debt securities:

- Money market secured deposits;
- Call and term investments (which the UDC Secured Investments fall under);
- First ranking security stock issued to ANZ;
- Second ranking stock; and
- Notes.

At the date of this PDS, we do not offer or have any money market secured deposits, second ranking stock or Notes outstanding.

The Trust Deed provides for the concept of a Charging Group. However, at the date of this PDS, we are the only member of the Charging Group. Accordingly, references to 'our', 'us', or 'we' in this section 4 may reflect references in the Trust Deed to the Charging Group.

NO GUARANTEE

UDC is solely responsible for paying you the principal and interest on your UDC Secured Investments. The UDC Secured Investments are not guaranteed by the Supervisor, ANZ or any other person.

If your UDC Secured Investments convert into ANZ Equivalent Products, ANZ is solely responsible for paying you the principal and interest on your ANZ Equivalent Products. ANZ Equivalent Products are not guaranteed by any person.

SECTION 5. UDC's financial information

UDC is required by law and its Trust Deed to meet certain financial requirements. This table shows how UDC is currently meeting those requirements. These are minimum requirements. Meeting them does not mean that UDC is safe. The section on specific risks relating to UDC's creditworthiness sets out risk factors that could cause its financial position to deteriorate. The Disclose Register (www.companiesoffice.govt.nz/disclose) provides a breakdown of how the figures in this table are calculated, as well as full financial statements. The Disclose Register also includes:

- UDC's unaudited interim financial statements and calculations of the key ratios for the six months ending 31 March in each year; and
- UDC's unaudited quarterly ongoing disclosures (which in each case includes selected financial information and calculations of the key ratios).

KEY RATIOS

Capital ratio	30-Sep-17	30-Sep-16	30-Sep-15
UDC's capital ratio	10.0%	9.9%	16.2%
Minimum capital ratio under the Trust Deed	8%	8%	8%
Minimum capital ratio that must be set out in the Trust Deed under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010 ("Regulations") as varied by the Non-bank Deposit Takers (UDC Finance Limited) Exemption Notice 2015 as amended by the Non-bank Deposit Takers (UDC Finance Limited) Exemption Amendment Notice 2016 ("Exemptions")	8%	8%	8%

The capital ratio is a measure of the extent to which UDC is able to absorb losses without becoming insolvent. The lower the capital ratio, the fewer financial assets UDC has to absorb unexpected losses arising out of its business activities.

Note: Under the Exemptions granted by the Reserve Bank of New Zealand (RBNZ), UDC was exempt from calculating credit risk capital in accordance with the Regulations until the close of 1 September 2016. UDC's credit risk-weighted assets were previously calculated in accordance with Document BS2B: Capital Adequacy Framework (Internal Models Based Approach) issued by the RBNZ, applying ANZ Bank New Zealand Limited's (ANZ) capital calculation model. If calculated in accordance with the Regulations UDC's capital ratio would have been 9.4% as at 30-Sep-15.

Related Party Ratio	30-Sep-17	30-Sep-16	30-Sep-15
UDC's aggregate exposure to related parties as a percentage of capital	12%	19%	20%
Maximum limit on aggregate exposure to related parties under the Trust Deed	50%	50%	75%
Maximum limit on aggregate exposure to related parties that must be set out in the Trust Deed under the Regulations as varied by the Exemptions	50%	50%	75%

Related party exposures are financial exposures that UDC has to related parties. A related party is an entity that is related to UDC through common control or some other connection that may give the party influence over UDC (or UDC over the related party). These related parties include ANZ.

Liquidity Ratios	30-Sep-17	30-Sep-16	30-Sep-15
Total liabilities coverage ratio	19%	22%	28%
Minimum liquid assets to total liabilities ratio under the Trust Deed	(i) 10% of Total Liabilities if the capital ratio is less than 11%; or (ii) 8.75% of Total Liabilities if the capital ratio is greater than or equal to 11% and less than 12%; or (iii) 7.5% of Total Liabilities if the capital ratio is greater than or equal to 12%;		
Maturing debenture coverage ratio	209%	138%	177%
Minimum maturing debenture coverage ratio under the Trust Deed	(i) Liquid Assets of the Charging Group; and (ii) the assets of the Charging Group with maturities of less than or equal to 30 days, will be greater than 105% of the total amount payable in respect of the aggregate of Securities; (iii) which are on call; and (iv) with maturities of less than or equal to 30 days.		

Liquidity requirements help to ensure that UDC has sufficient realisable assets on hand to pay its debts as they become due in the ordinary course of business. Failure to comply with liquidity requirements may mean that UDC is unable to repay investors on time, and may indicate other financial problems in its business.

Details of our selected financial information are set out in the table below.

Selected Financial Information	30-Sep-17	30-Sep-16	30-Sep-15
Total assets	\$2,985m	\$2,665m	\$2,441m
Total liabilities	\$2,499m	\$2,241m	\$2,075m
Net profit after tax	\$61.6m	\$58.5m	\$57.1m
Net cash flows from operating activities	(\$810.8m)	(\$316.7m)	\$158.5m
Cash and cash equivalents	\$59.2m	\$80.0m	\$81.7m
Regulatory Capital	\$477.4m	\$415.1m	\$355.8m

OTHER LIMITATIONS, RESTRICTIONS, AND PROHIBITIONS

In addition to the capital, related party and liquidity ratios listed above, the Trust Deed requires that:

- the aggregate amount of Shareholders' Funds and Uncalled Capital will be at least \$40,000,000 at all times;
- the total book value of land and shares (other than in Charging Group Members) we hold will not exceed 50% of Shareholders' Funds and Uncalled Capital, without the Supervisor's consent; and
- the principal monies owing on Stock will not exceed our total tangible assets less the book value of all assets specifically charged to secure the payment of Money Market Secured Deposits.

CONVERSION INTO ANZ EQUIVALENT PRODUCTS

If your UDC Secured Investments convert into ANZ Equivalent Products, it will be ANZ's financial position and performance, not UDC's, that are essential to an assessment of ANZ's ability to meet its obligations under the ANZ Equivalent Products. Information about ANZ and ANZ's financial statements are published in disclosure statements required under the Reserve Bank of New Zealand Act 1989. ANZ's disclosure statements can be viewed and downloaded from ANZ's website at www.anz.co.nz/about-us/media-centre/investor-information.

SECTION 6. Risks of investing

GENERAL RISKS

Your investment is subject to the general risks that we become insolvent or are placed into statutory management and are not able to meet our obligations to you to pay interest and to repay the principal when due under the UDC Secured Investments.

In our opinion there is no established market if you wish to sell your UDC Secured Investments before maturity. We are not seeking to list the UDC Secured Investment on any licensed market. However, we may at our discretion allow you to transfer or sell your investments to another person, but you may be unable to find a buyer or the amount received may be less than the principal amount paid for your investments. For sales and transfers we may charge you a fee of up to \$50 per transaction.

If your UDC Secured Investments are converted into ANZ Equivalent Products, these risks will change significantly. If you receive an Election Notice, you should ensure that you understand the risks of the ANZ Equivalent Products before electing for, or allowing, your UDC Secured Investments to convert into ANZ Equivalent Products. Information about ANZ and ANZ's financial statements are published in disclosure statements required under the Reserve Bank of New Zealand Act 1989. ANZ's disclosure statements can be viewed and downloaded from ANZ's website at www.anz.co.nz/about-us/media-centre/investor-information.

SPECIFIC RISKS RELATING TO UDC'S CREDITWORTHINESS

Loan Default Risk

Loan default risk is the risk that our borrowers won't pay us back the money we lend them.

If a significant number of borrowers defaulted on their loan obligations around the same time, there may be insufficient funds to fully repay investors.

We reduce our credit risk by following established credit methodology and policies.

All applications for credit are assessed and recorded in writing, and we use our internal credit policy and statistical risk-rating tools to assess each application.

At the heart of our credit policy are 'the 5 C's of credit':

- Capacity (whether a borrower is able to repay the money)
- Character (whether a borrower is willing to repay the money)
- Conditions (the conditions and stability of the industry in which a borrower operates)
- Capital (how much of a borrower's capital is at risk in the transaction)
- Collateral (if a borrower is unable to repay the money, what recourse we have by way of security or guarantees)

We use these five qualities to determine the value of assets, the creditworthiness of a borrower, and the extent of appropriate financing.

We use credit risk-rating tools to help assess credit applications. These tools use sophisticated statistical techniques to determine creditworthiness, and comply with the rigorous standards prescribed in the Basel III banking accords.

Our general policy is to lend on the basis of first ranking security over the assets which our borrowers purchase, lease or rent.

In general, we do not rely on land or buildings as security.

Of our total lending book, over 99% was secured by first ranking security over non-real estate assets as at 30 September 2017.

We monitor changing credit risk, and our Risk Committee is given monthly reports on portfolio credit risk rating, high-risk accounts, and delinquencies.

We are also exposed to credit risk on our deposits which we place with ANZ. You should refer to the information on page 25 under the heading “Related Party Risk” for more information about this risk.

Liquidity Risk

Liquidity risk is the risk that we are not able to raise enough cash at short notice to meet our debts as they fall due, including repaying your UDC Secured Investments as they mature.

We closely monitor and forecast our liquidity risk.

We also maintain a number of banking facilities with ANZ including a Committed Credit Facility that, as at 13 November 2017, has a facility limit of \$2,700,000,000 to assist in managing our liquidity profile.

This facility has a two year term and the current facility expires on 30 September 2019. We have the option to extend the term of the facility subject to agreement with ANZ.

It is possible this facility could be withdrawn, including if we were to be sold by ANZ. If this happened there would be a risk we would not be able to raise cash to repay UDC Secured Investments as they mature, unless we were able to put in place a similar facility with an alternative funder.

Operational Risk

Operational risks are risks that we are exposed to as part of the day to day running of our business.

Operational risk includes risks associated with fraud, human error, system problems or things outside of our control like natural disasters that affect our ability to access our systems and respond to customer queries and requests. Our business is highly dependent on its ability to process and monitor a very large number of transactions, many of which are complex, on a daily basis and to be able to respond to customer queries and requests. This makes operational risk particularly relevant to a financial institution such as UDC.

We have sound policies and procedures to manage operational risk. These policies and procedures follow applicable ANZ policies and comply with the requirements laid out in the Basel III banking accords. Our policies include a comprehensive Business Continuity Plan to minimise the effect of any interruption to business that affects personnel, premises, or technology. As part of the plan, we have processes for keeping key elements of the IT infrastructure working, and we have an alternative operating site.

Our Risk Committee monitors and manages our exposure to operational risk.

Regulatory Risk

A change in the regulatory environment in which we operate may expose us to risk and/or increased compliance costs. We closely monitor our regulatory environment, and we are in contact with our industry regulators.

We are a non-bank deposit taker for the purposes of the Non-bank Deposit Takers Act 2013.

As a non-bank deposit taker, we are required to comply with the statutory rules applicable.

The Reserve Bank of New Zealand (“RBNZ”) has granted us part exemptions on the basis that we are already subject to regulation as a consequence of being owned by ANZ, a registered bank regulated by RBNZ.

These exemptions are set out in the Non-bank Deposit Takers (UDC Finance Limited) Exemption Notice 2016 and exempt us from the requirement to limit aggregate exposures to related parties to a maximum of 15%, provided that our aggregate exposures to related parties as a percentage of our capital do not exceed 50% (“Related Parties Exposure Exemption”).

You can get a copy of our Exemption Notice at www.rbnz.govt.nz.

Any change to the laws and regulations applicable to non-bank deposit takers could result in additional or more onerous requirements being placed on us, leading to increased costs and/or restrictions on our ability to conduct our business.

As noted on page 14 of this PDS, although the sale of UDC to TIP-HNA will not proceed the ownership of UDC may still change in the future. If at any point in the future UDC is sold by ANZ the Related Parties Exposure Exemption will no longer apply as a result of the change of ownership of UDC.

Related Party Risk

ANZ is a related party due to it being our sole shareholder.

ANZ is a registered bank, and as such is regulated by RBNZ. ANZ is subject to (among other matters) capital adequacy requirements and has an AA-, outlook negative long-term credit rating from Standard & Poor's. This means in Standard & Poor's opinion, ANZ has very strong capacity to meet its financial obligations and differs from the highest rated borrowers only to a small degree.

ANZ has been rated by two other rating agencies. ANZ's current credit ratings from those other rating agencies are:

- Moody's Investors Service Pty Limited – A1, outlook stable (equivalent to a Standard & Poor's rating of A+, outlook stable); and
- Fitch Australia Pty Limited – AA-, outlook stable (equivalent to a Standard & Poor's rating of AA-, outlook stable).

If ANZ were to become insolvent, it is likely in those circumstances that we would not be able to draw on our committed credit facility with ANZ, and we may not be able to put in place an alternative facility to enable us to manage our liquidity needs. We believe our current business model and strength would make us an attractive proposition to other potential funders.

In addition, our cash deposits are held with ANZ. The aggregate amount of those cash deposits as at 30 September 2017 was \$59,173,000. Though we remain the legal owner of those cash deposits, they are exposed to the credit risk of ANZ meaning that if ANZ became insolvent, those amounts may not be repaid. This would have a material impact on our ability to repay the UDC Secured Investments and interest earned.

Additionally, interest rate risk for UDC is managed within the wider ANZ Group. Interest rate risk is the risk that the value of loans we provide and investments you make change due to movements in market interest rates. This might occur where the interest re-pricing term of loans provided is different to the term of investments made. UDC's interest rate risk has been transferred to ANZ through ANZ's funds transfer pricing system. As a result UDC does not retain any interest rate risk itself.

Our Risk Committee monitors our exposure to ANZ as part of our risk management programme.

Although ANZ is our sole shareholder, our constitution does not permit our Directors to act in a way that is not in our best interests. This means that, if ANZ were to fail to fulfil its obligations in respect of our committed credit facility agreement or our cash deposits, our Directors must put our best interests first.

As noted on page 14 of this PDS, although the sale of UDC to TIP-HNA will not proceed the ownership of UDC may still change in the future. While ANZ remains the sole shareholder of UDC, UDC will continue its normal business operations.

Impact of risks

We expect some of these risks to arise (either alone or in combination) in the normal course of our business. When they do, this can lead to a loss, increase in costs or a reduction in revenue. Our Risk Committee closely monitors and manages these risks so that, in the normal course, these risks are not expected to have a materially adverse impact on UDC. However, in unusual circumstances, these risks can become more difficult to manage and the impact on UDC can be more severe. In certain circumstances, such as where a combination of unusual circumstances exist at the same time, the impact of those circumstances could mean that we are not able to make payments on the UDC Secured Investments when required.

New Zealand residents will have resident withholding tax (“RWT”) deducted from their interest payments under the UDC Secured Investments, and there may be other tax consequences from acquiring or disposing of the UDC Secured Investments.

If you don’t tell us your IRD number we will deduct tax at the default tax rate of 33%. If you provide your IRD number but don’t elect a tax rate we will deduct tax at the default rate of 33% (or 28% if you are a company). If you are exempt from RWT you must provide us with a valid RWT exemption certificate.

If you have queries relating to the tax consequences of your investment, you should seek independent, professional tax advice tailored to your circumstances before investing.

UDC SECURED INVESTMENTS ISSUED TO NON-RESIDENTS ON OR AFTER 30 MARCH 2017

Non-residents who are either:

- engaged in business in New Zealand through a fixed establishment in New Zealand (and their UDC Secured Investment is held for the purposes of that business); or
- a registered bank engaged in business in New Zealand through a fixed establishment

will also have RWT deducted from interest earned on their UDC Secured Investments.

For all other non-residents we will deduct non-resident withholding tax (“NRWT”) from the interest earned on your UDC Secured Investments.

The NRWT rate applied to your UDC Secured Investments will depend on your country of residence and whether a double taxation agreement is applicable. The NRWT rate can be up to 15%.

The Inland Revenue Department (“IRD”) can ask us to use a different tax rate than what you have advised.

If you are a non-resident (and are subject to NRWT), you can agree to have the cost of the approved issuer levy, currently 2%, deducted from the interest earned on your UDC Secured Investments. In this case, we will deduct the approved issuer levy from the interest earned on your UDC Secured Investments instead of deducting the NRWT.

If you wish to have the cost of the approved issuer levy deducted from the interest earned on your UDC Secured Investments, you will need to complete an approved issuer levy application form. You can get a copy of the approved issuer levy application form from us.

Tax legislation and rates of tax may change in the future. This information is a summary only of the tax that may be payable in respect of interest earned on the UDC Secured Investments, in accordance with current tax legislation.

You can visit the IRD website, www.ird.govt.nz for more information on current withholding tax rates.

SECTION 8. Summary comparison of the key features of the UDC Secured Investments and ANZ Equivalent Products

To help you understand what the ANZ Equivalent Products are, we have included the table below which shows the key features of each type of UDC Secured Investment and whether those features will remain the same or not in the terms and conditions of the ANZ Equivalent Product.

	Term Investments and Capital Drawdown Investments	ANZ Term Deposits
Issuer	UDC.	Change – ANZ will be the issuer and will be solely responsible for paying all amounts under your ANZ Term Deposit.
Term	As agreed with UDC.	No change – Your ANZ Term Deposit will have the same maturity date as your Term Investment or Capital Drawdown Investment.
Interest rate	As agreed with UDC.	No change – The interest rate on your ANZ Term Deposit will be the greater of: <ul style="list-style-type: none"> - the interest rate you had agreed with UDC; and - ANZ's then current advertised interest rate applicable to ANZ Term Deposits having a term equal to (or approximately equal to) the remaining term of your investment.
Interest payments	Interest is paid on the maturity of your UDC Secured Investment. Interest may also be paid or compounded on certain dates during the term of your UDC Secured Investment if this was selected at the time your UDC Secured Investment was issued.	No change – Interest will be paid (or compounded) on the same dates.
Principal payments during the term (Capital Drawdown Investment only)	As agreed with UDC.	No change – You will receive the same principal payments that you agreed with UDC. On the early repayment date, ANZ will also open an ANZ Online Account in your name into which these principal payments will be paid.
Early withdrawal	You can ask UDC to withdraw some or all of your investment early in certain circumstances (such as death of the investor or financial hardship). If UDC agrees, UDC may reduce the interest rate applicable to your Secured Investment by up to 50%.	Change – You can ask ANZ to withdraw some or all of your ANZ Term Deposit early if you give ANZ 31 days' notice or if ANZ reasonably considers you are suffering from hardship. If ANZ agrees, ANZ may reduce the interest rate applicable to your ANZ Term Deposit, provided that the reduction will not exceed the maximum reduction that could have applied to a Term Investment.

What happens on maturity?

Term Investments - If you have chosen auto-renewal, your investment is automatically reinvested for the same or a similar term at the applicable interest rate on offer at the time.

If you have not chosen auto-renewal, UDC will send you a maturity notice 2 weeks before the maturity date. If you do not respond to the maturity notice what happens on maturity will depend on when your Term Investment was issued. For example, UDC may:

- hold your investment on call, for a specified period, applying the "On Demand Rate" to your investment. Then, on the first business day following that period, your investment is automatically reinvested for the same or a similar term at the applicable interest rate on offer at the time; or
- immediately reinvest your investment for the same or a similar term at the applicable interest rate on offer at the time.

In each case, if the amount of the investment is less than UDC's minimum investment amount, UDC will apply the "On Demand Rate" to your investment.

Capital Drawdown Investments - On maturity, your remaining principal amount, together with your accrued but unpaid interest will be paid to the bank account you agreed with UDC.

Term Investments - Change - You will be sent a maturity notice 2 weeks before the maturity date. Unless you tell ANZ otherwise, your investment will be automatically reinvested in an ANZ Term Deposit for the same or similar term at the interest rate on offer at that time.

That ANZ Term Deposit will be on ANZ's standard terms and conditions for ANZ Term Deposits that apply at that time. Those terms and conditions may be different to the terms of your ANZ Equivalent Product.

You have a 7 day cooling off period, starting on the day that ANZ reinvests your ANZ Term Deposit. You can make certain changes to your new ANZ Term Deposit during those 7 days, or you can cancel your ANZ Term Deposit and ANZ will repay your investment. **No interest will be payable if you cancel your ANZ Term Deposit during the cooling off period.**

Capital Drawdown Investments - Change - On maturity, your remaining principal amount, together with your accrued but unpaid interest will be paid into a bank account, which may be the same bank account you had agreed with UDC or an ANZ account you agree with ANZ.

Access to information about your investment

You can view your balance on UDC Live.

Change - You can view your balance on request at an ANZ branch or (provided you are at least 13 years old) via ANZ's Phone Banking, Internet Banking or goMoney. For information on how to access ANZ's Phone Banking, Internet Banking or goMoney, please visit www.anz.co.nz/personal/ways-to-bank/ or call ANZ on 0800 269 296.

Security	Secured over UDC's property.	Change – Your ANZ Term Deposit will be unsecured . However, your deposit will be with a registered bank which has a AA- (outlook negative) credit rating as at the date of this PDS (see below).
Standard & Poor's credit rating	As at the date of this PDS, UDC has a credit rating of BBB (credit watch negative).	Change – As at the date of this PDS, ANZ has a credit rating from Standard & Poor's of AA-, outlook negative. ANZ has credit ratings from other rating agencies, one of which is lower than the current Standard & Poor's rating – see page 25 of this PDS.

	Call Accounts and Dealer Reserve Accounts	ANZ Online Account
Issuer	UDC.	Change – ANZ will be the issuer and will be solely responsible for paying all amounts under your ANZ Online Account.
Deposits (Call Accounts only)	No minimum amount for deposits made using UDC's online platform. All other deposits must be a minimum of \$500.	Change – No minimum amount for deposits.
Withdrawals	<p>Withdrawals can be made via UDC Live or by calling UDC.</p> <p>There is no minimum amount for withdrawals made via UDC Live. All other withdrawals must be a minimum of \$500 (unless you are withdrawing the balance of the investment).</p> <p>You must maintain a minimum balance of \$5,000 unless you are withdrawing all of your deposit.</p>	<p>Change – Withdrawals can be made via ANZ's Internet Banking or Phone Banking, by calling ANZ or at an ANZ branch.</p> <p>There is a fee payable for manual transactions, including transactions handled by our staff at an ANZ branch or by phone. However, ANZ will waive this fee for the first 12 months after the early repayment date.</p> <p>There is no minimum amount for withdrawals or a minimum balance.</p>

Interest rate	Floating rate as determined by UDC.	<p>Change – The initial interest rate applicable to your call account will be the greater of:</p> <ul style="list-style-type: none"> - the interest rate that applied on your Call Account or Dealer Reserve Account immediately before the early repayment date; and - ANZ's then current interest rate that is applicable to Online Accounts. <p>That interest rate will remain the same for at least 3 months after the early repayment date. After 3 months, your interest rate will be a floating rate determined by ANZ.</p>
Interest payments	Interest is compounded on the last day of each calendar month.	No change – Interest will be compounded on the last day of each calendar month.
Access to information about your investment	You can view your balance on UDC Live.	<p>Change – You can view your balance on request at an ANZ branch or (provided you are at least 13 years old) via ANZ's Phone Banking, Internet Banking or goMoney. For information on how to access ANZ's Phone Banking, Internet Banking or goMoney, please visit www.anz.co.nz/personal/ways-to-bank/ or call ANZ on 0800 269 296.</p>
Security	Secured over UDC's property.	Change – Your ANZ Online Account will be unsecured . However, your account will be with a registered bank which has a AA- (outlook negative) credit rating as at the date of this PDS (see below).
Standard & Poor's credit rating	As at the date of this PDS, UDC has a credit rating of BBB (credit watch negative).	Change – As at the date of this PDS, ANZ has a credit rating from Standard & Poor's of AA-, outlook negative. ANZ has credit ratings from other rating agencies, one of which is lower than the current Standard & Poor's rating – see page 25 of this PDS.

SECTION 9. Who is involved?

	Name	Role
Issuer of the UDC Secured Investments	UDC Finance Limited	Issuer of the UDC Secured Investments
Supervisor for the UDC Secured Investments	Trustees Executors Limited	Provides independent oversight of us in relation to the UDC Secured Investments
Issuer of the ANZ Equivalent Products	ANZ Bank New Zealand Limited	Issuer of the ANZ Equivalent Products

SECTION 10. How to complain

For any problems with your UDC Secured Investments, phone our Investor Services line 0800 652 832, or send your complaint to UDC Investor Services at the address below.

UDC Finance Limited
PO Box 91145
Victoria Street West
Auckland 1142
Attention: UDC Investor Services

UDC is a member of a dispute resolution scheme, Financial Services Complaints Limited ("FSCL"). If UDC cannot agree on how to resolve your issue, you can refer the matter to FSCL:

Financial Services Complaints Limited
L4, 101 Lambton Quay
PO Box 5967, Lambton Quay, Wellington 6145.
Telephone: 0800 347 257
Email: info@fscl.org.nz

FSCL will not charge you a fee for investigating or resolving a complaint.

Complaints in relation to the UDC Secured Investments may also be made to Trustees Executors Limited at:

Level 7/51 Shortland Street
Auckland 1010
Telephone: 0800 878 783
Email: enquiries@trustees.co.nz

Complaints can also be made to the Financial Markets Authority through its website www.fma.govt.nz

SECTION 11. Where you can find more information

Further information relating to UDC and our UDC Secured Investments is available free of charge on UDC's website at www.udc.co.nz/investing and on the Disclose Register (for example, financial statements) at www.companiesoffice.govt.nz/disclose and can be obtained by request from the Registrar of Financial Service Providers at:

Financial Service Providers Register (FSPR)
Northern Business Centre
Private Bag 92061
Victoria Street West
Auckland 1142
New Zealand

Freephone within New Zealand: 0508 377 746

International callers: +64 3 962 6162

Information about ANZ and ANZ's financial statements are published in disclosure statements required under the Reserve Bank of New Zealand Act 1989. ANZ's disclosure statements can be viewed and downloaded from ANZ's website at www.anz.co.nz/about-us/media-centre/investor-information.

SECTION 12. How to apply

To apply for your first UDC Secured Investment with us, you need to complete an application form and submit it to us. Otherwise, you can apply for further UDC Secured Investments through our online platform, via our website at www.udc.co.nz/investing or by telephone on 0800 652 832 or +64 9 362 3062.

An application form is attached, can be downloaded from our website www.udc.co.nz/investing, or alternatively you can contact our Investor Services Team on 0800 652 832 and they will send one to you.

SECTION 13. Contact information

UDC Finance Limited
Level 2, UDC House
107 Carlton Gore Road, Newmarket
PO Box 91145
Auckland 1142

Telephone: 0800 652 832 or +64 9 362 3062

www.udc.co.nz/investing

HOW TO SET UP YOUR UDC SECURED INVESTMENT

1 SELECT THE UDC SECURED INVESTMENT THAT BEST SUITS YOUR FINANCIAL GOALS

Read UDC's Product Disclosure Statement for UDC's Secured Investment products. If you need more information on these options, you can call our Investor Services team on **0800 652 832**. Alternatively, you can contact your financial adviser.

2 COMPLETE THE APPLICATION FORM

Applications can be made by completing the application form (Part A) in this booklet. Additional copies of the application form can be downloaded from our website at www.udc.co.nz/investing or call us on **0800 652 832** and we will send you one.

3 LODGING YOUR APPLICATION FORM

You can lodge your application by one of the following methods:

- Visit the UDC Office in Newmarket or your nearest ANZ Branch and bring with you:
 - The completed application form
 - Identification documents as per "IDENTIFICATION REQUIREMENTS" on the next page.
- By emailing the application to us at udcinv@anz.com;
- By faxing the application to us on 0800 655 832;
- By posting the application to UDC Finance Limited, PO Box 91145, Victoria Street West, Auckland 1142 Attn: Investor Services

4 HOW TO LODGE FUNDS WITH UDC Term Investment

You may deposit funds into your term investment as follows:

Direct debits You can complete the direct debit form (Part D) and forward it to UDC with your application form (Part A) and we will manage the rest. Please note, direct debit transfers will take up to three working days to clear.

Telephone and internet banking transfers You can use telephone or internet banking to transfer funds to our bank account **01-0505-0128966-00**. Please make sure you put either your investor or Inland Revenue number as reference.

Cheque Deposits You can attach your cheque to your application form or you can deposit the cheque into our bank account **01-0505-0128966-00** at any ANZ Bank branch. Please note, cheque deposits will take up to five working days to clear.

Call Account

You may deposit funds into your call account as follows:

Direct Debits You can complete the direct debit form (Part D) and forward it to UDC with your application form (Part A) and we will manage the rest. Once the direct debit is set up, you can call us directly and ask for funds to be transferred from your nominated bank account to your Call Account. Please note, direct debit transfers will take up to three working days to clear.

Telephone and internet banking transfers You can use telephone or internet banking to transfer funds to our bank account **01-0564-0070266-00**. Please make sure you put your Call Account number as reference.

Automatic Payments You can contact your bank to set up an automatic payment to transfer funds to our bank account **01-0564-0070266-00**. Please make sure you put your Call Account number as the "payee reference". Once your automatic payment is set up, every transfer will take up to three working days to clear.

Cheque Deposits You can attach your cheque to your application form (Part A) or you can deposit the cheque into our bank account **01-0564-0070266-00** at any ANZ Bank branch. Please note, cheque deposits will take up to five working days to clear.

IDENTIFICATION REQUIREMENTS

Depending on your organisation / entity type, different identification requirements will apply.

Please see the summary below for our basic identification requirements – we may request additional information. If you have any questions regarding the requirements, please contact us on **0800 652 832** or via email to udcinv@anz.com, we will be happy to assist you.

Organisation / Entity Type	Identification requirements
Individual or Joint Investor	<ul style="list-style-type: none"> Identification document for each individual investor and authorised signatories (if any).
NZ Trust NZ Partnership NZ unlisted company	<ul style="list-style-type: none"> The trust deed, partnership agreement, certificate of incorporation or the constitution document. Identification document for all trustees, partners, signatories and signing directors.
Club, Society, Church, School, Foundation, Charities or other Non-profit organisation	<ul style="list-style-type: none"> The foundation documents, certificate of incorporation or the constitution document. Identification documents for all directors, officers, governing body, trustees, board members, signatories and beneficial owners with 25% or greater interest.
Government Organisation, NZ listed company	<ul style="list-style-type: none"> The legislation forming the Government entity, certificate of incorporation or constitution documents. Identification documents for all signatories.
All other non-individual entities	Please contact us on 0800 652 832 or email to udcinv@anz.com

Identification documents for individuals:

You have three options in terms of what identification documents you can provide us.

Option A: Any one of ...	Option B: The combination of...	Option C: The combination of...
<ul style="list-style-type: none"> Passport NZ Certificate of Identity National Identity Card 	Birth Certificate or Citizenship Certificate Plus 1 of the following: <ul style="list-style-type: none"> 18+ Card NZ Defence Force photo identification NZ Police photo identification International Driving Permit NZ Driver Licence 	NZ Driver Licence Plus 1 of the following: <ul style="list-style-type: none"> Bank statement issued by a registered bank SuperGold Card NZ Defence Photo ID Police Photo ID Community Services Card
Plus 1 of the following to verify your address: <ul style="list-style-type: none"> Bank statement issued by a registered bank Utility / Rates bill IRD Tax notification/certificate 		

Important: Please read	
All original or certified copies of identification documents mentioned above must be delivered in person to one of the following individuals to be verified: <ul style="list-style-type: none"> ANZ or UDC Officer Authorised Financial Adviser 	
If a copy is provided in lieu of an original document, the copy must be certified by one of the following: <ul style="list-style-type: none"> Chartered Accountant Lawyer Notary Public Justice of the Peace Sworn employee of NZ Police Member of Parliament 	This certification must be original and must: <ul style="list-style-type: none"> State on the document it is a true copy of the original; Print and sign his/her name on the document and include their occupation details; and Include the date of certification (must be within the past 3 months).
ALL VERIFIED DOCUMENTS AND THE APPLICATION FORM MUST BE FORWARDED DIRECTLY TO UDC BY THE VERIFIER	

Please attach your cheque here. Cheques to be crossed non-transferable and made payable to UDC Finance Limited

Application Form to UDC Finance Limited ("UDC") for:

TERM INVESTMENT and/or CAPITAL DRAWDOWN TERM INVESTMENT and/or CALL ACCOUNT

Application no:

Section 1: TYPE OF INVESTMENT (please select as many as applicable)			
<input type="radio"/> Call Account Amount (minimum of \$5,000): \$		Required sections to complete/read: All (except 5 & 6)	
<input type="radio"/> Term Investment Amount (refer section 5): \$		Required sections to complete/read: All	
<input type="radio"/> Capital Drawdown Term Investment Amount: \$ (refer section 5)		Required sections to complete/read: All	
Section 2: INVESTOR DETAILS (please complete all fields)			
Investor			
Title	First names		Surname
Date of birth / /	Occupation		Country of Birth
Citizenship		IRD Number	<input type="text"/>
Are you only a tax resident in New Zealand? <input type="radio"/> Yes <input type="radio"/> No Note - United States citizens are considered taxpayers of the United States If No, please provide details below			
Country of Tax Residence	TIN* (or country equivalent) *Taxpayer Identification Number	Reason Code (if TIN not provided)	Explanation (if Reason Code is Z)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Reason Codes:			
A - TIN Not Issued (The Country does not issue TINs)		C - TIN Applied For (I have applied for a TIN and will inform you upon receipt)	
B - TIN Not required (The Country does not require collection of a TIN)		Z - TIN Unobtainable (I am unable to obtain a TIN)	
Telephone Password (to be created and used for telephone authentication only)			
Joint Investor			
Title	First names		Surname
Date of birth / /	Occupation		Country of Birth
Citizenship		IRD Number	<input type="text"/>
Are you only a tax resident in New Zealand? <input type="radio"/> Yes <input type="radio"/> No Note - United States citizens are considered taxpayers of the United States If No, please provide details below			
Country of Tax Residence	TIN* (or country equivalent) *Taxpayer Identification Number	Reason Code (if TIN not provided)	Explanation (if Reason Code is Z)
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Reason Codes:			
A - TIN Not Issued (The Country does not issue TINs)		C - TIN Applied For (I have applied for a TIN and will inform you upon receipt)	
B - TIN Not required (The Country does not require collection of a TIN)		Z - TIN Unobtainable (I am unable to obtain a TIN)	
Telephone Password (to be created and used for telephone authentication only)			
Non-Individual Investor			
Name of entity		Unique ID/Registration No (if applicable)	
Country of establishment		Objective of Trust (charitable trust only)	
Principal place of business (if applicable)		Industry (if applicable)	
Source of funds/wealth (for a trust/company/partnership only)			
Total assets (trust only) - select relevant option	<input type="radio"/> \$0 to \$5m	<input type="radio"/> \$5m to \$20m	<input type="radio"/> \$20m+
Annual turnover (company only) - select relevant option	<input type="radio"/> \$0 to \$5m	<input type="radio"/> \$5m to \$20m	<input type="radio"/> \$20m+

Does a "financial institution" manage the trust's investments without needing the trustees' prior agreement? ☐ Yes ☐ No

A "financial institution" includes professional trustee companies like Public Trust and also includes lawyer or accountant nominee companies. A financial institution "manages" the trust if they're responsible for making and executing investment decisions for the trust. Ad hoc investment advice isn't management of the trust. If you're not sure, you may need to speak to your lawyer or tax adviser.

If yes

Financial Institutions name: _____

Is the "financial institution" only a tax resident in New Zealand? ☐ Yes ☐ No Note - United States citizens are considered taxpayers of the United States

If No, please provide details below

Country of Tax Residence	TIN* (or country equivalent) *Taxpayer Identification Number	Reason Code (if TIN not provided)	Explanation (if Reason Code is Z)

Reason Codes:

A - TIN Not Issued (The Country does not issue TINs) C - TIN Applied For (I have applied for a TIN and will inform you upon receipt)
B - TIN Not required (The Country does not require collection of a TIN) Z - TIN Unobtainable (I am unable to obtain a TIN)

Please also complete Part B - "Additional Non-Individual Investor Details"

Contact Details (Please complete all fields)

Residential/Registered Address	Suburb
City or Town	Postcode
Country	
Phone (Home)	Work
Mobile	
Email	

Postal Address (Only to be completed if differs from Residential/Registered address)

Address	Suburb
City or Town	Postcode
Country	

☐ I consent to UDC sending me electronic communications. This consent may be withdrawn at any time by written notice to UDC.

Section 3: TAX DETAILS

IRD number for tax <input type="text"/>	<p>If you do not provide your IRD number and/or your preferred RWT rate, your investment will be taxed at 33%.</p> <p>For joint investors, please provide the IRD number with the higher associated RWT rate.</p> <p>If you are EXEMPT from RWT, please provide us a copy of your RWT exemption certificate.</p> <p>If you have elected NRWT or Approved Issuer Levy (AIL), please read and complete Section 7.</p>
Preferred Withholding Tax Rate (RWT):	
<input type="radio"/> 10.5% <input type="radio"/> 17.5% <input type="radio"/> 30%	
<input type="radio"/> 33% <input type="radio"/> EXEMPT <input type="radio"/> NRWT	
<input type="radio"/> AIL (2%) <input type="radio"/> 28% (company)	

Section 4: BANK ACCOUNT DETAILS Details of the nominated bank account into which all payments are to be made

Bank Account Number for Direct Credits <input type="text"/>		
Bank	Branch	Account name

Section 5: TERM INVESTMENT INSTRUCTIONS

<input type="radio"/> Secured Term Investment	<input type="radio"/> Capital Drawdown Term Investment
Amount (minimum of \$5,000): \$	Amount (minimum of \$5,000): \$
Term: OR Maturity Date: Years/Months/Days / /	Term*: OR Maturity Date: Years/Months/Days / /
Interest option: <input type="radio"/> Direct Credit <input type="radio"/> Compounded	Payment options:
Interest Frequency:	Direct Credit**: (please select frequency) <input type="radio"/> Quarterly <input type="radio"/> Monthly
<input type="radio"/> Monthly (Direct Credit only & Minimum Term 12 months)	Payment amount: \$
<input type="radio"/> Quarterly (Minimum Term 12 months)	First payment date***: / /
<input type="radio"/> Annually (Minimum Term 24 months)	
<input type="radio"/> Defer until Maturity	

You can view the indicative interest rates from our website www.udc.co.nz/investing/investment-rates or by calling toll free on 0800 652 832. The Interest rate applied is the applicable rate on offer at time of investment.

* Minimum term for Capital Drawdown is 1 year.

** Interest is compounded on the same frequency, added to the principal before the direct credit is paid.

*** First payment can only be after one month of the investment starting date.

Section 6: TERM MATURITY OPTIONS

<input type="radio"/> Auto renewal:	I wish my investment to be automatically renewed on maturity for the same term, at the applicable interest rate at the time.
<input type="radio"/> Maturity notice:	Please send me notification just prior to maturity advising indicative interest rates on offer at the time, and reinvestment and/or repayment options.

Section 7: NON-RESIDENT WITHHOLDING TAX RATE/APPROVED ISSUER LEVY (if applicable)

Non-resident address (full overseas address must be provided if a non-resident withholding tax rate or Approved Issuer Levy is required)

If Approved Issuer Levy is sought, please read the following conditions:

By completing the AIL section above, you confirm you are non-resident for NZ tax purposes (and you will not hold the UDC investment for the purposes of a business you carry on in New Zealand through a fixed establishment in New Zealand), you are not investing jointly with a New Zealand resident investor and authorise UDC to deduct AIL (currently 2%) from all payments of non-resident interest income made to you on registered securities held in your name by UDC. You authorise this deduction on the basis that AIL will be paid by UDC to the IRD, in respect of the non-resident income payment from which the deduction has been made.

The authorisation may be revoked by you at any time by notice in writing received by UDC at the address below, ten (10) or more days prior to a payment of non-resident interest income. UDC will then deduct any applicable withholding taxes from future payments.

By signing section 11, you acknowledge that you have read this Approved Issuer Levy section.

Section 8: DECLARATION

Information I agree:

- (a) UDC can collect personal information directly from me, and use and disclose information about me for the purposes of: (i) complying with any laws in New Zealand or overseas applying to UDC or the accounts, (ii) helping UDC decide what UDC needs to do to comply with laws or government requirements in New Zealand or overseas, (iii) providing me with, or promoting, products or services from UDC, (iv) introducing me to other products and services, (v) maintaining and administering my accounts, (vi) data matching (comparing my personal information with publically available information and/or with information held by carefully selected third parties for data matching), and (vii) communicating with me (together, the "Purpose"); and
- (b) I understand that UDC may require further information for the purposes of complying with any laws or government requirements in New Zealand or overseas, or to help UDC decide what UDC needs to do to comply with laws or government requirements in New Zealand or overseas. Accordingly I understand if I do not comply with any request from UDC for further information it may compromise UDC's ability to maintain and administer my accounts and provide certain products and services to me.

I understand that UDC will protect the security of my personal information using such security safeguards as are reasonable in the circumstances in relation to the security and storage of my information, and to prevent unauthorised use or disclosure of my information.

I understand that if I have engaged a financial adviser, UDC may disclose information about me to my financial adviser (including their staff).

I understand that I can request access to my information if it is readily retrievable and correction of any information held about me by UDC. If UDC is unable to make a correction to my information, I understand that UDC may at my request, take reasonable steps to attach a statement to my personal information setting out that I have requested that the information be corrected. I will inform UDC of any changes to the information provided by me to them.

Electronic Transactions Where UDC allows you to operate your accounts by telephone, facsimile, email or internet access ("Electronic Instructions"), the following general conditions apply: I agree that there is a security risk in sending Electronic Instructions, however I agree that UDC may rely on and is authorised to act on Electronic Instructions or requests from me reasonably believed by UDC to be genuine and to have been delivered, signed or sent by me.

UDC reserves the right to refuse to accept or act on any such Electronic Instructions.

I agree that UDC shall not be liable for any loss or damage incurred as a result of, any error, omission or misinterpretation of such Electronic Instruction, however caused.

I indemnify UDC from and against all claims, actions, demands, liabilities, costs, charges, damages, losses and expenses arising out of the validity or invalidity of any Electronic Instructions received by UDC, or UDC not acting upon any Electronic Instruction which UDC considers illegible, unclear, or where there are insufficient funds available, or where UDC is unable to act upon such instruction due to circumstances beyond its reasonable control. Provided that I will not be obliged to indemnify UDC in respect of any costs that are incurred as a result of UDC's negligence or wrongful acts.

Anti Money Laundering UDC may disclose information relating to me or any investment to any authority, agency (including any government agency), the police or any financial institution in order to ascertain whether any government requirement applies to a transaction or if UDC reasonably believes that the disclosure will assist in the investigation, detection and/or prevention of fraud or other criminal offences, such as money laundering, and neither UDC or any related company to UDC will incur any liability to me as a result of such disclosure of information. I agree that UDC may delay or block any transaction or refuse to pay any money in order to comply with any government requirement to which UDC or any related company to UDC is subject, and neither UDC nor any related company to UDC will incur any liability to me as a result of any such delay, block or refusal.

Disclaimer To the maximum extent permitted by law, UDC excludes liability for, and shall not be responsible for, any loss suffered by the investor, however arising.

Any financial adviser you engage is acting on your behalf and not as an agent for UDC.

By signing section 11, I acknowledge that I have received, understood and accept the terms of the Product Disclosure Statement.

Section 9: WEBSITE ACCESS AGREEMENT (UDC LIVE)

THE CUSTOMER:

1. agrees to the terms of the Website Access Agreement below; and
2. confirms that from time to time it will notify UDC Finance Limited ("UDC") of persons authorised to access the Website.

TERMS:

1. DEFINITIONS

- 1.1 In this Website Access Agreement, unless the context otherwise requires:
- "Copy" means to reproduce in any form, by any means.
- "Modify" means to alter in any way by any means.
- "Website" means the UDC Live website <https://nz.udclive.co.nz/external/login> or such other address as UDC may advise from time to time.

2. GRANT OF WEBSITE ACCESS

- 2.1 UDC grants the Customer a non-exclusive and non-transferable right to access and use the Website for the purposes of:
- (a) operating and managing its accounts, loans, facilities, leases, deposit products, and other arrangements with UDC; and/or
- (b) facilitating, negotiating and concluding customer agreements to the extent such functionality is made available on the Website by UDC from time to time.
- 2.2 UDC reserves the right, at its sole discretion and without notice, to change, modify, add or remove any portion of the Website and/or the terms contained in this Website Access Agreement.
- 2.3 UDC makes no representations as to the fitness for purpose of the Website or that the Website is error free.
- 2.4 The Customer acknowledges and agrees that it will access and use the Website for the sole purposes described in clause 2.1 above, and that (to the extent permitted by law) the statutory guarantees in the Consumer Guarantees Act 1993 are excluded and do not apply.
- 2.5 In addition to the terms and conditions of this Website Access Agreement, the Customer acknowledges the disclaimers on UDC's website (www.udc.co.nz/investing).
- 2.6 UDC may revoke the Customer's right to access the Website at any time, without prior notice.

3. DURATION

- 3.1 The Customer is granted access to the Website until this Website Access Agreement is terminated or expires. The Customer acknowledges that this Website Access Agreement terminates upon the termination or expiry of the purposes described in clause 2.1 above.

4. INTELLECTUAL PROPERTY RIGHTS

- 4.1 All intellectual property rights in and attaching to the Website shall vest in UDC. Except as provided in this Website Access Agreement, the Customer does not and will not have any intellectual property rights in the Website.
- 4.2 Intellectual property rights in all improvements or modifications to the Website, whether made, created or developed by the Customer or UDC, shall vest automatically in UDC.
- 4.3 To the extent that all right, title and interest in the intellectual property rights in and attaching to the Website do not vest in UDC, either by operation of law or automatically by virtue of this Website Access Agreement or any other agreement between the parties, the Customer will hold such intellectual property rights on trust for and on account for UDC and do all acts and execute all documents as may reasonably be required by UDC to effect the transfer of such rights.

5. SECURITY

- 5.1 UDC will provide, where necessary, such authorised users of the Customer ("Authorised Users") as UDC and the Customer agree, with a personal identification password ("Password") to use in accessing information and related material on the Website. Subject to UDC's usual criteria for the acceptance of Authorised Users, UDC and the Customer will determine such Authorised Users by UDC accepting a duly completed and signed application form (in the form then prescribed by UDC) from the Customer, or by UDC accepting an online application for Authorised Users on the Website. Except to the extent that any Authorised User's Password is compromised by UDC's wilful act or negligent omission, the Customer is entirely and absolutely responsible for all activity which is performed using any Authorised User's Password and the Customer will make sure that every Authorised User keeps their Password secure and confidential. In particular, the Customer will make sure that each Authorised User will:
- (a) not keep a written record of their Password or otherwise store it in a file on any of the Customer's computers;
 - (b) not disclose their Password to any other person; and
 - (c) notify management if they become aware that their Password has become known or available to someone else.
- 5.2 UDC may revoke any or all Authorised User's access to the Website without notice:
- (a) If UDC considers it necessary to maintain the integrity or security of the Website;
 - (b) If the Authorised User misuses their Password;
 - (c) If the Customer or any Authorised User of Customer breaches this Website Access Agreement; or
 - (d) In any other case, at UDC's absolute discretion.
- 5.3 The Customer must notify UDC if any of its Authorised Users will cease to be employed by the Customer prior to the Authorised User's last day of employment, so that UDC may cancel that Authorised User's Password. If the Customer fails to notify UDC in the manner prescribed by this clause, the Customer will be fully liable for any and all losses, damages costs or expenses arising from any use or misuse by the Authorised User or any third party of that Password.
- 5.4 UDC may act on any request or other instruction that UDC receives and that UDC reasonably believes to be from an Authorised User, without the need for further enquiry or verification, and UDC will have no liability to any person for doing so.

6. WARRANTIES BY UDC

- 6.1 UDC makes no express warranties under this Website Access Agreement.
- 6.2 The Customer acknowledges and agrees that where it accesses and/or uses the Website no data transmission over the internet can be guaranteed as totally secure. UDC does not warrant and cannot ensure the security of any information which the Customer transmits to UDC via the Website. Accordingly, any information which the Customer transmits to UDC is transmitted at the Customer's own risk.
- 6.3 UDC does not warrant or guarantee:
- (a) the accuracy, adequacy, quality, correctness, validity, completeness or suitability of any information available on the Website for any purpose; or
 - (b) that the Website and any services will be free of infection by viruses, worms, trojan horses or anything else manifesting contaminating or destructive properties.

7. EXCLUSION OF LIABILITY

- 7.1 UDC is not liable for any damage suffered (directly or indirectly) by the Customer arising in any way out of (including, but not limited to negligence by UDC or its employees, contractors or agents) the provision, delay in providing, or failure of the Website or maintenance or termination of this Website Access Agreement.

8. INDEMNITY

- 8.1 The customer indemnifies and holds UDC harmless from and against all costs, claims, damages, losses, liabilities and expenses (including legal expenses on a solicitor and own client basis, all and any actual court costs, witness fees and expenses and all disbursements), arising directly or indirectly from the negligence, willful act, omission, or breach of this Website Access Agreement by the Customer, the Authorised Users of the Customer, or the Customer's employees, agents, subcontractors or advisers.
- 8.2 The Customer's obligations under this clause survive termination of this Website Access Agreement.

9. ASSIGNMENT

- 9.1 The customer must not assign or subcontract its rights or obligations under this Website Access Agreement, without UDC's prior written consent.

10. GENERAL

- 10.1 The rights of the parties under this Website Access Agreement are cumulative and not exclusive of any rights provided or implied by custom or law.
- 10.2 This agreement will supersede any existing agreements between UDC and the Customer regarding website access.

Section 10: FUNDING (please complete all applicable fields)

"TERM" deposit account 010505-0128966-00 (refer Part C for a deposit slip)

"CALL" deposit account 010564-0070266-00 (refer Part C for a deposit slip)

- ☐ Yes, I will fund directly by telephone or internet banking to the "TERM" and/or "CALL" deposit accounts quoting my investor number or IRD number as the "reference".
- ☐ Yes, I will pay through the ANZ branch using the deposit slips provided (Part C) of this application booklet.
- ☐ Cheque is attached to this application form.
- ☐ Please debit my account directly as per the completed direct debit form (Part D) attached.

Section 11: SIGNATURE

By signing section 11, I/We acknowledge that "yes" I/We:

- have read and understand section 7 "Non-Resident withholding tax rate/approved issuer levy (if applicable)
- have read and understood section 8 "Declaration" & have received, understood and accept the terms of the Product Disclosure Statement.
- have read and understood section 9 "Website access agreement (UDC Live)"
- have the authority to provide the information on this application, which is true and complete. I/We understand that giving false information could be serious under New Zealand law. I/We will provide any extra information UDC requests and will contact UDC if the information given changes

I/We request that the above account(s) be operated as follows (choose one):

<input type="radio"/> By any one authorised signature alone	<input type="radio"/> Other (please specify requirements)
<input type="radio"/> By all account holders/signatures to the application form	
<input type="radio"/> By two authorised signatures jointly	
Signature _____ Date _____	Signature _____ Date _____
Signature _____ Date _____	Signature _____ Date _____

UDC FINANCE LIMITED
PO BOX 91145, VICTORIA STREET WEST, AUCKLAND 1142
TOLL FREE 0800 652 832 // FAX (09) 255 4903 // UDCINV@ANZ.COM // WWW.UDC.CO.NZ/INVESTING

CERTIFICATION/VERIFICATION - For office use only

I hereby confirm that the named customer(s) on this document was identified by me in person on / / and verified by using either the original identification document(s) or a certified copy of the documents(s).
I also confirm the identification documents is a true likeness of the person(s) I identified. The verification documents accompanying this document are true copies of the originals which I made myself or the certified copies presented to me.

Certifier/Verifier name	Signature	STAMP Registered Financial Advisors or ANZ Bank Branch
Branch/Broker Number	Staff/FSP Number	

THIS ADDITIONAL NON-INDIVIDUAL INVESTOR DETAILS FORM IS PART OF THE APPLICATION FORM FOR YOUR UDC SECURED INVESTMENT PRODUCT. You MUST still sign the relevant "Application Form" to ensure your application is valid.

ADDITIONAL NON-INDIVIDUAL INVESTOR DETAILS

Application no:

HOW TO COMPLETE THIS FORM:

Please complete this section for all Trustees, Directors, Partners, Board members, Signatories and Shareholders/Beneficial Owners with 25% interest or greater.

Depending on your entity type, we may request further information. If you have any question regarding this form, please contact us on **0800 652 832** or via email to udcinv@anz.com, we will be happy to assist you.

<input type="radio"/> Trustee	<input type="radio"/> Director	<input type="radio"/> Partner	<input type="radio"/> Board	<input type="radio"/> Authorised signatory	<input type="radio"/> Shareholder/Beneficial owner
Title	First names			Surname	
Date of birth / /		Occupation		Country of Birth	
Citizenship					
Are you only a tax resident in New Zealand? <input type="radio"/> Yes <input type="radio"/> No Note - United States citizens are considered taxpayers of the United States If No, please provide details below					
Country of Tax Residence	TIN* (or country equivalent) *Taxpayer Identification Number	Reason Code (if TIN not provided)	Explanation (if Reason Code is Z)		
Reason Codes: A - TIN Not Issued (The Country does not issue TINs) B - TIN Not required (The Country does not require collection of a TIN) C - TIN Applied For (I have applied for a TIN and will inform you upon receipt) Z - TIN Unobtainable (I am unable to obtain a TIN)					
Residential Address				Suburb	
City or Town		Postcode	Country		
I/We have the authority to provide the information on this application, which is true and complete. I/We understand that giving false information could be serious under New Zealand law. I/We will provide any extra information UDC requests and will contact UDC if the information given changes.					
Signature				Date signed	

<input type="radio"/> Trustee	<input type="radio"/> Director	<input type="radio"/> Partner	<input type="radio"/> Board	<input type="radio"/> Authorised signatory	<input type="radio"/> Shareholder/Beneficial owner
Title	First names			Surname	
Date of birth / /		Occupation		Country of Birth	
Citizenship					
Are you only a tax resident in New Zealand? <input type="radio"/> Yes <input type="radio"/> No Note - United States citizens are considered taxpayers of the United States If No, please provide details below					
Country of Tax Residence	TIN* (or country equivalent) *Taxpayer Identification Number	Reason Code (if TIN not provided)	Explanation (if Reason Code is Z)		
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Residential Address				Suburb	
City or Town		Postcode	Country		
I/We have the authority to provide the information on this application, which is true and complete. I/We understand that giving false information could be serious under New Zealand law. I/We will provide any extra information UDC requests and will contact UDC if the information given changes.					
Signature				Date signed	

☐ Trustee☐ Director☐ Partner☐ Board☐ Authorised signatory☐ Shareholder/Beneficial owner

Title	First names	Surname	
Date of birth / /	Occupation	Country of Birth	
Citizenship			
Are you only a tax resident in New Zealand? <input type="radio"/> Yes <input type="radio"/> No Note - United States citizens are considered taxpayers of the United States If No, please provide details below			
Country of Tax Residence	TIN* (or country equivalent) *Taxpayer Identification Number	Reason Code (if TIN not provided)	Explanation (if Reason Code is Z)
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Residential Address		Suburb	
City or Town	Postcode	Country	
I/We have the authority to provide the information on this application, which is true and complete. I/We understand that giving false information could be serious under New Zealand law. I/We will provide any extra information UDC requests and will contact UDC if the information given changes.			
Signature		Date signed	

☐ Trustee☐ Director☐ Partner☐ Board☐ Authorised signatory☐ Shareholder/Beneficial owner

Title	First names	Surname	
Date of birth / /	Occupation	Country of Birth	
Citizenship			
Are you only a tax resident in New Zealand? <input type="radio"/> Yes <input type="radio"/> No Note - United States citizens are considered taxpayers of the United States If No, please provide details below			
Country of Tax Residence	TIN* (or country equivalent) *Taxpayer Identification Number	Reason Code (if TIN not provided)	Explanation (if Reason Code is Z)
Reason Codes: A - TIN Not Issued (The Country does not issue TINs) C - TIN Applied For (I have applied for a TIN and will inform you upon receipt) B - TIN Not required (The Country does not require collection of a TIN) Z - TIN Unobtainable (I am unable to obtain a TIN)			
Residential Address		Suburb	
City or Town	Postcode	Country	
I/We have the authority to provide the information on this application, which is true and complete. I/We understand that giving false information could be serious under New Zealand law. I/We will provide any extra information UDC requests and will contact UDC if the information given changes.			
Signature		Date signed	

☐ Trustee☐ Director☐ Partner☐ Board☐ Authorised signatory☐ Shareholder/Beneficial owner

Title	First names	Surname	
Date of birth / /	Occupation	Country of Birth	
Citizenship			
Are you only a tax resident in New Zealand? <input type="radio"/> Yes <input type="radio"/> No Note - United States citizens are considered taxpayers of the United States If No, please provide details below			
Country of Tax Residence	TIN* (or country equivalent) *Taxpayer Identification Number	Reason Code (if TIN not provided)	Explanation (if Reason Code is Z)
Reason Codes: A - TIN Not Issued (The Country does not issue TINs) C - TIN Applied For (I have applied for a TIN and will inform you upon receipt) B - TIN Not required (The Country does not require collection of a TIN) Z - TIN Unobtainable (I am unable to obtain a TIN)			
Residential Address		Suburb	
City or Town	Postcode	Country	
I/We have the authority to provide the information on this application, which is true and complete. I/We understand that giving false information could be serious under New Zealand law. I/We will provide any extra information UDC requests and will contact UDC if the information given changes.			
Signature		Date signed	

12-17

PART C

IF DEPOSITING IN AN ANZ BRANCH PLEASE USE THESE DEPOSIT SLIPS:

TOP SLIP: Call Account

BOTTOM SLIP: UDC Secured Term Investment or Capital Drawdown Term Investment

RECEIPT:
(tick appropriate)



CALL



Deposit

ANZ Bank New Zealand Limited,
215-229 Lambton Quay, Wellington, NZ

DATE / /

NAME

AMOUNT \$

THANK YOU FOR INVESTING WITH UDC.
THIS IS AN INTERIM RECEIPT ONLY. A
CONFIRMATION WILL BE POSTED TO YOU.
PLEASE CALL OUR INVESTOR SERVICES
TEAM ON 0800 652 832 IF YOU HAVE ANY
QUESTIONS.

TELLER PAID IN BY (SIGNATURE)

DETAILS OF CHEQUE:- DRAWER	BANK	BRANCH

FOR THE CREDIT OF UDC FINANCE LIMITED CALL ACCOUNT

DATE / /

NOTES		
COINS		
CHEQUES		
TOTAL \$		

⑈ 6 1 4 9 6 1 ⑈ 0 1 0 5 6 4 ⑈ 0 0 7 0 2 6 6 ⑈ 0 0 ⑈ 6 4

RECEIPT:
(tick appropriate)



TERM



Deposit

ANZ Bank New Zealand Limited,
215-229 Lambton Quay, Wellington, NZ

- ☐ SECURED TERM INVESTMENT
☐ CAPITAL DRAWDOWN
TERM INVESTMENT

DATE / /

NAME

AMOUNT \$

THANK YOU FOR INVESTING WITH UDC.
THIS IS AN INTERIM RECEIPT ONLY. A
CONFIRMATION WILL BE POSTED TO YOU.
PLEASE CALL OUR INVESTOR SERVICES
TEAM ON 0800 652 832 IF YOU HAVE ANY
QUESTIONS.

TELLER PAID IN BY (SIGNATURE)

DETAILS OF CHEQUE:- DRAWER	BANK	BRANCH

FOR THE CREDIT OF UDC FINANCE LIMITED (PLEASE CROSS OUT IF NOT APPLICABLE)
SECURED TERM INVESTMENT // CAPITAL DRAWDOWN OPTION

DATE / /

NOTES		
COINS		
CHEQUES		
TOTAL \$		

⑈ 6 1 4 9 6 1 ⑈ 0 1 0 5 0 5 ⑈ 0 1 2 8 9 6 6 ⑈ 0 0 ⑈ 6 4

PART D

DIRECT DEBIT FORM

For use with Call Account and UDC Secured Term Investments



Account Name														
Account Number														
TO: The Manager (Please print full postal address carefully for window envelope)														
Bank														
Branch														
Address														

AUTHORITY TO ACCEPT DIRECT DEBITS (Not to operate as an assignment or agreement)							
Authorisation code							
0	1	0	0	0	4	4	
Date							

I/We authorise you until further notice in writing to debit my/our account with you all amounts which **UDC FINANCE 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 on my/our bank statement:		
Name of account (customer to complete)		
Authorised Signatures		
	Date	Date

Approved 0004		Bank Use Only	Date Received	Recorded by	Checked by	Bank Stamp
02	1994	Original - Retain at branch Duplicate - Forward to Initiator in postage prepaid and addressed envelope provided by the initiator				

CONDITIONS OF THIS AUTHORITY TO ACCEPT DIRECT DEBITS

1. The Initiator:

- (a) Has agreed to give written notice of the net amount of each Direct Debit no later than the day the Direct Debit is initiated. The notice will include the following message:
"The amount \$....., was direct debited to your Bank account on (initiating date)."
- (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.

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.

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 disputes lies between me/us and the Initiator.
- (d) The Bank accepts no responsibility or liability for the accuracy of information about Direct Debits on Bank Statements.
- (e) The bank is not responsible for, or under any liability in respect of:
 - any variations between notices given by the Initiator and the amounts of Direct Debits.
 - the Initiator's failure to give written advance notice correctly 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.

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 executed 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 the service in force from time-to-time.

