

PRODUCT DISCLOSURE STATEMENT

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

29 July 2019



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.

This is a replacement product disclosure statement, which replaces the product disclosure statement dated 16 January 2019 (as supplemented on 1 March 2019).

SECTION 1. Key Information Summary

WHAT IS THIS?

This is an offer of 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 when requested.

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. UDC has now chosen to exercise that option, with a final repayment date of 14 October 2019. If you are a holder of UDC Secured Investments, we 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 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 no later than the final repayment date of 14 October 2019.

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 raising funds and providing 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, ANZ Investments and Bonus Bonds.

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).

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 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. If you hold an existing Call Account, you can continue to operate that account, including making new deposits into the account (until the offer closing date). However, no new Call Accounts may be opened.• 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	Dealer Reserve Account: Minimum balance agreed with each individual dealer.
Offer opening and closing dates	The offer opened on 22 June 2017 and will close: <ul style="list-style-type: none">• in relation to Call Accounts, on 5 August 2019; and• in relation to Dealer Reserve Accounts, on 10 October 2019.
Repayment or conversion into ANZ Equivalent Products	UDC has decided to exercise its right to repay all of the UDC Secured Investments, with a final repayment date of 14 October 2019. As part of that process, 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.

UDC has decided to exercise its right to repay all UDC Secured Investments, with a final repayment date of 14 October 2019.

As part of that process, 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 no later than the final repayment date of 14 October 2019.

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.

ANZ Equivalent Products (if conversion occurs)

If your UDC Secured Investments convert into ANZ Equivalent Products (being ANZ Online Accounts), those ANZ Equivalent Products have no fixed term and you can request repayment at any time.

See section 9 (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.

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 (including Secured Term Investments previously issued by UDC) 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 (outlook positive) 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	BB	B	CCC	CC to C	D
				UDC Finance (Outlook Positive)					
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 (**)	0.35%	0.32%	0.51%	1.70%	7.11%	17.88%	46.22%	46.22%	

(*) 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.

(**) 5 year Cumulative Default Rates (1981-2017) from Standard & Poor's 2017 Annual Global Corporate Default Study and Rating Transitions, dated 5 April 2018

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SECTION 2. Terms of the offer

This section explains the terms that apply to the 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 CALL 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 online platform to monitor your balance and make withdrawals (or you may call UDC directly).

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. If you hold an existing Call Account, you can continue to operate that account, including making new deposits into the account (until the offer closing date). However, no new Call Accounts may be opened. • 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</p> <p>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 and will close:</p> <ul style="list-style-type: none"> - in relation to Call Accounts, on 5 August 2019; and - in relation to Dealer Reserve Accounts, on 10 October 2019.
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 (including Secured Term Investments previously issued by UDC) 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>Existing Call Accounts: If you use our online platform there is no restriction on the amounts you can 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 Accounts: 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	UDC has decided to exercise its right to repay all of the UDC Secured Investments, with a final repayment date of 14 October 2019. As part of that process, 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. We have now decided to exercise our right to repay all UDC Secured Investments, with a final repayment date of 14 October 2019.

Before your UDC Secured Investments are repaid, we will send you an Election Notice which 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.

The Election Notices will be sent out in batches over a two month period starting from 5 August 2019, so you could receive your Election Notice at any time during that period. If you wish to make an election, you will need to make sure we receive your validly completed Election Notice by the response date specified in the Election Notice.

If you choose to have your UDC Secured Investments converted into an ANZ Equivalent Product, conversion of your UDC Secured Investments will occur as soon as reasonably practicable after we receive your validly completed Election Notice.

If you choose to have your UDC Secured Investments repaid directly to you, you will be repaid on 14 October 2019.

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 as soon as reasonably practicable after the response date specified in your Election Notice (and no later than the final repayment date of 14 October 2019).

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; 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
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 9 (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 and 29 July 2019). 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 80 years.

During the past 5 years, our principal activities have been providing investments to the public (such as UDC Secured 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 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 has in recent years explored a range of strategic options for UDC's future. The options included a possible trade sale of UDC and a public listing of UDC shares on the New Zealand Stock Exchange. ANZ announced on 31 October 2018 that it had decided to put all sale and listing discussions on hold and focus on continuing to grow the UDC business. However, ANZ also noted that it may still consider a sale or listing of UDC in the future and this means that the ownership of UDC may change.

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 2018)

Exposure to single borrowers

As at 30 September 2018, we had approximately \$3,280,575,000 in total lending assets including \$58,145,000 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 2018)

While the UDC Secured Investments have been an important part of our business, over the last two years an increasing proportion of our funding has come from the committed credit facility we have from ANZ.

We have now decided to exercise our right to repay all UDC Secured Investments, with a final repayment date of 14 October 2019. Before your UDC Secured Investments are repaid, we will send you an Election Notice containing all the details (as described in more detail on page 7). As a consequence of this, all UDC Secured Investments will be repaid no later than 14 October 2019.

OUR FOCUS NOW AND FOR THE FUTURE

We will continue to focus on what we do best - raising funds 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.

Mark Verbiest LLB, CFIInstD

Director, Chairman

Mark is a director of ANZ, and has extensive experience in telecommunications, corporate governance and the digital economy. He brings a wealth of knowledge gained from a variety of sectors, including SOEs, Government bodies and the private sector. He is also a director of Meridian Energy Limited, Willis Bond Capital Partners Limited and Freightways Limited.

Mark was appointed the Chairman of UDC in 2019.

Tim Miles BA

Independent Director

Tim has held a number of senior executive roles and directorships, including as Managing Director of Vodafone NZ, Managing Director of Vodafone UK, and Group CTO for Vodafone PLC. He has also been a director of Goodman Property Trust, Managing Director of PGG Wrightson, and Chief Executive Officer of Spark Digital, playing a key role in the transition of Spark to become New Zealand's leading digital services provider. He is currently a director of Genesis Energy and Nyriad Limited, and Chairman of the Gut Cancer Foundation.

Tim was appointed as a Director of UDC in 2019.

Stuart McLauchlan BCom, FCA, AF Inst D

Independent Director

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 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 as a Director of UDC in 2011.

Paul Norris

Independent Director

Paul is the Managing Director of Norris Enterprises Pty Limited and was previously a franchise owner of the Bank of Queensland. He has over 35 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.

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 2018, 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 2018, UDC had total assets of \$3,295,905,000 and total liabilities of \$2,744,961,000. 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 2018, the total amount owing under those lease agreements was \$668,000.

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 \$3,200,000,000 and ranks equally with the UDC Secured Investments. As at 30 September 2018, the amount owing to ANZ and secured by this first ranking security stock was \$1,762,003,000.

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.

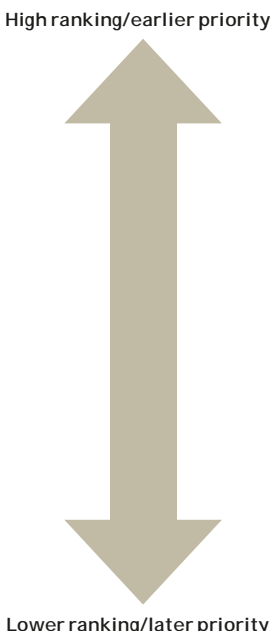
The Trust Deed permits us to grant the following prior or equal charges:

- 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 Investments on our liquidation and is based on \$931,280,000 of UDC Secured Investments (which includes Secured Term Investments that were previously offered by UDC) being on issue by UDC as at 30 September 2018.

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

	Ranking on liquidation of UDC	Examples	Indicative amount as at 30-Sep-18
	Liabilities that rank in priority to the Secured Call Investments	All vehicle and IT equipment lease agreements and Money Market Secured Deposits	\$3,130,000
	Liabilities that rank equally to the Secured Call Investments	First ranking stock and other secured call and term investments	\$2,705,374,000
	Liabilities that rank below the Secured Call Investments	Second ranking stock, notes, money market secured deposits and other unsecured creditors	\$37,125,000
	Equity	Shares in UDC	\$550,944,000

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 and 29 July 2019) 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	31-Mar-19	30-Sep-18	30-Sep-17	30-Sep-16
UDC's capital ratio	10.6%	10.45%	10.0%	9.9%
Minimum capital ratio under the Trust Deed	8%	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")	8%	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.

Related Party Ratio	31-Mar-19	30-Sep-18	30-Sep-17	30-Sep-16
UDC's aggregate exposure to related parties as a percentage of capital	9%	11%	12%	19%
Maximum limit on aggregate exposure to related parties under the Trust Deed	50%	50%	50%	50%
Maximum limit on aggregate exposure to related parties that must be set out in the Trust Deed under the Regulations as varied by the Non-bank Deposit Takers (UDC Finance Limited) Exemption Notice 2016	50%	50%	50%	50%

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	31-Mar-19	30-Sep-18	30-Sep-17	30-Sep-16
Total liabilities coverage ratio	43%	36%	19%	22%
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	453%	414%	209%	138%
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	31-Mar-19	31-Mar-18	30-Sep-18	30-Sep-17	30-Sep-16
Total assets	\$3,374m	\$3,151m	\$3,296m	\$2,985m	\$2,665m
Total liabilities	\$2,797m	\$2,633m	\$2,745m	\$2,499m	\$2,241m
Net profit after tax*	\$34.7m	\$32.7m	\$65.3m	\$61.6m	\$58.5m
Net cash flows from operating activities*	(\$194.7m)	(\$223.7m)	(\$375.5m)	(\$810.8m)	(\$316.7m)
Cash and cash equivalents	\$51.3m	\$67.5m	\$58.1m	\$59.2m	\$80.0m
Regulatory Capital	\$562.9m	\$509.0m	\$540.2m	\$477.4m	\$415.1m

Amounts stated in relation to 31-Mar-19 and 31-Mar-18 are for the six months ended on that date and have not been audited by a qualified auditor. All other amounts are for the 12 months ended on the relevant balance date and are extracted from audited financial statements.

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. 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 2018.

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 19 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 to support our liquidity profile. Those facilities include committed credit facilities that, as at 31 March 2019, have a combined facility limit of \$3,100,000,000.

These facilities have a two year term and the current facilities expire on 29 September 2021. We have the option to extend the term of the facilities subject to agreement with ANZ.

As described in more detail under "How do we fund our business activities?" on page 10, following a review of its funding sources UDC has decided to exercise its right to repay all UDC Secured Investments, with a final repayment date of 14 October 2019. The facility limit was increased on 28 February 2019 to ensure that UDC has access to sufficient liquidity to repay all UDC Secured Investments as part of this process.

As discussed below under "Related Party Risk", 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. If this happened there would be a risk we would not be able to raise cash to repay UDC Secured Investments when required, unless we were able to put in place an additional or 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 9 of this PDS, the ownership of UDC may 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 stable 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 negative (equivalent to a Standard & Poor's rating of AA-, outlook negative).

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 2018 was \$58,145,000. 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 9 of this PDS, the ownership of UDC may 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.

SECTION 7. Tax

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 unless they provide us with a valid RWT exemption certificate.

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 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. Further Tax Information

Under New Zealand law, UDC must collect information from you about your tax residency status. UDC may provide your information to the Inland Revenue, who may share that information with overseas tax authorities under international agreements. If your tax residency status is not confirmed, we may be obliged to freeze or close your UDC Secured Investment.

SECTION 9. 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.

	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.	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/banking-with-anz/ways-to-bank/ or call ANZ on 0800 269 296.
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 stable) 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 (outlook positive).	Change – As at the date of this PDS, ANZ has a credit rating from Standard & Poor's of AA-, outlook stable. ANZ has credit ratings from other rating agencies, one of which is lower than the current Standard & Poor's rating – see page 19 of this PDS.

SECTION 10. 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 11. 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 12. 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 13. How to apply

You do not need to complete an application form to deposit funds into your existing Call Account.

To apply for a Dealer Reserve Account with us, please contact us for an application form. You will need to complete that application form and submit it to us.

SECTION 14. Contact Information

UDC Finance Limited
Level 9, ANZ Centre
23-29 Albert St
PO Box 91145
Auckland 1142

Telephone: 0800 652 832 or +64 9 362 3062
www.udc.co.nz/investing

