



Notice of changes for UBS Tactical Beta Fund - Growth

Date: 30 November 2020

Issuer: UBS Asset Management (Australia) Ltd

Fund: UBS Tactical Beta Fund – Growth (ARSN: 157 926 166, APIR: UBS0037AU)

This significant event notice is to advise that the product disclosure statement (PDS) of the UBS Tactical Beta Fund – Growth (Fund) will be updated with effect on or about **15 December 2020**. The revised sections refer to:

1. the asset allocation framework; and
2. the indirect costs estimate for the financial year ending 30 June 2020.

Pending the implementation of the updates, the Fund will not accept new applications for units.

1. Asset Allocation Framework

As described in Section 5 of the Fund PDS, 'How we invest your money' (PDS issue date 29 August 2019), the Fund is managed within an asset allocation framework that describes the underlying benchmark, neutral allocation and strategy ranges for each asset class. Effective on or about 15 December 2020, the PDS will be re-issued with the updated asset allocation framework as follows:

Existing disclosure:

Asset allocation	Benchmark	Neutral Allocation	Strategy Range %*
Income assets			
Cash and Cash Funds	Bloomberg AusBond Bank Bill Index	2	0 - 30
Government Bonds - Australian Government Bonds - International Government Bonds	Bloomberg AusBond Treasury 0+ Yr Index FTSE WGBI ex Australia hedged in AUD	18 8 10	0 - 50
Investment Grade Credit	Bloomberg Barclays Global Credit Corporate hedged in AUD	5	0 - 30
High Yield Credit	Bloomberg Barclays Global High Yield hedged in AUD	3	0 - 10
Emerging Market Debt	Bloomberg Barclays Global Emerging Markets hedged in AUD	2	0 - 10
TOTAL		30	10 - 60
Growth assets			
Australian Equities	S&PVASX 300 Index (gross total return)	30	15 - 60
International Equities	MSCI All Country World ex Australia hedged in AUD (net dividends reinvested)	35	15 - 70
Property Securities	FTSE EPRA/NAREIT Developed hedged in AUD (net dividends reinvested)	5	0 - 15
TOTAL		70	40 - 90
Alternative assets			
Alternative assets	-	0	0 - 20
TOTAL		0	0 - 20
Foreign currency			
Foreign Currency Exposure	-	0	-5 - 35
TOTAL		0	-5 - 35

New and updated disclosure:

Asset allocation	Underlying asset class "Benchmark"	Neutral Allocation %	Strategy Range %*
Income assets			
Cash, Cash Funds and Cash equivalents	Bloomberg AusBond Bank Bill Index	3	0 - 20
Fixed income	TOTAL	27	5 - 45
- Australian Fixed Income	Bloomberg AusBond Composite 0+YR Index	9	
- International Fixed Income	Bloomberg Barclays Global Aggregate (Hedged to AUD) Index	18	
TOTAL		30	10 - 50
Growth assets			
Australian Equities	MSCI Australia Domestic IMI Custom ex Tobacco ex Controversial Weapons (Gross Total Return) Index	24	15 - 35
International Equities**	MSCI World ex Australia ex Tobacco ex Controversial Weapons (Net Total Return) index	40	30 - 55
<i>**Neutral benchmark 50% hedged to AUD and 50% unhedged</i>			
Emerging Markets Equities***	MSCI EM (Emerging Markets) ex Tobacco ex Controversial Weapons (Net Total Return) Index	6	0 - 15
<i>***Neutral benchmark 100% unhedged</i>			
TOTAL		70	45 - 90
Alternative Assets			
Alternative Assets	-	0	0 - 5
TOTAL	-	0	0 - 5
Foreign currency			
Foreign Currency Exposure	-	26	15 - 35
TOTAL		26	15 - 35

* Ranges may be exceeded from time to time due to market movements or significant cashflows.

2. Indirect costs estimate for financial year ending 30 June 2020

As described in Section 6.4 of the Fund PDS, 'Example of annual fees and costs' (PDS issue date 29 August 2019), the estimated indirect costs (0.12%) relate to the financial year ending 30 June 2020. Effective on or about 15 December 2020, the paragraph (denoted with ^) beneath the table at 6.4 will be updated:

Existing disclosure:

6.4 Example of annual fees and costs

This table gives an example of how the fees and costs for the Fund can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

EXAMPLE – UBS Tactical Beta Fund – Growth		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	Total: 0.41% p.a. of the net asset value of the Fund Management fee: 0.29% p.a. of the net asset value of the Fund Indirect costs: 0.12% [^] p.a. of the net asset value of the Fund.	And, for every \$50,000 you have in the Fund you will be charged \$205.00 each year.
EQUALS Cost of Fund*		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of from: \$205.00 to \$225.50*[†] What it costs you will depend on the investment option you choose and the fees you negotiate.

* Additional fees may apply:

Establishment fee – nil

And, if you leave the managed investment scheme early, you may also be charged an **exit fee** of nil of your total account balance.

[†] The cost will depend on when in the year the additional \$5,000 is invested.

[^] The amounts above reflect indirect costs from the financial year ended 30 June 2019 of 0.12% p.a. However, the Responsible Entity estimates that indirect costs for the financial year ending 30 June 2020 will be 0.00%. This would mean that management costs would reduce to 0.29% p.a. and for every \$50,000 you have in the Fund you will be charged \$145.00 each year.

The above worked example of fees does not include any fees that you may be required to pay to your ASX Broker and/or financial adviser if you apply for units in or withdraw from the Fund through mFund.

The Australian Securities and Investments Commission ('ASIC') provides a managed funds calculator on its MoneySmart website www.moneysmart.gov.au which can be used to help you calculate the effect of fees and costs on account balances.

New and updated disclosure:

6.4 Example of annual fees and costs

This table gives an example of how the fees and costs for the Fund can affect your investment over a 1 year period. You should use this table to compare this product with other managed investment products.

EXAMPLE – UBS Tactical Beta Fund – Growth		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
PLUS Management Costs	Total: 0.39% p.a. of the net asset value of the Fund Management fee: 0.29% p.a. of the net asset value of the Fund Indirect costs: 0.10%^ p.a. of the net asset value of the Fund.	And , for every \$50,000 you have in the Fund you will be charged \$195.00 each year.
EQUALS Cost of Fund*		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees of from: \$195.00 to \$214.50*[†] What it costs you will depend on the investment option you choose and the fees you negotiate.

* Additional fees may apply:

Establishment fee – nil

And, if you leave the managed investment scheme early, you may also be charged an **exit fee** of nil of your total account balance.

[†] The cost will depend on when in the year the additional \$5,000 is invested.

[^] The amounts above reflect indirect costs from the financial year ended 30 June 2020 of 0.10% p.a.

The above worked example of fees does not include any fees that you may be required to pay to your ASX Broker and/or financial adviser if you apply for units in or withdraw from the Fund through mFund.

The Australian Securities and Investments Commission ('ASIC') provides a managed funds calculator on its MoneySmart website www.moneysmart.gov.au which can be used to help you calculate the effect of fees and costs on account balances.

Contact information

The information in this notice is general information only and does not take into account your personal objectives, financial situation or needs. If you require any further information relating to the changes outlined in this letter, please contact your adviser or call Client Services on (03) 9046 4041 or toll free on 1800 572 018 between 8:30 am and 5:30 pm (Sydney time) Monday to Friday.

Kind regards



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