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UBS ETFs Australia Distribution Reinvestment Plan

25 May 2017

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Terms & Conditions

1 Participation in the Plan

1.1 Terms and conditions

These rules apply to the UBS Exchange Traded Funds listed at Appendix A. Participation in the Plan is subject to these terms and conditions, as modified from time to time.

1.2 Participation

Participation in the Plan is optional and open to all Unitholders who have a Registered Address in Australia or New Zealand. However the Responsible Entity has absolute discretion to accept or refuse an application at any time and without providing a reason.

1.3 Responsible Entity

The Responsible Entity has discretion whether to allow Distribution reinvestment and may terminate, modify, repeal and replace or suspend the Plan at any time.

2 Application to participate

2.1 Applications

An Investor may apply to the Responsible Entity to participate in the Plan by completing the form provided by the Registrar. Separate applications must be completed for each ETF. The application form in respect of jointly held Units must be signed by all joint Investors.

2.2 Multiple holdings

Where an Investor has more than one allocated holding on the register of Units, the Investor must complete an application form for each separate holding.

2.3 Effective time

Each application form received and accepted by the Responsible Entity will be effective in respect of the first Distribution after receipt of the application form provided it is received on or before 5:00pm on the Record date for that Distribution. If the Application is received after 5.00 pm on the Record Date for that Distribution, it will apply for the next Distribution.

3 Degree of participation

3.1 Full participation

Participation in the Plan must be in full.

All Units registered in the Participant's name from time to time however acquired (including Units issued under the Plan) will be subject to the Plan.

3.2 No indication of participation

If a Unitholder does not make an election under the distribution reinvestment plan, the Responsible Entity will automatically pay any distribution entitlement in cash to the Unitholder's nominated Australian Bank account.

If a Unitholder does not provide the Responsible Entity with account details (or does not nominate an Australian Bank account) to enable the Responsible Entity to pay distribution entitlements to the Unitholder's account via electronic funds transfer, the Unitholder will be deemed to have elected to participate in the distribution reinvestment plan.

If a Unitholder should be deemed ineligible for the DRP, and fail to provide details of a valid Australian Bank account, the Responsible Entity will hold the payments on the Unitholder's behalf in an account with the Registry.

3.3 Discrepancies

The Plan will only apply to the number of Units registered in the name of a Participant on the Record Date.

4 Operation of the Plan

4.1 Authorisation of Responsible Entity

An Investor who elects to participate in the Plan shall be deemed to have:

- a) directed the Responsible Entity to apply the Distribution that is available for payment in relation to the Investor's Participating Units (less withholding or income tax as applicable) towards the issue price for an application for further Units;
- b) subscribed for Units of the class to which the distribution relates ; and
- c) agreed to be bound by the Constitution in respect of all the Units issued to the Investor under the Plan.

4.2 Issue price

Units issued under the Plan will be issued at an issue price per unit equal to the Net Asset Value as at the first Valuation Time on the first Business Day after the end of the Distribution Period to which the distribution relates divided by the number of Units in issue, subject to rounding and calculated in accordance with the Constitution.

4.3 Plan Accounts

The Responsible Entity will establish, and the Registrar will maintain, a Plan Account for each Participant.

4.4 Responsible Entity determinations

The Responsible Entity will:

- a) determine the amount of the relevant Distribution entitlement of each Participant in respect of the Participating Units and credit the amount to the Participant's Plan Account;
- b) determine and deduct from the Participant's Plan Account any Australian tax applicable or required to be withheld in respect of any Distribution to the Participant;
- c) determine the maximum whole number of Units which could be acquired at the Unit issue price by applying the credit balance amount in the Participant's Plan Account;
- d) on behalf of and in the name of the Participant, subscribe for that number of additional Units determined under paragraph 4.4 c) and debit the Participant's Plan Account with the aggregate issue price of the Units subscribed for;
- e) issue to the Participant that number of Units determined under paragraph 4.4 c); and
- f) retain in the Participant's Plan Account any credit balance remaining after the issue Units under clause 4.4 e), until the payment of the next distribution when that amount will be aggregated with any further distribution credited to the Participant's Plan.

4.5 Plan Account Interest

No interest will accrue to a Participant in relation to any credit balance retained in the Participant's Plan Account.

4.6 Plan Account where participation ceases

- 5 Where a Participant ceases to participate in the Plan for any reason, including under clause 7, 8 or 11 of the Plan or where the Plan is terminated, then the Responsible Entity must pay to the Participant (at a time and in a manner determined by the Responsible Entity) any credit balance in the Participant's Plan Account arising under clause 4.4 f) Units under the Plan

5.1 Terms of Issue

Units issued under the Plan will be credited as fully paid and rank equally in all respects with existing Units as from the date of issue.

5.2 Register

Units issued to a Participant under the Plan will be registered on the register on which the Investor's holding is currently registered.

5.3 Time of issue

Units to be allotted under the Plan will be issued within the time required by the ASX Operating Rules and the Fund Constitution. Application will be made by the Responsible Entity promptly after allotment of Units issued under the Plan for such Units to be quoted for trading on the ASX.

6 Cost to Participants

6.1 Transaction costs

Subject to clause 6.2, no brokerage, commission or other transaction costs will be payable by a Participant in respect of Units issued under the Plan.

6.2 Change in law

In the event of a change in the existing legislation so that at the date of any issue, stamp duty or other tax is payable in respect of the issue, the amount of such stamp duty or other tax shall be paid by the Participant to whom the Units under the Plan are issued and will be debited to that Participant's Plan Account.

7 Variation and termination of Participation

7.1 Notice to Responsible Entity

A Participant may at any time give written notice to the Responsible Entity terminating participation in the Plan in respect of all Units.

8 Alteration or termination of participation where no notice is given

8.1 Alteration of participation

Where a Participant disposes by any means (including by sale, redemption or otherwise) of part of its holding of Units and does not give notice to the Responsible Entity of the contrary then the remaining holding of Units will be deemed to be Participating Units.

8.2 Termination of participation

Where a Participant disposes of all Units without giving the Responsible Entity notice of termination of participation in the Plan, the Participant will be deemed to have given notice of termination of participation in the Plan on the last date on which the Registrar registered a transfer or other disposal of the Units.

9 Plan Statement

The Registrar or Responsible Entity when sending Distribution advices will send to each Participant a Plan Statement providing, at the relevant date, full details of the Participant's Plan Account and transactions pursuant to the Plan since the last Plan Statement.

10 Applications and notices

10.1 Form of applications and notices

Applications and notices for the purposes of the Plan shall be in writing or electronically, in such form and lodged at such place as the Responsible Entity may from time to time require.

10.2 Jointly held Units

Applications and notices (other than notices of death, bankruptcy or liquidation) in respect of Units registered in joint names must be signed by all registered holders of those Units.

10.3 Effective time

Applications and notices will take effect on and from the date on which they are received by the Responsible Entity provided that:

- a) an application to participate in the Plan is not effective until it has been accepted by the Responsible Entity; and
- b) applications received and accepted and notices received by the Responsible Entity will be effective in respect of the first Distribution payment after receipt of the application or notice provided it is received on or before 5:00 pm on the Record Date for that Distribution.

11 Responsible Entity's powers in relation to the modification or termination of the Plan

11.1 Modification, suspension and termination of Plan

The Responsible Entity may:

- a) by giving notice to Investors, at any time modify, repeal and replace the Plan;
- b) by giving notice to Investors, at any time suspend the operation of the Plan from time to time for any period; and
- c) by giving notice to Investors, terminate the Plan.

The Responsible Entity may give notice by lodging with the ASX.

11.2 Omission to give notice

The accidental omission to give to an investor a notice of modification, variation, amendment, suspension or termination of the Plan, or non-receipt of such a notice by an Investor, shall not invalidate the modification, amendment, variation, suspension or termination of the Plan.

12 Taxation

The Responsible Entity does not make any representation or warranty in respect of, or accepts any responsibility for, the liability of Participants to the payment of income tax in respect of any issue of Units, payment or other transaction pursuant to the Plan.

13 Participants to be bound

Participants are at all times bound by the terms and conditions of the Plan.

14 ASX rules and Constitution

Notwithstanding any other provision of the Plan, this Plan must be administered in accordance with the ASX Operating Rules and the Constitution.

15 Interpretation

15.1 Interpretation

Words importing the singular include the plural and vice versa, words importing any gender include other genders and 'person' includes a corporation.

Headings are for convenience only and do not affect the interpretation.

15.2 Definitions

When used in these terms and conditions, the words listed will, except to the extent that the context otherwise requires, have the following meanings:

Application	means the application to participate, vary participation or terminate participation in the Plan in respect of a particular holding account, in the form that the Responsible Entity approves from time to time.
ASX	means the Australian Securities Exchange conducted by Australian Securities Exchange Limited.
ASX Operating Rules	means the rules that regulate how trading may take place on the ASX and any other rules of the ASX which are applicable while the Fund is admitted to the official list of the ASX except to the extent of any express written waiver by the ASX.
Constitution	means the trust deed for the Fund as amended from time to time.
Distribution	means amounts to be distributed by the Fund to Investors pursuant to the Constitution whether income or capital.
Distribution Period	means a period for which income of the Fund is calculated.
ETF	means the relevant UBS Exchange Traded Fund.
Fund	means any of the Funds named at Appendix A.
Holding	means a holding of Units recorded in the Register.
Investor	means a person holding Units.
Net Asset Value	has the same meaning as this term has in the Constitution.
Non-participating Unit	means a Unit which does not participate in the Plan.
Participant	means an Investor whose application to participate in the Plan has been accepted by the Responsible Entity.
Participating Unit	means a Unit in respect of which Distributions are reinvested in accordance with the Plan.
Plan	means the Fund's Distribution reinvestment plan.
Plan Account	means the plan account established by the Responsible Entity and maintained by the Registrar for each Participant in accordance with these terms and conditions.
Plan Statement	means a plan statement which complies with clause 9.
Record Date	means the date announced by the Responsible Entity as the date the relevant ETF register is closed for the purpose of determining which investors are entitled to receive the current distribution.

Registrar	means Link Market Services, Level 12, 680 George Street, Sydney, NSW 2000.
Register	means the register of all Unitholders maintained by the Registrar.
Registered Address	means the address of a Unitholder as shown in the Register.
Responsible Entity or RE	means UBS Asset Management (Australia) Ltd (ABN 31 003 146 290).
Unit	means a unit in the Fund.
Unitholder	means a person named in the Register as holding Units.

Appendix A

This Plan applies to:

Fund Name	ARSN	ASX Ticker Code
UBS IQ Morningstar Australia Quality ETF	159 571 534	ETF
UBS IQ Morningstar Australia Dividend Yield ETF	161 570 574	DIV
UBS IQ MSCI Australia Ethical ETF	166 219 601	UBA
UBS IQ MSCI World ex Australia Ethical ETF	603 812 040	UBW
UBS IQ MSCI Europe Ethical ETF	603 813 949	UBE
UBS IQ MSCI USA Ethical ETF	603 812 246	UBU
UBS IQ MSCI Japan Ethical ETF	603 812 451	UBJ
UBS IQ MSCI Asia APEX 50 Ethical ETF	603 812 826	UBP
UBS IQ Cash ETF	618 551 125	MONY