



Challenger Howard Mortgages – suspension of withdrawals

Effective 21 October 2008, withdrawals from the Challenger Howard Mortgages fund available via ANZ OneAnswer have been suspended.

Background

On 21 October 2008, Challenger announced that they have temporarily amended their withdrawal process in relation to the Challenger Howard Wholesale Mortgage Fund. This amendment will mean the volume of redemptions processed will be matched against the liquidity generated by maturing of the Fund's loan assets. This means that Challenger will not be processing withdrawal requests at this time and therefore withdrawals from the Challenger Howard Mortgages fund have been suspended.

The Challenger Howard Wholesale Mortgage Fund is the underlying fund of Challenger Howard Mortgages available via the ANZ OneAnswer suite of products.

What does this mean for clients invested in the Challenger Howard Mortgages fund via ANZ OneAnswer?

As a result of Challenger's actions, withdrawals from the fund have been suspended. This means:

- > we will not be able to process any withdrawal requests from the fund
- > we will not be able to process any switch requests from the fund (including auto-rebalancing)
- > Where possible, investors' pension payments from the Fund in ANZ OneAnswer Pension will not be impacted but these cannot be processed from the Challenger Howard Mortgages fund. **We will deduct any pension payment previously paid from the Challenger Howard Mortgages fund from another available investment fund.** The replacement investment fund will be selected according to the hierarchy of funds, from most conservative to least conservative, as per the profiles outlined in the current Product Disclosure Statement.

How will we be notifying clients?

We will be writing directly to clients invested in the Challenger Howard Mortgages fund. When required, we will also post any additional information on the Product Updates section of the ANZ website.

Any questions?

If you have any questions or would like further information, please:

- > speak with your ANZ Financial Planner
- > call Customer Services on 13 38 63 weekdays 8am to 8pm (Sydney time)
- > email us at anz.investments@ing.com.au

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