



# Expiry of government guarantee on the ANZ Flexible Term Deposit Fund

NOVEMBER 2011

The Federal Government's 'Guarantee Scheme for Large Deposits and Wholesale Funding', introduced to promote financial system stability during the Global Financial Crisis, has applied to the ANZ Flexible Term Deposit Fund (the Fund) offered through ANZ OneAnswer, since December 2008.

The Fund's guarantee, which was closed to additional investments in April 2010\*, will expire at the end of November 2011.

## Client funds continue to be backed by one of Australia's leading banks

While the guarantee will expire, clients continue to be invested in a fund that is backed by one of Australia's leading banks, ANZ. Recently, the Government commented on 'the almost unparalleled strength of the Australian Banking system'.

## Increased investment returns for investors

There is a cost associated with the guarantee (approximately 0.70% p.a.). From December 2011 the interest rate applied to the Fund will no longer be reduced by the cost of the guarantee.

## The Fund remains closed to new investments

The Fund was closed to new investments in April 2010, at the time the Government capped deposits covered by the guarantee. This closed status will not change. Clients in the Fund do not have the option to add to their investment or establish features such as Regular Investment Plans or Auto-Rebalancing Plans.

## Clients should consider moving to ANZ Cash Advantage

Clients may like to consider moving across to the ANZ Cash Advantage fund<sup>†</sup>, also available on the ANZ OneAnswer investment menu. ANZ Cash Advantage and the Fund invest in the same underlying assets and are expected to offer the same rate of return going forward following the removal of the guarantee. However, the ANZ Cash Advantage fund is open to new and additional investments and allows clients to take advantage of the full suite of account management features offered by ANZ OneAnswer.

## Further information

If you have any questions or require further information, please:

- call Customer Services on 13 38 63, weekdays between 8.30am and 6.30pm
- email us at [anz.investments@onepath.com.au](mailto:anz.investments@onepath.com.au).

\* The amount of money that could be guaranteed was capped in April 2010.

† Previously known as the ANZ Flexible Term Deposit Plus fund.

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