

# Exchange Traded Bond units: **APA Group**



## FACT SHEET

**XTBs are Australia's first Exchange Traded Bond units. They combine the income and capital stability of corporate bonds with the transparency and liquidity of the ASX market. XTBs trade on ASX just like shares, in \$100 units.**

### **XTB Overview**

- Each XTB provides exposure to a specific underlying bond
- Available over a number of ASX200 companies, e.g. Telstra, BHP and Qantas
- ASX quoted, price transparency (6 letter ASX code starting YTM, e.g. YTMAP1)
- 100% of coupons and final principal (\$100) is passed to XTB Holders.

### **Key benefits**

- Access to corporate bond market returns for a broader range of investors
- Transparency of ASX listing and two way prices (subject to liquidity)
- Regular income via underlying bond coupons:
  - Investors can match income to cash flow requirements
- Diversification:
  - Provide capital stability and security in an investment portfolio
  - Make a tactical asset allocation to the Australian corporate bond market
- Opportunity for a higher rate of return than TDs or other cash based products.  
*(Term deposits may enjoy the benefit of protection under the Financial Claims Scheme).*

### **Key risks**

As with all investments, there are risks you should be aware of before making an investment decision. These include:

- Credit worthiness of the underlying corporate bond
- Liquidity risk
- Concentration risk
- Market risk
- Trust risk.

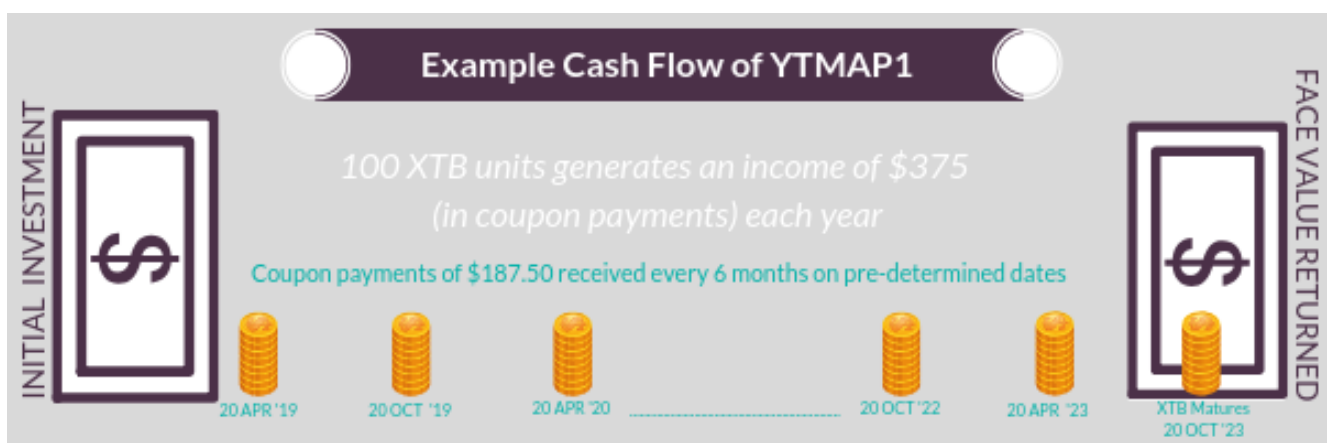


## APA Group XTB (ASX CODE – YTMAP1)

<b>Maturity Date</b>	<b>20-OCT-2023</b>	<b>Coupon P.A.</b>	<b>3.750%</b>
<b>Capital Structure</b>	<b>Senior Unsecured</b>	<b>Issue Date</b>	<b>20-OCT-2016</b>
<b>Coupon Type</b>	<b>Fixed</b>	<b>Payment frequency</b>	<b>Semi Annual</b>

### APA Group 2023 Bond Details

- Australian Pipeline Limited, in its capacity as trustee and responsible entity of Australian Pipeline Trust is guarantor of the bond
- Early redemption available for tax reasons, where the Issuer is required to pay an additional amount as a result of a withholding imposed by the Commonwealth of Australia or a political subdivision within Australia. And at any time after 24 July 2023 on the giving of at least 30 days and not more than 60 days' notice. Holders will receive principal and accrued interest up to, but not including, the early maturity date.
- Early redemption at the option of the Holders is available if there is a Change of Control, in which case the issuer is scheduled to pay holders 101% of the principal outstanding and accrued interest at the date of redemption.
- Events of Default include:  
Failure to pay: Applicable, with a cure period of 5 Business Days; Other failure: Applicable, with a cure period of 20 days; Cross default: Applicable, with a Threshold Amount of A\$100,000,000; Insolvency Event: an Insolvency Event occurs in respect of APT or a Guarantor (and in the case of any such Insolvency Event in relation to a subsidiary of APT, such event has had or is likely to have a Material Adverse Effect); Enforcement process: Applicable, with a Threshold Amount of A\$50,000,000; Trust: Variations of the Trust Deed that are likely to have a Material Adverse Effect, including the removal of the Principal Guarantor and variation to the Principal Guarantor's right of indemnity out of the Trust; Nationalisation: all or a substantial part of the assets of APT or a Guarantor are compulsorily acquired by, or by order of, a governmental, or any governmental authority orders the sale or divesting of all or a substantial part of the assets of APT or a Guarantor, and in any case such action has or is reasonably likely to have a Material Adverse Effect; Change of control of Issuer: APT ceases to be a subsidiary of the Principal Guarantor; and Vitiating (reduction in value or quality): the Deed Poll or the Guarantee ceases to be in full force and effect; or APT or a Guarantor repudiates the Deed Poll or the Guarantee.
- See more at <https://xtbs.com.au/xtbs-profile/ytmas2/>



## More information

- Visit [www.xtbs.com.au](http://www.xtbs.com.au) to find out more about XTBs and the company behind them, Australian Corporate Bond Company
- View the table of **Available XTBs** to see the latest Yield to Maturity
- Use the **Yield Calculator** and **Cash Flow Tool** to determine the precise Yield to Maturity and cash flows for this XTb
- Talk to your adviser about the suitability of including XTBs within your portfolio.

## Understanding the XTb life cycle

At purchase on ASX	Whilst you hold XTBs	At Maturity and Settlement
<p>You should receive the following documents:</p> <ul style="list-style-type: none"> <li>➤ 'Buy Contract Note'</li> <li>➤ ASX CHESS Statement</li> <li>➤ Registry Statement</li> <li>➤ Registry Welcome Letter</li> </ul> <p><i>(NB: No additional account opening forms required)</i></p>	<p>Coupon payments occur on pre-determined dates providing predictability of income</p> <p>You will receive all coupons (subject to no default) as Distribution payments made to the nominated bank account provided to the Registry.</p> <p>XTb prices on ASX are expected to track the corporate bond price, after fees and expenses</p> <p>You may sell some of all of your XTb units on ASX at any time, subject to liquidity</p> <p>Documents:</p> <ul style="list-style-type: none"> <li>➤ 'Sell Contract Note' (if any)</li> <li>➤ Distribution Statements</li> <li>➤ Periodic &amp; Exit Statements</li> <li>➤ Tax Statements</li> </ul>	<p>You will receive the Face Value of \$100 per unit (subject to no default)</p> <p>You will receive the final coupon payment via a Distribution payment</p> <p>Documents:</p> <ul style="list-style-type: none"> <li>➤ Final Distribution and</li> <li>➤ Final Statement</li> </ul>

### Contact Us

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### DISCLAIMER

View further information on the [benefits](#) and [risks](#) associated with XTBs.

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