

## 10 Steps to Creating SPDR® Units

as of April 2011

WHEN	WHAT	HOW
1. Prior to market open	Access daily index basket	<ul style="list-style-type: none"> <li>www.spdrs.com.au</li> <li>www.asxonline.com</li> <li>Daily email distribution by SSgA</li> </ul>
2. During trading hours	Contact State Street Australia and advise of intended application to the fund	Tel: 02 9323 6043 Fax: 02 9323 6071
3. During trading hours	Forward completed application form to State Street Australia	Sourced from www.spdrs.com.au Fax to: 02 9323 6071
4. During trading hours	Advise Market Control (ASX Trading Operations and Markets)	Fax: 02 9235 1857 Email: marketcontrol@asx.com.au
5. After market close, prior to market opening next day	Report in-kind security trades through ITS. Refer to ASX ETF Operational Overview.	Report as "ETF Special Trade" (Condition Code: "ET") using close of day index prices -as defined by S&P/ASX
6. Trade date + 1	Access prior day's Fund NAV	www.spdrs.com.au
7. Trade date + 1	Adjust NAV by transaction charge	See example on page 2
8. Trade date + 1	Generate CHESS 101 messages for security and ETF trades: <ul style="list-style-type: none"> <li>Transaction Basis F</li> <li>Against HSBC PID</li> </ul>	Calculate consideration: <ul style="list-style-type: none"> <li>Basket securities – use S&amp;P/ASX index closing price as at Trade Date.</li> <li>ETF Units – use ETF NAV as calculated by State Street, adjusted for transaction fee.</li> </ul>
9. Trade date + 2	Trades are pre-matched	Via CHESS
10. Trade date + 3	Trades settle	Via CHESS

### EXAMPLE: APPLICATION AND REDEMPTION SPDR® S&P®/ASX 200 FUND (STW)

Example of Creation Unit <sup>1</sup>	UNITS	NAV	\$
NAV per unit			50
Units per creation unit			100,000
NAV per creation unit			5,000,000
Value of index parcel for DDMMYYYY			4,999,500
Cash component per creation unit <sup>2</sup>			500
Transaction fee per application/redemption			5,000

#### Application

ETF buy trade	100,000	50	5,000,000
ETF buy trade adjusted for transaction fee <sup>3</sup>	100,000	50.05	5,005,000
200 Sell stock trades vs consideration	aggregate consideration		4,999,500
Contra units vs stocks leaves residual cash*			5,500

\* \$5,000 transaction fee plus \$500 cash component

#### Redemption

ETF sell trade	100,000	50	5,000,000
ETF sell trade adjusted for transaction fee	100,000	49.95	4,995,000
200 buy stock trades vs consideration	aggregate consideration		4,999,500
Contra units vs stocks leaves residual cash*			4,500

\* \$5,000 transaction fee less \$500 cash component

**Example of creation unit (with negative cash component)<sup>1</sup>**

	UNITS	NAV	\$
NAV per unit			50
Units per creation unit			100,000
NAV per creation unit			5,000,000
Value of index parcel for DDMMYYYY			4,000,100
Cash component per creation unit			-100
Transaction fee per application/redemption			5,000

**Application**

ETF buy trade	100,000	50	5,000,000
ETF buy trade adjusted for transaction fee <sup>3</sup>	100,000	50.05	5,005,000
200 Sell stock trades vs consideration	aggregate consideration		5,000,100
Contra units vs stocks leaves residual cash*			4,900

\* \$5,000 transaction fee plus -\$100 cash component

**Redemption**

ETF sell trade	100,000	50	5,000,000
ETF sell trade adjusted for transaction fee	100,000	49.95	4,995,000
200 buy stock trades vs consideration	aggregate consideration		5,000,100
Contra units vs stocks leaves residual cash*			5,100
Contra units vs stocks leaves residual cash*			4,900

\* \$5,000 transaction fee less -\$100 cash component

**Funds**

	ASX TICKER	EIN TICKER	BASKET TICKER
SPDR S&P/ASX 50 Fund	SFY	YSFY	SFYBSK
SPDR S&P/ASX 200 Fund	STW	YSTW	STWBSK
SPDR S&P/ASX 200 Listed Property Fund	SLF	YSLF	SLFBSK
SPDR MSCI Australian Select High Dividend Yield Fund	SYI	YSYI	SYIBSK
SPDR S&P/ASX 200 Resources Fund	OZR	YOZR	OZRBSK
SPDR S&P/ASX 200 Financials EX A-REIT Fund	OZF	YOZF	OZFBSK
SPDR S&P/ASX Small Ordinaries Fund	SSO	YSSO	SSOBSK

### **Fund Specifications**

NAV (Net Asset Value)	Fund is valued daily, using close of day S&P/ASX index prices (SFY, STW, SLF, OZR, OZF, SSO), or MSCI index prices (SYI).
Management Costs (capped)	0.286% p.a. (SFY & STW); 0.400% p.a. (SLF, OZR, OZF); 0.350% p.a. (SYI); 0.50% p.a. (SSO)
Trading hours	ASX trading hours
Applications	Available to participating brokers of the ASX operating as principal

### **Index Basket Information**

Index basket files	Calculated daily and distributed prior to market opening
Access to index basket files	Available on: <a href="http://www.spdrs.com.au">www.spdrs.com.au</a> and <a href="http://www.asxonline.com">www.asxonline.com</a>
	ASX signal E feed: SK – Securities Detail and ST – ETF Details – SFYBSK, STWBSK, SLFBSK, SYIBSK, OZRBSK, OZFBSK, SSOBSK
Basket size	Minimum 100,000 Units of the Fund, multiples thereafter
Basket transaction charges	\$1,250 for SFY, \$5,000 for STW, \$700 for SLF, \$1,000 SYI, OZR, OZF and \$3,500 for SSO
Trading hours for primary market	ASX trading hours
Primary market trading	Available to participating brokers of the ASX operating as principal
Creation/ Redemption (Applications/Redemptions)	Primary market transactions made during ASX trading hours, are against fund's closing NAV for that day Applications received after the end of trading are applied against day's fund NAV
Index basket pricing	S&P/ASX closing day index prices (SFY, STW, SLF, OZR, OZF, SSO) MSCI closing day index prices (SYI)
EIN	Estimated Intraday NAV, calculated by ASX on 30 second snap
Cash component	Difference between NAV and value of index basket shares
Counterparty for settlements	HSBC Custody Nominees (Australia Limited) PID20057

## IMPORTANT NOTE:

- <sup>1</sup> All of these components are needed to make a creation unit.
- <sup>2</sup> This is the difference between NAV per creation unit and the value of the index parcel.
- <sup>3</sup> NAV is adjusted by dividing the consideration by 1000,000 units.

The issuer of units in SPDR S&P/ASX 50 Fund (ARSN 097 712 420), SPDR S&P/ASX 200 Fund (ARSN 097 712 377) and SPDR S&P/ASX 200 Listed Property Fund (ARSN 099 389 821), SPDR MSCI Australia Select High Dividend Yield Fund (ARSN 145 353 591), SPDR S&P/ASX Small Ordinaries Fund (ARSN 149 869 992), SPDR S&P/ASX 200 Financials EX A-REIT Fund (ARSN 149 870 020) and SPDR S&P/ASX 200 Resources Fund (ARSN 149 870 002) is State Street Global Advisors, Australia Services Limited (ABN 16 108 671 441, Australian financial services licence number 274900). A product disclosure statement for units in each of these funds is available at [www.spdrs.com.au](http://www.spdrs.com.au). Investors should consider the product disclosure statement in deciding whether to acquire, or continue to hold, units in an ETF. An investment in a Fund does not represent a deposit with or a liability of any company in the State Street Corporation group of companies including State Street Bank and Trust Company (ABN 70 062 819 630) (AFSL 238276) and is subject to investment risk including possible delays in repayment and loss of income and principal invested.

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ETFs trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETFs net asset value. Brokerage commissions and ETF expenses will reduce returns.

These investments may have difficulty in liquidating an investment position without taking a significant discount from current market value, which can be a significant problem with certain lightly traded securities. Diversification does not ensure a profit or guarantee against loss.

Passive management and the creation/redemption process can help minimise capital gains distributions. Frequent trading of ETFs could significantly increase commissions and other costs such that they may offset any savings from low fees or costs.

## FOR MORE INFORMATION

Please visit our website at [www.globalspdrs.com](http://www.globalspdrs.com) or contact your local SSgA office.

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