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Monday, 15 February 2021

## **ASX ANNOUNCEMENT**

### **National Australia Bank updates Domestic Debt Issuance Programme**

National Australia Bank Limited has updated its Debt Issuance Programme for the issuance of debt instruments to institutional investors.

Attached is the updated Information Memorandum dated 12 February 2021.

For further information:

#### **Debt Investor Relations**

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The release of this announcement was authorised by Louise Thomson, Group Company Secretary.

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This statement does not constitute an offer of any securities for sale. Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("Securities Act") or the securities laws of any state in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) unless such securities are registered under the Securities Act or an exemption from the registration requirements thereof is available.



## Information Memorandum

### **National Australia Bank Limited**

ABN 12 004 044 937

### Debt Issuance Programme

for the issue of unsubordinated and subordinated debt instruments  
representing short and medium term debt obligations and transferable certificates of deposit

Arranged by  
National Australia Bank Limited

12 February 2021

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# Important Notice

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## Introduction

This Information Memorandum relates to a debt issuance programme (“**Programme**”) established by National Australia Bank Limited (ABN 12 004 044 937) (“**Issuer**”) under which short term notes (“**STNs**”), medium term notes (“**MTNs**”) and transferable certificates of deposit (“**TCDs**”, and, together with STNs and MTNs, “**Notes**”) may be issued from time to time in Australia and in certain jurisdictions outside Australia.

MTNs issued under the Programme may be issued on an unsubordinated or a subordinated basis. MTNs issued on a subordinated basis are referred to as “**Subordinated MTNs**”. The Issuer intends for Subordinated MTNs to qualify as Tier 2 Capital of the Issuer (as described in the prudential standards issued by the Australian Prudential Regulation Authority (“**APRA**”)).

Capitalised terms used but not defined in this Information Memorandum have the meaning given to them in the applicable terms and conditions.

## Issuer’s responsibility

This Information Memorandum has been prepared by and issued with the authority of the Issuer. The Issuer accepts responsibility for the information contained in this Information Memorandum.

The only role of the Arranger, the Dealers, the Registrar and the I&P Agent (Offshore) (each as defined in the “Summary of the Programme”) in the preparation of this Information Memorandum has been to confirm to the Issuer that their respective descriptions under the heading “Directory” are accurate as at the Preparation Date (as defined below).

Apart from the foregoing, none of the Arranger, the Dealers, the Registrar nor the I&P Agent (Offshore) has independently verified the information contained in this Information Memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is made, and no responsibility is accepted, by them as to the accuracy or completeness of this Information Memorandum or any further information supplied by the Issuer in connection with the Programme.

## The Notes

**Notes may not be suitable for all investors and any potential investor should consider the suitability of the investment for its own circumstances. Notes issued as Subordinated MTNs are complex and include features to comply with APRA’s requirements for regulatory capital.**

The Notes:

- are not deposit liabilities or protected accounts of the Issuer for the purposes of the Banking Act; and
- are not guaranteed or insured by any government, Government Agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction, by any member of the Group or by any other person.

Notes issued as Subordinated MTNs:

- are subordinated to the claims of all Senior Creditors; and
- may be Converted into Ordinary Shares or Written-Off if a Non-Viability Trigger Event occurs.

## Documents incorporated by reference

This Information Memorandum is to be read in conjunction with all documents which are deemed to be incorporated by reference. This Information Memorandum shall, unless otherwise expressly stated,

be read and construed on the basis that such documents are so incorporated and form part of this Information Memorandum. References to “**Information Memorandum**” are to this Information Memorandum and to any other document incorporated by reference collectively and to any of them individually.

The following documents are incorporated in, and taken to form part of, this Information Memorandum:

- all amendments and supplements to this Information Memorandum prepared by the Issuer from time to time;
- the most recent published Annual Financial Report of the Issuer from time to time which is publicly available on the internet at [www.nabgroup.com](http://www.nabgroup.com) and any subsequent interim financial statements of the Issuer and its subsidiaries (“**Group**”) from time to time which are publicly available; and
- all documents issued by the Issuer and stated to be incorporated in this Information Memorandum by reference including, in the case of any issue of Notes, a Pricing Supplement and ASX disclosures which are stated to form part of this Information Memorandum.

Any statement contained in this Information Memorandum or in any of the documents incorporated by reference in, and forming part of this Information Memorandum, shall be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement.

Except as provided above, no other information, including information on [www.nab.com.au](http://www.nab.com.au) or in any document incorporated by reference in any of the documents described above, is incorporated by reference into this Information Memorandum.

Copies of documents incorporated by reference may be obtained from the Issuer and are available for inspection at the Issuer’s office specified in the “Directory”.

When deciding whether or not to subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes, investors should:

- review, amongst other things, the documents which are incorporated by reference in this Information Memorandum; and
- have regard to the information lodged by the Issuer with ASX including in compliance with its continuous and periodic disclosure obligations (made available at [www.asx.com.au](http://www.asx.com.au)), including announcements which may be made by the Issuer after release of this Information Memorandum.

#### **No offer**

This Information Memorandum does not, and is not intended to, constitute an offer or invitation by or on behalf of the Issuer, the Arranger, the Dealers or the Registrar to any person to subscribe for, purchase or otherwise deal in any Notes.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

#### **Restricted to professional and sophisticated investors**

Notes may only be subscribed for, purchased by or otherwise dealt in by professional or sophisticated investors (see “Selling and Distribution Restrictions” below). This Information Memorandum is not intended for and should not be distributed to any person other than such professional or sophisticated investors. Its contents may not be reproduced or used in whole or in part for any purpose other than

in connection with the issue or sale of the Notes in accordance with this Information Memorandum, nor furnished to any other person without the express written permission of the Issuer.

### **Intending purchasers to make independent investment decision and obtain tax advice**

This Information Memorandum contains only summary information concerning the Issuer and the Notes. It is not intended to provide the basis of any credit or other evaluation in respect of the Issuer or the Notes and should not be considered or relied on as a recommendation by the Issuer, Arranger, the Dealers, or Registrar or the I&P Agent (Offshore) that any recipient of this Information Memorandum or any other financial statements should subscribe for, purchase or otherwise deal in any Notes or any rights in respect of any Notes.

Furthermore, this Information Memorandum contains only general information and does not take into account the objectives, financial situation or needs of any potential investor. Each investor contemplating subscribing for, purchasing or otherwise dealing in any Notes or any rights in respect of any Notes should:

- make and rely upon (and shall be taken to have made and relied upon) its own independent investigation of the terms and conditions of the Notes and the rights and obligations attaching to the Notes (and, in the case of Subordinated MTNs, any Ordinary Shares) and of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer;
- determine for itself the relevance of the information contained in this Information Memorandum;
- consult its own tax advisers concerning the application of any tax laws applicable to the Notes and to the investor's particular situation and consult other appropriate advisers in respect of any other matters upon which it requires advice; and
- base its investment decision solely upon its own independent assessment and such investigation and consultation with advisers and such other investigations as it considers appropriate or necessary.

No advice is given in respect of the legal or taxation treatment of investors or purchasers or any other matter in connection with an investment in any Notes or rights in respect of them and each investor is advised to consult its own professional adviser.

Neither the Arranger nor any Dealer nor their related bodies corporate, and/or their directors, officers, employees or clients act as the adviser of or owe any fiduciary or other duties to any recipient of this Information Memorandum in connection with the Notes and/or any related transaction (including, without limitation, in respect of the preparation and due execution of the transaction documents and the power, capacity or authorisation of any other party to enter into and execute the transaction documents). No reliance may be placed on the Arranger or any Dealer for financial, legal, taxation, accounting or investment advice or recommendations of any sort.

### **ADI Regulation**

As an authorised deposit-taking institution ("ADI") the Issuer is subject to banking, corporate and other laws and regulations which apply to ADIs in Australia and to the actions of regulatory agencies responsible for that regulation. Prospective investors or purchasers should seek their own advice about potential effects and risks that may occur in connection with that regulation.

### **No authorisation**

No person has been authorised to give any information or make any representations not contained in or consistent with this Information Memorandum in connection with the Issuer, the Programme or the issue or sale of the Notes and, if given or made, such information or representation must not be relied on as having been authorised by the Issuer, the Arranger or any of the Dealers.

## Distribution arrangements

Each Dealer, its subsidiaries, directors and employees may receive fees, brokerage and commissions and may act as a principal in dealing in any Notes. The Issuer may also agree to reimburse the Arranger or Dealers for certain expenses incurred in connection with the Programme and the offer and sale of Notes.

The Arranger and Dealers and their respective affiliates (the “**Dealer Groups**”) are involved in a wide range of financial services and businesses including securities trading and brokerage activities and providing commercial and investment banking, investment management, corporate finance, credit and derivative, trading and research products and services, out of which conflicting interests or duties may arise. In the ordinary course of these activities, each Dealer Group may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of investors or any other party that may be involved in the issue of Notes or the Programme.

## References to credit ratings

There are references in this Information Memorandum to credit ratings. A credit rating is not a recommendation to buy, sell or hold the Notes and is subject to revision, variation, suspension or withdrawal at any time by the relevant assigning organisation. Each credit rating should be evaluated independently of any other credit rating.

Credit ratings are for distribution only to a person (a) who is not a “retail client” within the meaning of section 761G of the Corporations Act and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with applicable law in any jurisdiction in which the person may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives this Information Memorandum must not distribute it to any person who is not entitled to receive it.

## Currencies

In this Information Memorandum references to “A\$” or “Australian dollars” are to the lawful currency of the Commonwealth of Australia.

## Currency of information

The information contained in this Information Memorandum is prepared as of its Preparation Date. Neither the delivery of this Information Memorandum nor any offer, issue or sale made in connection with this Information Memorandum at any time implies that the information contained in it concerning the Issuer is correct at any time subsequent to the Preparation Date or that any other information supplied in connection with the Programme is correct as of any time subsequent to the Preparation Date. In particular, the Issuer is under no obligation to update this Information Memorandum at any time after an issue of Notes.

In this Information Memorandum, “**Preparation Date**” means:

- in relation to this Information Memorandum, the date indicated on its face or, if the Information Memorandum has been amended or supplemented, the date indicated on the face of that amendment or supplement;
- in relation to the Annual Financial Report and any financial statements incorporated in this Information Memorandum, the date up to, or as at, the date on which the Annual Financial Report and statements relate; and
- in relation to any other item of information which is to be read in conjunction with this Information Memorandum, the date indicated on its face as being its date of release.

The Dealers and the Registrar expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, amongst other things, the

documents deemed to be incorporated in this Information Memorandum by reference when deciding whether or not to purchase any Notes.

### **References to website addresses**

Any website addresses provided in this Information Memorandum are for reference only and the content of any such internet site is not incorporated by reference into, and does not form part of, this Information Memorandum (unless as expressly provided in this Information Memorandum).

**PRIPs Regulation / Prohibition of sales to EEA retail investors** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID2**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID2; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.

**UK PRIPs Regulation / Prohibition of sales to UK retail investors** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 of the UK (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIPs Regulation.

The relevant Pricing Supplement in respect of any Notes may include a legend entitled “MiFID2 product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID2 is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

Each of the Dealers agrees that a determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purposes of the MiFID Product Governance Rules.

The relevant Pricing Supplement in respect of any Notes may include a legend entitled “UK MiFIR product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**UK distributor**”) should take into consideration the target market assessment; however, a UK distributor subject to the UK Financial Conduct Authority Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.



*Each of the Dealers agrees that a determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.*

**SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION** – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “**SFA**”), unless otherwise stated in the Pricing Supplement in respect of any Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A of the SFA) that the Notes are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

# Summary of the Programme

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*The following is a brief summary only and should be read in conjunction with the rest of this Information Memorandum and the Terms and Conditions of the Notes and in relation to any Notes, in conjunction with the relevant Pricing Supplement.*

|                          |   |
|--------------------------|---|
| Issuer:                  | National Australia Bank Limited (ABN 12 004 044 937)  |
| Description:             | A non-underwritten debt issuance programme (“ <b>Programme</b> ”) under which the Issuer may elect to issue a variety of debt instruments in Australia and in certain jurisdictions outside Australia. These debt instruments (“ <b>Notes</b> ”) may be short term notes (“ <b>STNs</b> ”), medium term notes (“ <b>MTNs</b> ”) or transferable certificates of deposit (“ <b>TCDs</b> ”) and may represent either unsubordinated or (in the case of MTNs only) subordinated debt obligations (“ <b>Subordinated MTNs</b> ”). The features of the Notes are described in greater detail elsewhere in this Information Memorandum.   |
| Programme limit:         | There is no programme limit.  |
| Arranger:                | National Australia Bank Limited (ABN 12 004 044 937)  |
| Initial Dealer:          | National Australia Bank Limited (ABN 12 004 044 937)  |
|                          | Additional Dealers may be appointed from time to time by the Issuer for any Tranche of Notes or to the Programme generally.   |
| Direct issues by Issuer: | The Issuer may also issue Notes directly to purchasers or investors (as applicable) procured by it. Such purchasers will be required to confirm and acknowledge to the Issuer in writing that the issue of the Notes resulted from the Notes being offered for issue as a result of negotiations being initiated publicly in electronic form (e.g. Reuters or Bloomberg) or in another form that was used by financial markets for dealing in securities.   |
| Registrar:               | Austraclear Services Limited (ABN 28 003 284 419) or any other persons appointed by the Issuer to establish and maintain the Register (as defined below) on the Issuer’s behalf from time to time.  |
| I&P Agent (Offshore):    | Any person or persons appointed by the Issuer to perform issue, paying and other agency functions outside Australia with respect to any Series or Tranche of Notes initially lodged and held through or predominantly through an Offshore Clearing System (as defined below). Details of such appointment will be specified in the relevant Pricing Supplement.   |
| Types of Notes:          | Notes may either be STNs, MTNs or TCDs.<br><br>STNs may be fixed rate STNs, floating rate STNs or may be issued at a discount.<br><br>MTNs may be Fixed Rate MTNs, Floating Rate MTNs, Zero Coupon MTNs or Structured MTNs (in each case, as defined in the MTN Terms and Conditions). They may be issued at a discount or premium (as specified in the relevant Pricing Supplement) or in other forms as specified in the relevant Pricing Supplement. Features of some of those MTNs are outlined in “Medium Term Note Summary” below. Subordinated MTNs cannot be issued as Structured MTNs or Zero Coupon MTNs.<br><br>TCDs may be Fixed Rate TCDs, Floating Rate TCDs, Instalment TCDs or other forms of TCDs. They may be issued in the forms as specified in the TCD Terms and Conditions or in other forms as specified in the relevant |

Pricing Supplement. Features of some of those TCDs are outlined in “Transferable Certificate of Deposit Summary” below.

**Programme Term:** The term of the Programme continues until terminated by the Issuer giving 30 days’ notice to the permanent panel Dealers, or earlier by agreement between all the parties to it.

**Form of Notes:** Notes will be in registered form. They will be debt obligations of the Issuer which are constituted by, and in the case of MTNs, owing under an MTN Deed Poll dated on or about 11 November 2003 and as most recently amended and restated as at 12 February 2021, in the case of TCDs, a TCD Deed Poll dated 12 March 2009 and as most recently amended and restated as at 30 October 2019 and in the case of STNs, an STN Deed Poll dated on or about 11 November 2003 and as most recently amended and restated as at 30 October 2019.

Notes take the form of entries in a register (“**Register**”) maintained by the Registrar.

The terms and conditions of the STNs are contained in schedule 1 to the STN Deed Poll as modified or supplemented by an STN Supplement (described further below) for the relevant Tranche. The terms and conditions of the MTNs are contained in schedule 1 to the MTN Deed Poll, as modified and supplemented by an MTN Pricing Supplement for the relevant Tranche. The terms and conditions of the TCDs are contained in schedule 1 to the TCD Deed Poll, as modified and supplemented by a TCD Pricing Supplement for the relevant Tranche.

**Title:** Entry of the name of the person in the Register in respect of a Note constitutes the obtaining or passing of title and is conclusive evidence that the person so entered is the registered holder of the Notes.

Notes which are held in the Austraclear System will be registered in the name of Austraclear Limited (ABN 94 002 060 773) (“**Austraclear**”). Notes which are held in an Offshore Clearing System (as defined below) will be registered in the name of a depositary or a common depositary for the Offshore Clearing System. Title to the Notes which are held in a Clearing System (as defined below) will be determined in accordance with the rules and regulations of the relevant Clearing System.

No certificate or other evidence of title will be issued to holders of the Notes unless the Issuer determines that certificates should be available or it is required to do so pursuant to any applicable law or regulation.

**Clearing System:** The Issuer may apply to Austraclear for approval for the Notes to be traded on the settlement system operated by Austraclear (“**Austraclear System**”). Such approval of the Notes by Austraclear is not a recommendation or endorsement by Austraclear of the Notes. Where the Notes are held in Austraclear, any potential investor in the Notes who is not a “Participant” as defined in the Austraclear Regulations (an “**Austraclear Participant**”) will have to maintain arrangements with an Austraclear Participant in order to hold an interest in Notes. The Issuer has no responsibility for these arrangements or for the performance by any Austraclear Participant of its obligations.

Notes may also be traded on the settlement system operated by Euroclear Bank S.A./N.V. (“**Euroclear System**”), the settlement system operated by Clearstream, Luxembourg société anonyme (“**Clearstream System**”) and/or any other clearing system outside Australia specified in the relevant Pricing Supplement (each an “**Offshore Clearing System**”) and together with the Austraclear System, each a “**Clearing System**”).

Subordinated MTNs will be lodged in Austraclear. A person eligible and wishing to invest in Subordinated MTNs who is not an Austraclear Participant will have to maintain arrangements with an Austraclear Participant in order to hold an interest in Subordinated MTNs or to receive any ordinary shares in the Issuer issued on conversion of the Subordinated MTNs in accordance with the Conditions (include the Schedule thereto). The Issuer has no responsibility for these arrangements or for the performance by any Austraclear Participant of its obligations.

Status: The Issuer may elect to issue MTNs that represent either unsubordinated or subordinated debt obligations or STNs or TCDs that represent unsubordinated debt obligations. See the sections on STNs, MTNs and TCDs for more details on their status and ranking.

**Notes are not protected accounts for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act 1959 of Australia (“Banking Act”) or of the Financial Claims Scheme established under Division 2AA of Part II of the Banking Act and are not guaranteed or insured by any government, Government Agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction or by any other party.**

**The MTNs and STNs do not constitute deposit liabilities of the Issuer. The Issuer does not make any representation as to whether the TCDs would or would not constitute a deposit liability of the Issuer for the purposes of section 13A of the Banking Act.**

Cross default: No

Governing law: The Notes, and all related documents, will be governed by the laws of Victoria, Australia. The Registry Services Agreement is governed by the laws of New South Wales, Australia.

Use of proceeds: The net proceeds realised from the issue of Notes will be used for the Issuer’s general corporate purposes.

Transfer procedure: Notes may only be transferred in whole and may only be transferred pursuant to offers received in Australia if the aggregate consideration payable at the time of transfer is at least A\$500,000 (disregarding moneys lent by the transferor or its associates) or the MTNs are otherwise transferred in a manner which does not require disclosure in accordance with Part 6D.2 or Chapter 7 of the Corporations Act and the transfer does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act.

MTNs or TCDs listed on the ASX are not:

- (a) transferred through, or registered on, the Clearing House Electronic Subregister System operated by the ASX (“**CHESS**”); or
- (b) “Approved Financial Products” (as defined for the purposes of CHESS).

Transfers of Notes held in a Clearing System will be made in accordance with the rules and regulations of the relevant Clearing System and the applicable registry agreement (in the case of Notes held in Austraclear, the Registry Services Agreement).

In the case of Subordinated MTNs, if a Non-Viability Trigger Event (as described below) occurs and the Subordinated MTNs are to be converted into Ordinary Shares, such Ordinary Shares will be issued to the person

who is the accountholder in the relevant Clearing System (or, in certain circumstances, to another person nominated by the Issuer).

**Redemption/Purchase:** The Issuer has no right to redeem STNs except at maturity. MTNs and TCDs will be redeemed at maturity and may also be redeemed prior to scheduled maturity in certain circumstances. See “Medium Term Note Summary” and “Transferable Certificate of Deposit Summary” below for more details.

Notes entered in a Clearing System will be redeemed through that Clearing System in a manner consistent with the rules and regulations of that Clearing System.

The Issuer may purchase Notes in the open market or otherwise and at any price, subject, in the case of Subordinated MTNs, to the prior written approval of APRA.

**Payments and Record Date:**

Payments of interest will be made to the persons whose names are entered in the Register as at 4.00pm (Sydney time) on the relevant Record Date. The Record Date is (in the case of STNs) the third calendar day and (in the case of MTNs or TCDs) the eighth calendar day before a payment date, or, such other period specified in the relevant STN Supplement, Pricing Supplement or TCD Pricing Supplement.

Payments of principal in respect of MTNs and TCDs will be made to the person who is the holder at 10.00 am (Sydney time) in the place where the Register is maintained on the due date.

Payments to persons who hold Notes through a Clearing System will be made by transfer to their relevant account in accordance with the rules and regulations of the relevant Clearing System.

If Notes are not lodged in a Clearing System, payments will be made to the account of the registered holder noted in the Register. If no account is notified, then payments will be made by cheque mailed on the relevant payment date to the registered holder at its address appearing in the Register on the Record Date.

**Calculation Agents:** The initial Calculation Agent for the purpose of calculating the “Bank Bill Rate” for STNs is National Australia Bank Limited. If a Calculation Agent is required for the purpose of calculating any amount or making any determination under an MTN or a TCD, such appointment will be notified in the relevant Pricing Supplement.

The Issuer may terminate the appointment of the Calculation Agent, appoint additional or other Calculation Agents or elect to have no Calculation Agent. Where no Calculation Agent is appointed the calculation of interest, principal and other payments in respect of Notes will be made by the Issuer.

**Stamp duty:** Any stamp duty incurred at the time of issue of the Notes will be for the account of the Issuer. Any stamp duty incurred on a transfer of Notes will be for the account of the investors. As at the date of this Information Memorandum, no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer, redemption or Conversion of any Notes, provided that:

- (a) if all the shares in the Issuer are quoted on the Australian Securities Exchange at the time of Conversion, no person, either directly or when aggregated with interests held by associates of that person, obtains an interest in the Issuer of 90% or more; or

- (b) if not all the shares in the Issuer are quoted on the Australian Securities Exchange at the time of Conversion, no person, either directly or when aggregated with interests held by associates of that person, obtains an interest in the Issuer of 50% or more.

The stamp duty legislation generally requires the interests of associates to be added in working out whether the relevant threshold is reached. In some circumstances, the interests of unrelated entities can also be aggregated together in working out whether the relevant threshold is reached.

Investors are advised to seek independent advice regarding any stamp duty or other taxes imposed by another jurisdiction upon the transfer of Notes, or interests in Notes, in any jurisdiction outside of Australia.

- Taxes: An overview of the Australian taxation treatment of payments of interest in the Notes is set out in “Australian Taxation” below. **However, investors should obtain their own taxation advice regarding the taxation implications of investing in Notes.**
- TFNs and ABNs: The Issuer will deduct amounts from payments of interest to be made under the Notes at the prescribed rate if an investor has not supplied an appropriate Tax File Number, Australian Business Number or exemption details where required to enable the payment to be made without withholding or deduction.
- Selling restrictions: The offering, sale and delivery of Notes and the distribution of this Information Memorandum and other material in relation to any Notes are subject to such restrictions as may apply in any country in connection with the offering and sale of a particular Tranche of Notes. In particular, restrictions on the offer or sale of the Notes in Australia, the European Economic Area, the United Kingdom, the United States of America, Hong Kong, Singapore, Japan, New Zealand and China are set out in “Selling and Distribution Restrictions” below.
- Rating: The Programme has been rated Long Term Senior Unsecured ‘AA-’, Long Term Subordinated ‘BBB+’ and Short Term Senior Unsecured ‘A-1+’ by S&P Global Ratings, acting through S&P Global Ratings Australia Pty Ltd and Senior Unsecured ‘(P) Aa3’, Subordinated ‘(P) Baa1’ and Short-Term ‘(P) P-1’ by Moody’s Investors Service Pty Limited.

Where an individual Tranche or Series of Notes are rated, the rating may not necessarily be the same as the ratings specified above. Structured or subordinated Notes (including Subordinated MTNs) may have a different credit rating to the other Notes.

**A rating is not a recommendation to buy, sell or hold Notes and is subject to variation, suspension or withdrawal at any time by the assigning organisation.**

Any credit rating in respect of any Notes or the Issuer is for distribution only to persons who are not a “retail client” within the meaning of section 761G of the Corporations Act and are also sophisticated investors, professional investors or other investors in respect of whom disclosure is not required under Part 6D.2 or Chapter 7 of the Corporations Act and, in all cases, in such circumstances as may be permitted by applicable law in any jurisdiction in which an investor may be located. Anyone who is not such a person is not entitled to receive this Information Memorandum and anyone who receives it must not distribute it to any person who is not entitled to receive it.

# Short Term Note Summary

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| Form of STNs:       | <p>STNs will be debt obligations of the Issuer which are constituted by, and owing under, an STN Deed Poll ("<b>STN Deed Poll</b>") made by the Issuer and dated 11 November 2003 and as most recently amended and restated as at 30 October 2019 and take the form of entries on a register maintained by the Registrar. The terms and conditions of the STNs are contained as a schedule to the STN Deed Poll, as modified and supplemented by an STN Supplement for the relevant Tranche. The STN Supplement is not in a prescribed form and includes any written communication or correspondence between the Issuer and relevant Dealers which the Issuer acknowledges and confirms to be the terms of the relevant issue.</p> <p>The STNs of any Series may be described as "Notes", "STNs", "Instruments", "Short Term Notes", "CP" or by any other marketing name specified in the relevant STN Supplement.</p> |
| Currency:           | <p>Australian dollars and subject to any applicable legal or regulatory requirements, such other freely transferable and freely convertible currency (each such currency other than Australian dollars being an "<b>Alternate Currency</b>") as may be agreed between the Issuer and the relevant Dealer.</p>  |
| Tenor:              | <p>STNs will be issued with a minimum tenor of one day and a maximum tenor of 364 days.</p>  |
| Denominations:      | <p>STNs will be issued in denominations of A\$1,000 (or an amount in an Alternate Currency) unless otherwise specified in the relevant STN Supplement.</p>   |
| Clearing System:    | <p>STNs may be held in a Clearing System. If STNs are held in a Clearing System, the rights of each holder and any other person holding an interest in those STNs are subject to the rules and regulations of the Clearing System.</p>   |
| Interest:           | <p>STNs may be fixed rate STNs, floating rate STNs or be issued at a discount to the face value.</p>   |
| Fixed rate STNs:    | <p>Fixed rate STNs will bear a fixed rate of interest payable in arrears on the interest payment date or dates in each year as specified in the relevant STN Supplement.</p>   |
| Floating rate STNs: | <p>Floating rate STNs will bear interest set separately for each Series by reference to a rate appearing on an agreed screen page of a commercial quotation service or on such other basis as may be specified in the relevant STN Supplement, as adjusted by any applicable margin. Interest periods and interest payment dates will be specified in the relevant STN Supplement.</p>   |
| Discounted STNs:    | <p>STNs issued or sold at a discount to their nominal or face value and will not bear interest.</p>  |
| Purchase Price:     | <p>If STNs are issued at a discount and do not bear interest at a fixed or floating rate, the purchase price for each STN will be the amount determined on a discount basis in accordance with the following formula (unless the Issuer and the relevant Dealers otherwise agree):</p>   |

$$\text{Purchase Price} = \frac{\text{FV} \times 36500}{36500 + (\text{Y} \times \text{T})}$$

where:

FV = the face value of the STN;

Y = the Bid Rate offered by the relevant Dealer or set by the Issuer;

T = the Tenor of the STN expressed in days.

If STNs bear interest at a fixed or floating rate, the purchase price is as agreed by the Issuer and relevant Dealers at the time of issue.

- Redemption: The Issuer has no right to redeem STNs prior to their stated maturity.
- Withholding tax: All payments in respect of STNs are subject in all cases to applicable provisions of fiscal and other laws, regulation and directives. If the Issuer or anyone making payment on its behalf is obliged to deduct or withhold any amounts from the payment otherwise due to an STN holder, it will do so. **The Issuer has no obligation or liability to reimburse or compensate or make any payment to an STN holder for or in respect of the deducted or withheld amount.**
- Status and ranking: STNs will be direct, unconditional and unsecured obligations of the Issuer and will rank at least equally with all other unsecured and unsubordinated obligations of the Issuer, except liabilities mandatorily preferred by law, which includes the claims referred to in sections 13A(3) and 16 of the Banking Act and section 86 of the Reserve Bank Act 1959 of Australia ("**Reserve Bank Act**").
- Section 13A(3) of the Banking Act 1959 provides that if an ADI (of which the Issuer is one) becomes unable to meet its obligations or suspends payment, the assets of the ADI in Australia are to be available to meet the ADI's liabilities in the following order:
- (a) first, the ADI's liabilities (if any) to the Australian Prudential Regulation Authority ("**APRA**") because of the rights APRA has against the ADI to be paid amounts equal to the amount which the holder of a protected account is entitled to receive from APRA under Division 2AA of Part II of the Banking Act (the "**Financial Claims Scheme**");
  - (b) second, the ADI's debts (if any) to APRA in respect of APRA's costs incurred in relation to the exercise of its powers and the performance of its functions relating to the ADI in connection with the Financial Claims Scheme;
  - (c) third, the ADI's liabilities (if any) in Australia in relation to protected accounts that accountholders keep with the ADI;
  - (d) fourth, the ADI's debts (if any) to the Reserve Bank of Australia ("**RBA**");
  - (e) fifth, the ADI's liabilities (if any) under an industry support contract that is certified under section 11CB of the Banking Act; and
  - (f) sixth, the ADI's other liabilities (if any) in the order of their priority apart from section 13A(3) of the Banking Act.



Section 86 of the Reserve Bank Act provides that debts due to the RBA by an ADI such as the Issuer shall, in a winding up, but subject to the aforesaid section 13A(3) of the Banking Act, have priority over all other debts of such ADI.

Section 16 of the Banking Act provides that in a winding up of an ADI, the costs (including costs in the nature of remuneration and expenses) of APRA of being in control of the ADI's business or of having an administrator in control of the ADI's business will, subject to the aforesaid section 13A(3) of the Banking Act, have priority over all other unsecured debts.

**The STNs do not constitute a deposit liability of the Issuer and will not be a protected account for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act or of the Financial Claims Scheme established under Division 2AA of Part II of the Banking Act. In addition, STNs are not guaranteed or insured by any government, government agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction or by any other party.**

Listing:

The Issuer does not currently intend that the STNs will be listed on any stock exchange.

# Medium Term Note Summary

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| Form of MTNs:               | <p>MTNs will be debt obligations of the Issuer which are constituted by, and owing under, an MTN Deed Poll dated 11 November 2003 and as most recently amended and restated as at 12 February 2021 (“<b>MTN Deed Poll</b>”) made by the Issuer and take the form of entries in a register maintained by the Registrar. The terms and conditions of the MTNs (“<b>MTN Terms and Conditions</b>”) are contained as a schedule to the MTN Deed Poll, as modified and supplemented by an MTN Pricing Supplement for the relevant Tranche. MTNs may be issued as unsubordinated MTNs (“<b>Unsubordinated MTNs</b>”) or subordinated MTNs (“<b>Subordinated MTNs</b>”), as specified in the relevant Pricing Supplement (“<b>Pricing Supplement</b>”). Unless otherwise specified, all descriptions of MTNs in this Information Memorandum apply to both Unsubordinated MTNs and Subordinated MTNs. Investors in Subordinated MTNs should refer to “Additional Disclosure – Subordinated MTNs”.</p> <p>MTNs of any Series may be described as “Notes”, “Bonds”, “MTNs” “Instruments”, “Indexed Notes”, “Amortising Notes”, “Credit Linked Notes”, “FRNs”, “Zero Coupon Notes”, “Subordinated MTNs”, or by any other marketing name specified in the relevant Pricing Supplement.</p> |
| Form of Pricing Supplement: | <p>The form of the Pricing Supplement is as set out in this Information Memorandum.</p>  |
| Currencies:                 | <p>Australian dollars and, subject to any applicable legal or regulatory requirements, any Alternate Currency as may be agreed between the Issuer and the relevant Dealer. Payments in respect of MTNs may be made in, or limited to, any currency or currencies subject to the terms set out in the relevant Pricing Supplement.</p>  |
| Tenor:                      | <p>Unsubordinated MTNs will be issued with a tenor of more than 30 days. Subordinated MTNs will be issued with a minimum tenor of five years. The tenor will be specified in the relevant Pricing Supplement. There will be no maximum tenor.</p>  |
| Issuance in Series:         | <p>MTNs will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. MTNs of each Series will all be subject to identical terms, except that the issue date and (unless the MTNs are approved for trading in the Austraclear System) the amount of the first payment of interest may be different in respect of different Tranches of a Series and a Series may comprise MTNs in more than one denomination. MTNs of each Series are intended to be fungible with other MTNs of that Series. However, in certain circumstances, MTNs of a particular Tranche may not be, nor will they become, fungible with MTNs of any other Tranche or Tranches forming part of the same Series until a specified time following their issue, as described in the relevant Pricing Supplement.</p>  |
| Denominations:              | <p>MTNs will be issued in denominations of A\$1,000 (or an amount in an Alternate Currency) or such other denominations specified in the relevant Pricing Supplement.</p>  |
| Issue Price:                | <p>Unsubordinated MTNs may be issued at any price on a fully or partly paid basis. Subordinated MTNs may be issued at any</p>  |

price on a fully paid basis. The Issue Price will be specified in the relevant Pricing Supplement.

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| Purchase Price:                      | As specified in the relevant Pricing Supplement, or as otherwise agreed between the parties.  |
| Interest:                            | MTNs may be Fixed Rate MTNs, Floating Rate MTNs, Zero Coupon MTNs or Structured MTNs or be otherwise issued at a discount or premium to the face value or otherwise bear interest which is calculated by a formula or an index. Subordinated MTNs may not be issued as Structured MTNs or Zero Coupon MTNs.   |
| Fixed Rate MTNs:                     | Fixed Rate MTNs will bear a fixed rate of interest payable in arrears on the interest payment date or dates in each year as specified in the relevant Pricing Supplement.   |
| Floating Rate MTNs:                  | Floating Rate MTNs will bear interest set separately for each Series by reference to a rate appearing on an agreed screen page of a commercial quotation service or on such other basis as may be specified in the relevant Pricing Supplement, as adjusted by any applicable margin. Interest periods and interest payment dates will be specified in the relevant Pricing Supplement.   |
| Index Linked MTNs:                   | Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of, respectively, index linked redemption MTNs and index linked interest MTNs will be calculated by reference to such stock or commodity or other index, currency exchange rate and/or formula as the Issuer and the relevant Dealer or other investor may agree as specified in the relevant Pricing Supplement.  |
| Zero Coupon MTNs:                    | Zero Coupon MTNs may be issued or sold at their nominal or face amount or at a discount to it and will not bear interest.   |
| Interest Periods and Interest Rates: | The length of the interest periods for the MTNs and the applicable rate of interest or its method of calculation may differ from time to time or be constant for any Series. MTNs may have a Maximum Interest Rate, a Minimum Interest Rate or both. All such information will be set out in the relevant Pricing Supplement. The Pricing Supplement in respect of any Subordinated MTNs must not specify a Maximum Interest Rate and/or a Minimum Interest Rate. |
| Other MTNs:                          | The Issuer may from time to time issue MTNs in a form not specifically contemplated in this Information Memorandum. Terms applicable to any other type of MTN that the Issuer and any relevant Dealer(s) or other investor may agree to issue under the Programme will be set out in the relevant Pricing Supplement.   |
| Early redemption:                    | MTNs will be redeemed at maturity through the relevant Clearing System in a manner consistent with the rules and regulations of that Clearing System.   |

The applicable Pricing Supplement will indicate either:

- (i) that the relevant MTNs cannot be redeemed prior to their stated maturity (other than for taxation reasons or for regulatory reasons (in the case of Subordinated MTNs, as to which see further "Additional Disclosure – Subordinated MTNs"), or following an Event of Default); or

- (ii) that such MTNs will be redeemable at the option of the Issuer (“**Issuer Call**”) and/or the MTN Holders (“**Investor Put**”), as the case may be, upon giving notice to the MTN Holders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices on such terms as may be agreed between the Issuer and the relevant Dealer. Subordinated MTNs may not contain an Investor Put.

Early redemption for taxation reasons:

In certain circumstances following notice by the Issuer, MTNs may be redeemed if the Issuer is required to gross-up for deductions or withholdings required to be made by law (as provided in Condition 12.2 of the MTN Terms and Conditions). In the case of Subordinated MTNs, see further “Additional Disclosure – Subordinated MTNs”.

Withholding tax:

Unless otherwise specified in the Pricing Supplement, MTNs will be issued in a manner which enables the Issuer to pay interest to MTN Holders free of Australian interest withholding tax. Unless otherwise specified in the Pricing Supplement, all payments by the Issuer in respect of the MTN Holders will be made free and clear of and without holding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision thereof or any authority therein or thereof subject to certain customary exceptions as provided under Condition 16.3 of the MTN Terms and Conditions below.

See “Australian Taxation” below for a description of relevant Australian tax legislation.

Status and ranking:

Unsubordinated MTNs will be direct, unconditional and unsecured obligations of the Issuer and will rank at least equally with all other unsecured and unsubordinated obligations of the Issuer, except liabilities mandatorily preferred by law. See “Status and ranking” in the description of the STNs.

**The MTNs do not constitute a deposit liability of the Issuer and are not a protected account for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act or of the Financial Claims Scheme established under Division 2AA of Part II of the Banking Act. The MTNs are not guaranteed or insured by any government, Government Agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction or by any other party.**

In the case of Subordinated MTNs, see further “Additional Disclosure – Subordinated MTNs”.

Clearing System:

MTNs may be transacted either within or outside any Clearing System. If MTNs are held in a Clearing System, those MTNs are subject to the rules and regulations of the Clearing System. In the case of Subordinated MTNs, see further “Additional Disclosure – Subordinated MTNs”.

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| Listing:              | The Issuer does not currently intend that the MTNs will be listed on any stock exchange. However, the Issuer may elect to apply for one or more Tranches issued pursuant to the Programme to be listed on the ASX or any other stock exchange specified in the relevant Pricing Supplement. MTNs which are listed on the ASX will not be transferred through or registered on CHESS and will not be “Approved Financial Products” (as defined for the purposes of CHESS). If an interface between the register maintained by the Registrar and CHESS is established the documents relating to the Programme may be amended to facilitate settlement on CHESS and the MTNs will become CHESS approved securities. |
| Time limit on claims: | A claim against the Issuer for a payment under an MTN is void unless made within 10 years (in the case of principal) or 5 years (in the case of interest and other amounts) from the date on which payment first became due.   |
| Notices:              | While Notes are lodged in the Austraclear System, notices may be given to Holders by delivery to the Austraclear System for communication by the Austraclear System to the persons shown in its records as having interests therein.<br><br>In addition, notices may be given by newspaper advertisement, by prepaid post or left at the address of the relevant Holder in accordance with the MTN Terms and Conditions.   |
| Amendments:           | The Issuer may make certain amendments to the MTN Terms and Conditions without the approval of Holders, including amendments that are necessary or advisable to comply with any law or that are not materially prejudicial to Holders as a whole. The MTN Terms and Conditions may also be amended with the consent of Holders.<br><br>The MTN Deed Poll contains procedures for meetings of Holders and passing of resolutions.<br><br>In the case of Subordinated MTNs, see further “Additional Disclosure – Subordinated MTNs”.   |
| Investment risks:     | Prospective investors or purchasers should consult their own financial and legal advisers about risks associated with an investment in a particular Tranche of MTNs and the suitability of investing in the MTNs in light of their particular circumstances.<br><br>Investors in Subordinated MTNs should also refer to the “Additional Disclosure – Subordinated MTNs” for further information regarding the risks of investment in Subordinated MTNs.  |

### **Additional Disclosure – Subordinated MTNs**

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| Overview: | Subordinated MTNs are complex subordinated securities and include features to comply with APRA’s requirements for regulatory capital for an ADI (as described in further detail below). The Issuer may be subject to direction by APRA in a manner adverse to Holders, including that Subordinated MTNs be Converted or Written-Off in certain circumstances or that payments not be made on the Subordinated MTNs. The rights of Holders in these circumstances are limited. The |
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Subordinated MTNs may not be a suitable investment for all investors. A potential investor should consider whether it has the knowledge and skill to evaluate the Subordinated MTNs and the business and regulatory risks that may affect the Issuer and whether the Subordinated MTNs are a suitable investment for it in all the investor's own circumstances.

Capital treatment:

The Issuer intends for Subordinated MTNs to qualify as Tier 2 Capital of the Issuer (as described in the prudential standards issued by APRA).

Non-Viability Trigger Event:

Subordinated MTNs are subject to mandatory Conversion into ordinary shares of the Issuer (or a successor) ("**Ordinary Shares**"), or Write-Off, if a Non-Viability Trigger Event occurs.

The applicable Pricing Supplement will specify whether the Subordinated MTNs are to be:

- (i) Converted upon a Non-Viability Trigger Event (or, if, for any reason, including an Inability Event, Conversion of the Subordinated MTNs has not been effected within five Business Days, Written-Off) (the "**Conversion Option**"); or
- (ii) immediately and irrevocably terminated ("**Written-Off**") upon a Non-Viability Trigger Event (the "**Write-Off Option**"),

(each as further described below).

***Occurrence of a "Non-Viability Trigger Event":***

A "**Non-Viability Trigger Event**" occurs when APRA has provided a written determination to the Issuer that (1) the conversion or write-off of certain securities of the Issuer is necessary because without such conversion or write-off, APRA considers that the Issuer would become non-viable; or (2) without a public sector injection of capital into, or equivalent capital support with respect to, the Issuer, APRA considers that the Issuer would become non-viable.

Potential investors in the Subordinated MTNs should consider Condition 13 and the Schedule to the MTN Terms and Conditions which set out the Non-Viability Trigger Event and related provisions (including provisions for determining the number of Ordinary Shares issued on Conversion).

The prudential standards do not define non-viability and APRA has not provided specific guidance on how it would determine non-viability. However, APRA has indicated that non-viability is likely to arise prior to the insolvency of an ADI.

Non-viability could be expected to include a serious impairment of the Issuer's financial position and insolvency. However, it is possible that APRA's view of non-viability may not be confined to solvency or capital measures and APRA's position on these matters may change over time. Non-viability may be significantly impacted by a number of factors, including factors which impact the business, operation and financial

condition of the Issuer, such as systemic and non-systemic macro-economic, environmental and operational factors.

***Conversion or write-off of Relevant Capital Instruments:***

If a Non-Viability Trigger Event occurs, on the date of such event (the “**Conversion Date**”), the Issuer will first convert into Ordinary Shares or write-off all Relevant Tier 1 Capital Instruments of the Issuer. Secondly, if conversion into Ordinary Shares or write-off of all Relevant Tier 1 Capital Instruments is not sufficient to satisfy APRA that the Issuer is viable without further conversion or write-off, then:

- (1) if the applicable Pricing Supplement specifies that the Conversion Option applies to the Subordinated MTNs, the Issuer will be required to immediately convert some or all of the Subordinated MTNs into Ordinary Shares, and if, for any reason (including if the Issuer is prevented by applicable law, court order or any other reason from converting the Subordinated MTNs) Conversion has not been effected within five Business Days, the Issuer will be required to Write-Off that principal amount of the Subordinated MTNs; or
- (2) if the applicable Pricing Supplement specifies that the Write-Off Option applies to the Subordinated MTNs, the Issuer will be required to Write-Off some or all of the principal amount of the Subordinated MTNs.

The Conversion or Write-Off of Subordinated MTNs will be on an approximately pro rata basis with other Relevant Tier 2 Capital Instruments of the Issuer.

Subordinated MTN Holders should note that APRA has stated that it will not approve partial conversion or partial write-off in those exceptional circumstances where a public sector injection of funds is deemed necessary. In circumstances where APRA considers that the Issuer would be non-viable without a public sector injection of capital, the Issuer must immediately convert or write-off all Relevant Capital Instruments. If APRA does not consider that a public sector injection of capital is required, and the Issuer satisfies APRA that conversion or write off of a proportion of Relevant Capital Instruments will be sufficient to ensure that the Issuer does not become non-viable, the Issuer must immediately convert or write-off that proportion.

The Issuer has no obligation to issue or keep on issue any Relevant Tier 1 Capital Instruments or Relevant Tier 2 Capital Instruments.

**Early redemption:**

**Any early redemption of Subordinated MTNs is subject to the prior written approval of APRA and to further requirements with respect to regulatory capital replacement (subject to income sustainability) or regulatory confirmation of the Issuer’s capital position.**

***Holders of Subordinated MTNs should not expect that APRA’s approval will be given for any early redemption of Subordinated MTNs.***

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| Early redemption (Issuer Call):             | In the case of Subordinated MTNs, any Issuer Call will not be exercisable before the fifth anniversary of the issue date of the Subordinated MTNs and the holders of Subordinated MTNs will have no option to require redemption of any Subordinated MTNs.   |
| Early redemption for taxation reasons:      | Redemption of Subordinated MTNs on account of a requirement for the Issuer to gross-up payments in respect of deductions or withholdings is only permitted in circumstances where the obligation to gross-up for deductions or withholdings is as a result of a change in law which becomes effective on or after the Issue Date and was not expected by the Issuer at the Issue Date.   |
| Early redemption for loss of deductibility: | If specified in the relevant Pricing Supplement, in certain circumstances following notice by the Issuer, Subordinated MTNs may be redeemed following a loss of tax deductibility where the loss of deductibility results from a change in law which becomes effective on or after the Issue Date and was not expected by the Issuer at the Issue Date (as provided in Condition 12.3 of the MTN Terms and Conditions).  |
| Early redemption for regulatory reasons:    | In certain circumstances following notice by the Issuer (if specified in the relevant Pricing Supplement), Subordinated MTNs may be redeemed following the occurrence of certain regulatory events which result in the Issuer not being entitled to treat all the relevant Subordinated MTNs as Tier 2 Capital, where such events were not expected by the Issuer at the Issue Date (as provided in Condition 12.4 of the MTN Terms and Conditions).   |
| Status and ranking:                         | <p>Subordinated MTNs will be direct, subordinated and unsecured obligations of the Issuer ranking in a Winding Up of the Issuer, subject to the provisions for Conversion and Write-off, <i>pari passu</i> with all Equal Ranking Instruments, <i>pari passu</i> among themselves, behind all Senior Creditors and, subject to the provisions for Conversion and Write-Off, ahead of Junior Ranking Instruments.</p> <p>“Equal Ranking Instruments” include the instrument known as Undated Subordinated Floating Rate Notes and any other instruments issued after 1 January 2013 as Relevant Tier 2 Capital Instruments.</p> <p>Instruments issued as Lower Tier 2 Capital (as described in the then applicable prudential standards issued by APRA) prior to 1 January 2013 are not Equal Ranking Instruments but rank in a Winding Up of the Issuer senior to the Subordinated MTNs. The reason for this ranking is that under APRA’s prudential standards which came into force on 1 January 2013, in order to qualify as Tier 2 Capital, Subordinated MTNs must rank in a winding up of the Issuer with the most junior ranking claims which rank ahead of Common Equity Capital and Additional Tier 1 Capital.</p> <p>Since the Issuer has on issue Undated Subordinated Floating Rate Notes and these would rank in a winding up ahead of share capital but behind instruments issued as Lower Tier 2 Capital prior to 1 January 2013, the Subordinated MTNs are</p> |



required to rank equally with the Undated Subordinated Floating Rate Notes.

The definitions of the creditors and instruments relevant to these ranking descriptions are set out in the MTN Terms and Conditions.

The details of, and remedies for, the Subordinated MTNs Events of Default are contained in Conditions 18.4 and 18.5, respectively, of the MTN Terms and Conditions.

**Subordinated MTNs do not constitute a deposit liability of the Issuer and are not a protected account for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act or of the Financial Claims Scheme established under Division 2AA of Part II of the Banking Act. Subordinated MTNs are not guaranteed or insured by any government, government agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction or by any other party.**

Ordinary Shares issued on Conversion will rank equally with all other fully paid Ordinary Shares from the date of such issue.

No Set-Off:

A Subordinated MTN Holder does not have any right to set-off any amounts owing to it by the Issuer in connection with the Subordinated MTNs against any amount owing by it to the Issuer in connection with the Subordinated MTNs or otherwise. The Issuer does not have any right to set-off any amounts owing to it by a Subordinated MTN Holder against any amount owing by it to the Subordinated MTN Holder in connection with the Subordinated MTNs.

Clearing System:

If Subordinated MTNs are held in a Clearing System, those MTNs are subject to the rules and regulations of the Clearing System, provided that such rules and regulations do not affect any provisions of the MTN Terms and Conditions which affect the eligibility of the Subordinated MTNs as Tier 2 Capital of the Issuer. Transfers of Subordinated MTNs held within a Clearing System will be made in accordance with the rules and regulations of the Clearing System.

Ordinary Shares:

The rights and liabilities that attach to Ordinary Shares issued on Conversion are set out in the Issuer's constitution. Investors who wish to inspect the Constitution may do so at the registered address of the Issuer.

These rights and liabilities are also regulated by the Corporations Act, Listing Rules of ASX ("**ASX Listing Rules**") and general law.

The main rights attaching to Ordinary Shares are set out in "Description of Ordinary Shares".

In certain circumstances, the Issuer may substitute an Approved NOHC as the issuer of Ordinary Shares (see clause 13.13 of the MTN Terms and Conditions).

Amendments:

In the case of Subordinated MTNs, no variation to the MTN Terms and Conditions may be made without the prior written

approval of APRA, where such variation may affect the eligibility of Subordinated MTNs as Tier 2 Capital.

**Investment Risks  
(Subordinated MTNs):**

***Non-Viability Trigger Event:***

A Non-Viability Trigger Event could occur at any time. It could occur on dates not previously contemplated by investors or which may be unfavourable in light of then prevailing market conditions or investors' individual circumstances. Investors may lose some or all of the value of their investment. Where Subordinated MTNs are Converted, investors may receive Ordinary Shares worth significantly less than the principal amount of the investor's Subordinated MTNs. There may be no market in Ordinary Shares received on conversion and investors may not be able to sell the Ordinary Shares at a price equal to the value of their investment and as a result may suffer loss.

The sale of Ordinary Shares may also be restricted by applicable Australian law, including restrictions under the Corporations Act on the sale of ordinary shares to investors within 12 months of their issue (except where certain exemptions apply) on account of the Subordinated MTNs and the Ordinary Shares being issued without disclosure by the Issuer as required by the Corporations Act. The restrictions may apply to sales by any nominee for investors as well as sales by investors and by restricting sales investors may suffer loss. Holders of Subordinated MTNs agree under the Conditions not to trade Ordinary Shares issued on Conversion (except where relevant exemptions apply), until the Issuer has taken all actions required under the Corporations Act, other applicable laws and the ASX Listing Rules for the shares to be freely tradeable without further disclosure or action.

In certain circumstances, including where, for any reason, the Issuer has not received the Holder's securities account information or a FATCA withholding is required, the Ordinary Shares that an investor would receive on Conversion will be issued to a nominee, who will sell the shares on behalf of that investor and pay the cash amount of the net proceeds of sale to the investor. The nominee will have no duty to obtain a fair market price in such sale.

There are provisions of Australian law that are relevant to the ability of any person to acquire interests in the Issuer beyond the limits prescribed by those laws. The sale of Ordinary Shares in the Issuer may be restricted by such provisions and as a result investors may suffer loss. Holders of Subordinated MTNs should take care to ensure that by acquiring any Subordinated MTNs which may be Converted to Ordinary Shares, they do not breach any applicable restrictions on the ownership of interests in the Issuer. If the acquisition or Conversion of such Subordinated MTNs by the Subordinated MTN Holder or a nominee would breach those restrictions then, in addition to other sanctions for these breaches under applicable law, the Issuer may be prevented from Converting such Subordinated MTNs and such Subordinated MTNs may be required to be Written-Off.

Where Subordinated MTNs are held in the Austraclear System:

- any investor who is not an Austraclear Participant will have to maintain arrangements with an Austraclear Participant in order to hold an interest in Subordinated MTNs or to receive any Ordinary Shares issued on Conversion. The Issuer has no responsibility for these arrangements or for the performance by any Austraclear Participant of its obligations; and
- for the purposes of determining the person entitled to be issued Ordinary Shares, or the Eligible Nominee referred to above, the Issuer will treat the relevant Austraclear Participant as the holder of the Subordinated MTNs.

If, following a Non-Viability Trigger Event, Conversion has not been effected within five Business Days of the Conversion Date for any reason (including where the Issuer is prevented by applicable law or court order or for any other reason from Converting Subordinated MTNs (broadly an “**Inability Event**”)), those Subordinated MTNs will not be Converted but instead will be Written Off.

Broadly, “Written Off” means that the relevant Holders’ rights (including to payments of interest and principal) in relation to a Subordinated MTN are immediately and irrevocably terminated and written off with effect on and from the Conversion Date and the Subordinated MTN will not be redeemed or converted on any subsequent date.

***Write-Off:***

Where Subordinated MTNs are Written-Off, investors will lose some or all of the value of their investment and will not receive any compensation.

***Trading in Subordinated MTNs:***

The immediate Conversion of Subordinated MTNs into Ordinary Shares or their Write-Off may affect or disrupt trading or other transactions in connection with the Subordinated MTNs. The Issuer has no responsibility for any such effects or disruptions and the consequences of any Conversion or Write-Off for persons interested in the Subordinated MTNs in a Clearing System are matters for the rules, regulations and procedures of the Clearing System and the terms of any dealings between persons interested in the Subordinated MTNs.

***Comparison with subordinated debt issued prior to 1 January 2013:***

The requirement for conversion or write-off on account of a Non-Viability Trigger Event does not apply to subordinated debt issued by the Issuer prior to 1 January 2013, and accordingly the holders of Subordinated MTNs issued under this Information Memorandum are likely to be in a worse position in the event of the Issuer becoming non-viable than

holders of subordinated debt issued by the Issuer without a mandatory conversion or write-off feature.

***Investors' rights and remedies:***

Depending upon its performance and financial position, there is a risk that the Issuer may default on payment of some or all of the interest or principal on the Subordinated MTNs. In this case, investors' rights are limited to certain specified remedies and, for example, investors do not have the right to require the Issuer to redeem the Subordinated MTNs early. Although the MTN Terms and Conditions may specify certain remedies (for example, seeking an order for the winding-up of the Issuer), the grant of those remedies may be in the discretion of the court, and as such may not be granted.

# Transferable Certificate of Deposit Summary

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|                     |   |
|---------------------|---|
| Form of TCDs:       | <p>TCDs will be debt obligations of the Issuer which are constituted by, and owing under, a TCD Deed Poll dated 12 March 2009 and as most recently amended and restated as at 30 October 2019 (“<b>TCD Deed Poll</b>”) made by the Issuer and take the form of entries in a register maintained by the Registrar. The terms and conditions of the TCDs are contained as a schedule to the TCD Deed Poll, as modified and supplemented by a TCD Pricing Supplement for the relevant Tranche.</p> <p>The TCDs of any Series may be described as “Transferable Certificates of Deposit”, “TCDs” or by any other marketing name specified in the relevant TCD Pricing Supplement.</p>   |
| Currencies:         | <p>Australian dollars and, subject to any applicable legal or regulatory requirements, any Alternate Currency as may be agreed between the Issuer and the relevant Dealer. Payments in respect of TCDs may be made in, or limited to, any currency or currencies subject to the terms set out in the relevant TCD Pricing Supplement.</p>   |
| Tenor:              | <p>TCDs will be issued with a tenor of more than 30 days and there will be no maximum tenor (or as otherwise specified in the relevant TCD Pricing Supplement).</p>   |
| Issuance in Series: | <p>TCDs will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The TCDs of each Series will all be subject to identical terms, except that the issue date and (unless the TCDs are approved for trading in the Austraclear System) the amount of the first payment of interest may be different in respect of different Tranches of a Series and a Series may comprise TCDs in more than one denomination. The TCDs of each Series are intended to be fungible with other TCDs of that Series. However, in certain circumstances, TCDs of a particular Tranche may not be, nor will they become, fungible with TCDs of any other Tranche or Tranches forming part of the same Series until a specified time following their issue, as described in the relevant TCD Pricing Supplement.</p> |
| Denominations:      | <p>TCDs will be issued in denominations of A\$1,000 (or an amount in an Alternate Currency) unless otherwise specified in the relevant TCD Pricing Supplement.</p>  |
| Issue Price:        | <p>TCDs may be issued at any price as specified in the relevant TCD Pricing Supplement.</p>   |
| Purchase Price:     | <p>As specified in the relevant TCD Pricing Supplement, or as otherwise agreed between the parties.</p>   |
| Interest:           | <p>TCDs may be Fixed Rate TCDs, Floating Rate TCDs, Instalment TCDs or other specified TCDs.</p>  |
| Fixed Rate TCDs:    | <p>Fixed Rate TCDs will bear a fixed rate of interest payable in arrears on the interest payment date or dates in each year as specified in the relevant TCD Pricing Supplement.</p>  |
| Floating Rate TCDs: | <p>Floating Rate TCDs will bear interest set separately for each Series by reference to a rate appearing on an agreed screen page of a commercial quotation service or on such other basis as may be specified in the relevant TCD Pricing Supplement, as adjusted by any applicable margin. Interest periods and interest payment dates will be specified in the relevant TCD Pricing Supplement.</p>  |

|                                      |   |
|--------------------------------------|---|
| Interest Periods and Interest Rates: | The length of the interest periods for the TCDs and the applicable rate of interest or its method of calculation may differ from time to time or be constant for any Series. TCDs may have a maximum rate of interest, a minimum rate of interest or both. All such information will be set out in the relevant TCD Pricing Supplement.   |
| Other TCDs:                          | The Issuer may from time to time issue TCDs in a form not specifically contemplated in this Information Memorandum. Terms applicable to any other type of TCDs that the Issuer and any relevant Dealer(s) or other investor may agree to issue under the Programme will be set out in the relevant TCD Pricing Supplement.  |
| Investment Risks:                    | Prospective investors or purchasers should consult their own financial and legal advisers about risks associated with an investment in a particular Tranche of TCDs and the suitability of investing in the TCDs in light of their particular circumstances.  |
| Redemption:                          | <p>TCDs will be redeemed at maturity through the relevant Clearing System in a manner consistent with the rules and regulations of that Clearing System.</p> <p>The applicable TCD Pricing Supplement will indicate either that the relevant TCD cannot be redeemed prior to its stated maturity (other than for taxation reasons or following an Event of Default) or that such TCD will be redeemable at the option of the Issuer and/or the TCD holders, as the case may be, upon giving notice to the TCD holders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices on such terms as may be agreed between the Issuer and the relevant Dealer.</p> <p>In certain circumstances following notice by the Issuer, TCDs may be redeemed following the occurrence of changes in tax law which give rise to an obligation of the Issuer to gross-up for deductions or withholdings required to be made by law (as provided in Condition 12.2 of the TCD Terms and Conditions).</p> |
| Withholding tax:                     | <p>Unless otherwise specified in the TCD Pricing Supplement, TCDs will be issued in a manner which enables the Issuer to pay interest to TCD holders free of Australian interest withholding tax. Unless otherwise specified in the TCD Pricing Supplement, all payments by the Issuer in respect of the TCD Holders will be made free and clear of and without holding or deduction for, on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Commonwealth of Australia or any political subdivision thereof or any authority therein or thereof subject to certain customary exceptions as provided under Condition 15.3 of the "TCD Terms and Conditions" below.</p> <p>See "Australian Taxation" below for a description of relevant Australian tax legislation.</p>   |
| Status and ranking:                  | <p>TCDs will be direct, unconditional and unsecured obligations of the Issuer and will rank at least equally with all other unsecured and unsubordinated obligations of the Issuer, except liabilities mandatorily preferred by law. See 'Status and ranking' in the description of the STNs.</p> <p><b>The TCDs do not constitute a protected account for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act or of the Financial Claims Scheme established under Division 2AA of Part II of the Banking Act. The Issuer does not make any representation as to whether the TCDs would or would not</b></p>  |

**constitute a deposit liability of the Issuer for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act. The TCDs are not guaranteed or insured by any government, government agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction or by any other party.**

Clearing System: TCDs may be transacted either within or outside any Clearing System.

Listing: The Issuer does not currently intend that the TCDs will be listed on any stock exchange.

# STN Terms and Conditions

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*The following are the general terms and conditions which will apply to each STN issued under the Debt Issuance Programme of National Australia Bank Limited. Definitions and interpretation provisions are set out in Condition 19 (“Interpretation”).*

## Part 1 Introduction

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### 1 Introduction

#### 1.1 Programme

The STNs have been issued under a Debt Issuance Programme established on or about 11 November 2003 and amended and restated as at 15 May 2007, 12 March 2009, 23 August 2011, 5 March 2014, 5 September 2014, 31 August 2016 and 30 October 2019 by National Australia Bank Limited (“**Issuer**”).

#### 1.2 Clearing system

STNs may be held in a Clearing System. If STNs are held in a Clearing System, the rights of each STN Holder and any other person holding an interest in those STNs are subject to the rules and regulations of the Clearing System. The Issuer is not responsible for anything the Clearing System does or omits to do.

## Part 2 Form, Denomination and Title

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### 2 Form

#### 2.1 Form

The STNs are issued in registered form. No certificates will be issued to STN Holders unless the Issuer determines that certificates should be available or are required by any applicable law or regulation.

#### 2.2 Constitution under STN Deed Poll

The STNs are registered debt obligations of the Issuer, constituted by, and owing under, the STN Deed Poll and take the form of entries in the Register. Each entry in the Register constitutes a separate and individual acknowledgement to the relevant STN Holder of the indebtedness of the Issuer to the relevant STN Holder.

#### 2.3 Independent obligations

The obligations of the Issuer in respect of each STN constitute separate and independent obligations which the STN Holder to whom those obligations are owed is entitled to enforce without having to join any other STN Holder or any predecessor in title of an STN Holder.

### 3 Denomination

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STNs must be issued in a single denomination. STNs of one denomination may not be exchanged for STNs of another denomination.

### 4 Currency

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The STNs must be denominated in Australian dollars or an Alternate Currency specified in the relevant STN Supplement.



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|------------|---|
| <b>5</b>   | <b>Status</b>   |
| <b>5.1</b> | <b>Status of the STNs</b>   |
|            | The STNs constitute direct, unconditional and unsecured obligations of the Issuer.  |
| <b>5.2</b> | <b>Ranking of STNs</b>  |
|            | The STNs rank equally among themselves and at least equally with all other unsecured and unsubordinated obligations of the Issuer, except for liabilities mandatorily preferred by law.   |
| <b>5.3</b> | <b>Nature of obligations</b>  |
|            | <b>The STNs do not constitute a deposit liability of the Issuer and will not be a protected account for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act 1959 of Australia or of the Financial Claims Scheme established under Division 2AA of Part II of the Banking Act. In addition, STNs are not guaranteed or insured by any government, government agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction or by any other party.</b> |

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|            |  |
|------------|--|
| <b>6</b>   | <b>Title and transfer of STNs</b>  |
| <b>6.1</b> | <b>Registered form</b>   |
|            | Each STN takes the form of an entry in the Register.   |
| <b>6.2</b> | <b>Title</b>   |
|            | Title to STNs passes when details of the transfer are entered in the Register.   |
| <b>6.3</b> | <b>Effect of entries in Register</b>   |
|            | Each entry in the Register in respect of an STN constitutes:   |
|            | (a) an unconditional and irrevocable undertaking by the Issuer to the STN Holder to make all payments in respect of the STN in accordance with the STN Documents; and  |
|            | (b) an entitlement to the other benefits given to the STN Holders under the STN Documents in respect of the relevant STN.  |
| <b>6.4</b> | <b>Register conclusive as to ownership</b>   |
|            | Entries in the Register in relation to an STN constitute conclusive evidence that the person so entered is the absolute owner of the STN subject to correction for fraud or error.   |
| <b>6.5</b> | <b>Non-recognition of interests</b>  |
|            | Except as required by law, the Issuer and the Agents must treat the person whose name is entered in the Register as the holder of an STN as the absolute owner of that STN. This Condition applies whether or not an STN is overdue and despite any notice of ownership, trust or interest in the STN. |
| <b>6.6</b> | <b>Joint holders</b>   |
|            | Where two or more persons are entered in the Register as the joint holders of an STN then they are taken to hold the STN as joint tenants with rights of survivorship, but the Registrar is not bound to register more than four persons as joint holders of an STN.                                   |

## **6.7 Transfers in whole**

STNs may be transferred in whole but not in part.

## **6.8 Compliance with laws**

- (a) STNs may only be transferred pursuant to offers received in Australia if:
  - (i) the aggregate consideration payable at the time of transfer is at least A\$500,000 (disregarding moneys lent by the transferor or its associates) or the STNs are otherwise transferred in a manner which does not require disclosure in accordance with Part 6D.2 or Part 7 of the Corporations Act; and
  - (ii) the transfer does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act.
- (b) STNs may only be transferred between persons in a jurisdiction or jurisdictions other than Australia if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place and the transfer of the STNs otherwise does not require disclosure to investors in accordance with the laws of the jurisdiction in which the transfer takes place.

## **6.9 Transfer procedures**

Application for the transfer of STNs not entered into the Austraclear System must be made by the lodgment of a transfer form with the Registrar at its Specified Office. Transfer forms must be in the form available from the Registrar. Each transfer form must be:

- (a) duly completed;
- (b) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly executed; and
- (c) signed by both the transferor and the transferee.

STNs entered in the Austraclear System will be transferable only in accordance with the Austraclear Regulations and the Registry Services Agreement.

## **6.10 Austraclear as STN Holder**

Where Austraclear is recorded in the relevant Register as the STN Holder, each person in whose Security Record (as defined in the Austraclear Regulations) an STN is recorded is deemed to acknowledge in favour of the Registrar and Austraclear that:

- (a) the Registrar’s decision to act as the Registrar of that STN is not a recommendation or endorsement by the Registrar or Austraclear in relation to that STN, but only indicates that the Registrar considers that the holding of the STNs is compatible with the performance by it of its obligations as Registrar under the Registry Services Agreement; and
- (b) the STN Holder does not rely on any fact, matter or circumstance contrary to this Condition 6.10 (“Austraclear as STN Holder”).

## Part 3 Interest

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### 7 Interest

#### 7.1 Application

STNs may be either interest-bearing or non interest-bearing, as specified in the STN Supplement. In relation to any Tranche of STNs, the STN Supplement may specify actual amounts of interest payable (“**Interest Amount**”) rather than, or in addition to, a rate or rates at which interest accrues.

#### 7.2 Calculation of interest payable

Each STN in relation to which this Condition 7 (“Interest”) is specified in the STN Supplement as being applicable will bear interest on its principal amount at the fixed coupon rate or the rate or rates per annum specified in the STN Supplement from the Interest Commencement Date of the STNs. Interest will be payable in arrears on the Maturity Date specified in the STN Supplement.

## Part 4 Redemption and purchase

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### 8 Redemption

#### 8.1 Scheduled redemption

Each STN is redeemable by the Issuer on the Maturity Date at its face amount unless:

- (a) the STN has been previously redeemed; or
- (b) the STN has been purchased and cancelled.

#### 8.2 Purchase

The Issuer and any of its Related Entities may at any time purchase STNs in the open market or otherwise and at any price. All unmatured STNs purchased under this Condition 8.2 (“Purchase”) are not extinguished (unless held beneficially by the Issuer at the Maturity Date) and to the extent held beneficially by the Issuer prior to that Maturity Date may be held, resold or cancelled at the discretion of the Issuer, subject to compliance with all legal and regulatory requirements.

## Part 5 Payments

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### 9 General Payments

#### 9.1 Summary of payment provisions

Payments in respect of STNs will be made in accordance with Condition 10 (“Payments”).

#### 9.2 Payments subject to laws

All payments of principal and interest are subject to all applicable fiscal laws and other Directives, but without prejudice to the provisions of Condition 11 (“Taxation”).

#### 9.3 Payments on business days

If a payment:

- (a) is due on an STN on a day which is not a Business Day then the due date for payment will be the next Business Day unless that day falls on the following month, in which case on the previous Business Day; or

- (b) is to be made to an account on a Business Day on which banks are not open for general banking business in the place in which the account is located, then the due date for payment will be the first following day on which banks are open for general banking business in that place,

and in either case, the STN Holder is not entitled to any additional payment in respect of that delay.

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## **10 Payments**

### **10.1 Payments of principal**

Payments of principal in respect of an STN will be made to each person registered at the close of business on the relevant Maturity Date as the holder of that STN.

### **10.2 Payment of interest**

Payments of interest in respect of an STN, if applicable, will be made to each person registered at the close of business on the relevant Record Date as the holder of the STN, unless otherwise specified in the STN Supplement.

### **10.3 Payments to accounts**

The Issuer agrees to make payments in respect of an STN:

- (a) if the STN is held in a Clearing System, by crediting on the relevant payment date, the amount due to the account previously notified by the Clearing System to the Issuer and the Registrar in accordance with the Clearing System's rules and regulations in the country of the currency in which the STN is denominated; and
- (b) if the STN is not held in a Clearing System, subject to Condition 10.4 ("Payments by cheque") by crediting on the relevant payment date, the amount due to an account previously notified by the STN Holder to the Issuer and the Registrar in the country of the currency in which the STN is denominated.

### **10.4 Payments by cheque**

If an STN Holder has not notified the Registrar of an account to which payments to it must be made by close of business in the place where the Register is maintained on the Record Date, the Issuer may make payments in respect of the STNs held by that STN Holder by cheque.

If the Issuer makes a payment in respect of an STN by cheque, the Issuer agrees to send the cheque by prepaid ordinary post on the due date, to the STN Holder (or if two or more persons are entered in the Register as joint STN Holders of the STN, to the first named joint STN Holder) at its address appearing in the Register at close of business in the place where the Register is maintained on the Record Date.

Cheques sent to an STN Holder are sent at the STN Holder's risk and are taken to be received by the STN Holder on the due date for payment. If the Issuer makes a payment in respect of an STN by cheque, the Issuer is not required to pay any additional amount as a result of the STN Holder not receiving payment on the due date in immediately available funds.

### **10.5 No US payments**

No payment of interest will be made to an address in the United States or transferred to an account maintained by the STN Holder in the United States.

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## **11 Taxation**

### **11.1 No set-off, counterclaim or deductions**

All payments in respect of the STNs must be made in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes unless prohibited by law.

### **11.2 Withholding tax**

If a law requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of the STNs such that the STN Holder would not actually receive on the due date the full amount provided for under the STNs, then the Issuer agrees to deduct the amount for the Taxes. **The Issuer has no obligation or liability to reimburse or compensate or make any payment to an STN Holder for or in respect of the amount deducted or withheld amount.**

### **11.3 FATCA**

The Issuer may withhold or make deductions from payments to an STN Holder where it is required to do so under or in connection with FATCA, or where it has reasonable grounds to suspect that the STN Holder or a beneficial owner of STNs may be subject to FATCA, and may deal with such payment in accordance with FATCA. If any withholding or deduction arises under or in connection with FATCA, the Issuer will not be required to pay any further amounts on account of such withholding or deduction or otherwise reimburse or compensate, or make any payment to, an STN Holder or a beneficial owner of STNs for or in respect of any such withholding or deduction. A dealing with such payment in accordance with FATCA satisfies the Issuer's obligations to that STN Holder to the extent of the amount of that payment.

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## **12 Time limit for claims**

### **12.1 Time limit**

A claim against the Issuer for a payment under an STN is void unless presented for payment within 5 years from the Maturity Date.

### **12.2 Discharge of Issuer**

The Issuer is discharged from its obligation to make a payment in respect of an STN to the extent that a cheque which has been duly sent in Australian dollars remains uncashed at the end of the period of 5 years from the Maturity Date.

## **Part 6 General**

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## **13 Agents**

### **13.1 Role of Agents**

In acting under the relevant Agency Agreement and in connection with the STNs, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the STN Holders.

### **13.2 Appointment and replacement of Agents**

Subject to Condition 13.3 ("Required Agents"), the Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor.

### **13.3 Required Agents**

The Issuer must at all times maintain a Registrar.

#### **13.4 Change of Agent Notice**

Notice of any change of a relevant Agent or its Specified Offices must promptly be given to the relevant STN Holders by the Issuer or the Agent on its behalf.

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#### **14 Variation**

##### **14.1 Variation with consent**

Subject to Condition 14.2 (“Variation without consent”), any STN Document (including, without limitation, the STNs, the STN Supplement and these Conditions) may be varied with the consent of the STN Holders of the relevant Series.

##### **14.2 Variation without consent**

The Issuer may vary any STN Document (including, without limitation, the STNs, the STN Supplement and these Conditions) without the consent of the STN Holders if, in the reasonable opinion of the Issuer, the variation:

- (a) is necessary or advisable to comply with any law;
  - (b) is necessary to correct an obvious error, or is otherwise of a formal, technical or administrative nature only;
  - (c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision;
  - (d) is not materially prejudicial to the interests of the STN Holders as a whole; or
  - (e) only applies to STNs issued after the date of the amendment.
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#### **15 Further issues**

The Issuer may from time to time, without the consent of the STN Holders issue further STNs having the same Conditions as the STNs in a particular Series in all respects (or in all respects except for the first payment of interest) so as to form a single series with the STNs of that Series.

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#### **16 Notices**

##### **16.1 Notices to STN Holders**

All notices, certificates, consents, approvals, waivers and other communications in connection with an STN to the STN Holders must be in writing and may be:

- (a) sent by prepaid post (airmail if appropriate) or left at the address of the relevant STN Holder (as shown in the relevant Register at the close of business on the day which is 3 Business Days before the date of the relevant notice or communication);
- (b) given by an advertisement published in the Australian Financial Review or The Australian; or
- (c) if the STN Supplement for the STN specifies an additional or alternate newspaper, given by a publication in that newspaper.

##### **16.2 When effective**

They take effect from the time they are taken to be received unless a latter time is specified in them.

### **16.3 Receipt - publication in newspaper**

If published in a newspaper, communications are taken to be received on the first date that publication has been made in all the required newspapers.

### **16.4 Receipt - postal**

If sent by post, communications are taken to be received on the sixth succeeding Business Day in the place of the addressee.

### **16.5 Non-receipt of notice**

If there are two or more STN Holders, the non-receipt of any notice by, or the accidental omission to give any notice to, an STN Holder does not invalidate the giving of that notice.

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## **17 Currency indemnity**

The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if an STN Holder receives an amount in a currency other than that in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate. It may deduct its usual costs in connection with the conversion; and
- (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion after deducting the costs of the conversion.

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## **18 Governing law and jurisdiction**

### **18.1 Governing law**

The STNs are governed by the law in force in Victoria, Australia.

### **18.2 Jurisdiction**

The Issuer submits to the non-exclusive jurisdiction of the courts of Victoria and courts of appeal from them. The Issuer waives any right it has to object to an action being brought in those courts including by claiming that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

### **18.3 Serving documents**

Without preventing any other method of service, any document in any action may be served on a party by being delivered or left at that party's address in the STN Deed Poll.

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## **19 Interpretation**

### **19.1 Definitions**

In these Conditions the following expressions have the following meanings:

**Agency Agreement** means:

- (a) the Registry Services Agreement; and

- (b) any other agency agreement entered into by the Issuer in relation to an issue of STNs under the Programme.

**Agent** means the Registrar and includes any successor, substitute or additional agent appointed under an Agency Agreement from time to time.

**Alternate Currency** means a currency (other than Australian dollars) which is specified in the relevant STN Supplement.

**Austraclear** means Austraclear Limited (ABN 94 002 060 773).

**Austraclear Regulations** means the regulations known as “Austraclear System Regulations” established by Austraclear to govern the use of the Austraclear System.

**Austraclear System** means the system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between members of that system.

**Business Day** means a day on which commercial banks and foreign exchange markets are open to settle payments and for general business in Sydney and Melbourne.

**Clearing System** means:

- (a) the Austraclear System;
- (b) Euroclear;
- (c) Clearstream; or
- (d) such other clearing system specified in the relevant STN Supplement.

**Clearstream** means Clearstream Banking, société anonyme.

**Condition** means the correspondingly numbered condition in these terms and conditions.

**Corporations Act** means the Corporations Act 2001 of Australia.

**Directive** means:

- (a) a law; or
- (b) a treaty, an official directive, request, regulation, guideline or policy (whether or not having the force of law).

**Euroclear** means the Euroclear System operated by Euroclear Bank S.A./N.V..

**FATCA** means sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (the “**Code**”) (or any consolidation, amendment, re-enactment or replacement of those sections), any current or future regulations or official interpretations issued, agreements entered into pursuant to section 1471(b) of the Code or non-US laws enacted or regulations or practices adopted pursuant to any intergovernmental agreement in connection with the implementation of those sections.

**Information Memorandum** means at any time any current information memorandum (and any supplement to it) prepared on behalf of, and approved by, the Issuer in connection with the issue of STNs and includes:

- (a) all documents incorporated by reference in it; and
- (b) any other information (including an STN Supplement) approved by the Issuer from time to time.



**Interest Commencement Date** means the Issue Date or such other date as may be specified as such in the STN Supplement.

**Issue Date** means the date on which an STN is, or is to be issued.

**Issue Price** means the price at which an STN is issued as specified in the relevant STN Supplement.

**Maturity Date** means, for an STN, the date specified for redemption of that STN.

**Programme** means the debt issuance programme established by the Issuer and described in Condition 1.1 (“**Programme**”).

**Record Date** means, in the case of payments of interest or principal, the close of business in the place where the Register is maintained on the third day before the relevant due date for payment or such other date that may be specified in the relevant STN Supplement.

**Register** means a register, including any branch register, of holders of STNs established and maintained by or on behalf of the Issuer under the Registry Services Agreement.

**Registrar** means in relation to STNs, Austraclear Services Limited (ABN 28 003 284 419) or any other person appointed by the Issuer under the Registry Services Agreement to maintain the Register and perform any payment and other duties as specified in that agreement.

**Registry Services Agreement** means the agreement titled “The ASX Austraclear Registry and IPA Services Agreement” dated on or about 23 August 2011 between the Issuer and the Registrar in relation to the STNs and any other registry services agreement from time to time entered into between the Issuer and a Registrar.

**Series** means an issue of STNs made up of one or more Tranches all of which form a single Series and are issued on the same Conditions except that the Issue Date and Issue Price may be different in respect of a different Tranche of a Series.

**Specified Office** means the office specified in the most recent information memorandum for the Programme or any other address notified to STN Holders.

**STN** means a short term registered debt obligation of the Issuer constituted by, and owing under the STN Deed Poll, the details of which are recorded in, and evidenced by, entry in, the Register.

**STN Deed Poll** means the deed poll executed by the Issuer on or about 11 November 2003 and amended and restated as at 30 October 2019 and previously amended and restated as at 15 May 2007, 12 March 2009 and 23 August 2011.

**STN Documents** means:

- (a) each Agency Agreement;
- (b) the STN Deed Poll;
- (c) these Conditions;
- (d) each STN Supplement; and
- (e) any other document which the Issuer acknowledges in writing to be an STN Document.

**STN Holder** means, for an STN, each person whose name is entered in the Register as the holder of that STN. If an STN is held in a Clearing System, references to the STN Holder of that STN include the operator of that Clearing System or a nominee for that operator or a

common depository for one or more Clearing Systems (in each case acting in accordance with the rules and regulations of the Clearing System or Clearing Systems).

**STN Supplement** means any supplement to the Information Memorandum or to these Conditions prepared and issued in relation to a Tranche of STNs which has been confirmed in writing by the Issuer.

**Taxes** means taxes, levies, imposts, deductions, charges or withholdings and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties and expenses in connection with them.

**Tranche** means an issue of STNs issued on the same Issue Date and on the same Conditions (except that a Tranche may comprise STNs in more than one denomination).

## **19.2 References to certain general terms**

Unless the contrary intention appears, a reference in these Conditions to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) a document (including these Conditions) includes any variation or replacement of it, including any modification, supplement or replacement by any relevant STN Supplement;
- (c) law means common law, principles of equity and laws made by any parliament (and laws made by parliament include federal or state laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (d) Australian dollars or A\$ is a reference to the lawful currency of Australia;
- (e) a time of day is a reference to Melbourne time;
- (f) the word "person" includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (g) a particular person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (h) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (i) anything (including any amount) is a reference to the whole and each part of it; and
- (j) the words "including", "for example" or "such as" when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

## **19.3 Number**

The singular includes the plural and vice versa.

## **19.4 Headings**

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these Conditions.

## **19.5 References**

Unless the contrary intention appears, in these Conditions:

- (a) a reference to an STN Holder is a reference to the holder of STNs of a particular Series; and
- (b) a reference to an STN is a reference to an STN of a particular Series.

# MTN Terms and Conditions

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*The following are the general terms and conditions which, as supplemented, amended and/or replaced by the relevant Pricing Supplement, will apply to each MTN issued under the Debt Issuance Programme of National Australia Bank Limited. Definitions and interpretation provisions are set out in Condition 27 (“Interpretation”).*

## Part 1 Introduction

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### 1 Introduction

#### 1.1 Programme

The MTNs may be issued under a Debt Issuance Programme established on or about 11 November 2003, amended and restated as at 12 February 2021 and previously amended and restated as at 15 May 2007, 12 March 2009, 23 August 2011, 5 March 2014, 5 September 2014, 31 August 2016 and 30 October 2019 by National Australia Bank Limited (“**Issuer**”).

#### 1.2 Pricing Supplement

MTNs issued under the Programme are issued in Series. Subject to Condition 22 (“Further issues”), each Series may comprise one or more Tranches having one or more Issue Dates and on terms otherwise identical (other than in respect of the Issue Price and the first payment of interest and the amounts of interest payable). Each Tranche is the subject of the Pricing Supplement which supplements, amends or replaces these Conditions. In the event of any inconsistency between these Conditions and the relevant Pricing Supplement, the relevant Pricing Supplement prevails.

Copies of the relevant Pricing Supplement are available for inspection or upon request by MTN Holders or prospective MTN Holders during normal business hours at the Specified Office of the Issuer or the Registrar.

#### 1.3 Types of MTNs

Subject to Condition 6.1 (“Forms of Subordinated MTNs”), an MTN may be:

- (a) a Fixed Rate MTN;
- (b) a Floating Rate MTN;
- (c) a Zero Coupon MTN;
- (d) a Structured MTN,

or any other type of MTN specified in the relevant Pricing Supplement.

#### 1.4 Clearing system

MTNs may be held in a Clearing System. If MTNs are held in a Clearing System, the rights of each MTN Holder and any other person holding an interest in those MTNs are subject to the rules and regulations of the Clearing System, provided that, in the case of Subordinated MTNs, such rules and regulations do not affect any provisions in these Conditions which affect the eligibility of the Subordinated MTNs as Tier 2 Capital of the Issuer. The Issuer is not responsible for anything the Clearing System does or omits to do.

## Part 2 Form, Denomination and Title

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### 2 Form

#### 2.1 Form

The MTNs are issued in registered form. No certificates will be issued to MTN Holders unless the Issuer determines that certificates should be available or are required by any applicable law or regulation.

#### 2.2 Constitution under MTN Deed Poll

The MTNs are registered debt obligations of the Issuer, constituted by, and owing under, the MTN Deed Poll and take the form of entries in the Register. Each entry in the Register constitutes a separate and individual acknowledgement to the relevant MTN Holder of the indebtedness of the Issuer to the relevant MTN Holder.

#### 2.3 Independent obligations

The obligations of the Issuer in respect of each MTN constitute separate and independent obligations which the MTN Holder to whom those obligations are owed is entitled to enforce without having to join any other MTN Holder or any predecessor in title of an MTN Holder.

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### 3 Denomination

MTNs must be issued in a single specified Denomination. Unless the relevant Pricing Supplement states otherwise, MTNs of one Denomination may not be exchanged for MTNs of another Denomination.

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### 4 Currency

The MTNs must be denominated in Australian dollars or an Alternate Currency specified in the relevant Pricing Supplement.

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### 5 Status

#### 5.1 Nature of obligations

The MTNs may be issued as unsubordinated or subordinated debt obligations, as specified in the relevant Pricing Supplement.

**The MTNs do not constitute a deposit liability of the Issuer and will not be a protected account for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act or of the Financial Claims Scheme established under Division 2AA of Part II of the Banking Act. In addition, MTNs are not guaranteed or insured by any government, government agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction or by any other party.**

#### 5.2 Status and ranking: Unsubordinated MTNs

The Unsubordinated MTNs constitute direct, unconditional and unsecured obligations of the Issuer, ranking equally among themselves and at least equally with all other unsecured and unsubordinated obligations of the Issuer, except for liabilities mandatorily preferred by law.

The Unsubordinated MTNs rank senior to the Issuer's subordinated obligations, including all Subordinated MTNs.

### 5.3 Status and ranking: Subordinated MTNs

The Subordinated MTNs constitute direct and unsecured and subordinated obligations of the Issuer. Subordinated MTNs rank in a Winding Up of the Issuer:

- (a) behind all claims of Senior Creditors;
- (b) *pari passu* among themselves; and
- (c) subject to Condition 13 (“Conversion or Write-Off of Subordinated MTNs on Non-Viability Trigger Event”), *pari passu* with Equal Ranking Instruments and ahead of Junior Ranking Instruments.

The Subordinated MTNs do not limit the amount of senior debt, deposits or other obligations that may be incurred or assumed by the Issuer at any time.

### 5.4 Conditions to payment

At any time prior to a Winding Up of the Issuer in Australia:

- (a) payment by the Issuer of interest, principal or any other amount owing to a Subordinated MTN Holder in connection with a Subordinated MTN is conditional upon the Issuer being Solvent at the time the payment is due; and
- (b) the Issuer must not pay an amount owing to a Subordinated MTN Holder in connection with a Subordinated MTN except to the extent that the Issuer may pay that amount and still be Solvent immediately after paying that amount.

### 5.5 Certificate as to Solvency

A certificate as to whether the Issuer is Solvent signed by:

- (a) two directors of the Issuer;
- (b) the auditors of the Issuer; or
- (c) on a Winding Up of the Issuer, the Issuer’s liquidator,

is, in the absence of manifest error, conclusive evidence against a Subordinated MTN Holder of the matters certified. In the absence of such certificate, a Subordinated MTN Holder is entitled to assume (unless the contrary is proved) that the Issuer is and will, after any payment, be Solvent.

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## 6 Subordination

### 6.1 Forms of Subordinated MTNs

Subordinated MTNs may not be issued as Structured MTNs or Zero Coupon MTNs.

### 6.2 Acknowledgment

Each Subordinated MTN Holder by its purchase of a Subordinated MTN, is taken to acknowledge that the Issuer’s obligations in respect of that Subordinated MTN are subordinated to the claims of all Senior Creditors, as stated in Condition 5.3 (“Status and ranking: Subordinated MTNs”) and Condition 6.3 (“Subordination”).

### 6.3 Subordination

- (a) **(Winding Up)** In a Winding Up of the Issuer, a Subordinated MTN Holder’s claim for an amount owing by the Issuer in connection with a Subordinated MTN is subordinated to the claims of Senior Creditors of the Issuer, in that:

- (i) all claims of Senior Creditors must be paid in full before the Subordinated MTN Holder's claim is paid; and
  - (ii) until the Senior Creditors have been paid in full, the Subordinated MTN Holder must not claim in the Winding Up in competition with the Senior Creditors so as to diminish any distribution, dividend or payment which, but for that claim, the Senior Creditors would have been entitled to receive.
- (b) **(debt subordination)** Each Subordinated MTN Holder irrevocably acknowledges and agrees that this Condition 6.3 ("Subordination") is a debt subordination for the purposes of section 563C of the Corporations Act.
  - (c) **(voting)** Each Subordinated MTN Holder must not exercise its voting rights as an unsecured creditor in the Winding Up or administration of the Issuer to defeat the subordination in this Condition 6.3 ("Subordination").
  - (d) **(not otherwise affected)** Each Subordinated MTN Holder irrevocably acknowledges and agrees that the debt subordination effected by this Condition 6.3 ("Subordination") is not affected by any act or omission of the Issuer or a Senior Creditor which might otherwise affect it at law or in equity.
  - (e) **(clawback)** Each Subordinated MTN Holder irrevocably acknowledges and agrees that it must pay or deliver to the liquidator any amount or asset received on account of its claim in the Winding Up of the Issuer in connection with a Subordinated MTN in excess of its entitlement under Condition 6.3(a) ("Subordination") above.
  - (f) **(consent of Senior Creditors not required)** Nothing in this Condition 6.3 ("Subordination") shall be taken to require the consent of any Senior Creditor to any amendment of this Condition 6.3 ("Subordination").
  - (g) **(no set-off)** (i) A Subordinated MTN Holder does not have any right to set-off any amounts owing to it by the Issuer in connection with the Subordinated MTNs against any amount owing by it to the Issuer in connection with the Subordinated MTNs or otherwise; and (ii) the Issuer does not have any right to set-off any amounts owing to it by a Subordinated MTN Holder against any amount owing by it to the Subordinated MTN Holder in connection with the Subordinated MTNs.

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## **7 Title and transfer of MTNs**

### **7.1 Registered form**

Each MTN takes the form of an entry in the Register.

### **7.2 Title**

Title to MTNs passes when details of the transfer are entered in the Register. The Register will be closed for the purpose of determining entitlements to payments of interest and principal at 5.00pm local registry office time on the Record Date prior to any relevant payment date.

### **7.3 Effect of entries in Register**

Each entry in the Register in respect of an MTN constitutes:

- (a) an unconditional and irrevocable undertaking by the Issuer to the MTN Holder to make all payments of principal and interest in respect of the MTN in accordance with these Conditions; and
- (b) an entitlement to the other benefits given to the MTN Holders under these Conditions in respect of the relevant MTN.

#### **7.4 Register conclusive as to ownership**

Entries in the Register in relation to an MTN constitute conclusive evidence that the person so entered is the absolute owner of the MTN subject to correction for fraud or error.

#### **7.5 Non-recognition of interests**

Except as required by law, the Issuer and each Agent must treat the person whose name is entered in the Register as the holder of an MTN as the absolute owner of that MTN. This Condition 7.5 ("Non-recognition of interests") applies whether or not an MTN is overdue and despite any notice of ownership, trust or interest in the MTN.

#### **7.6 Joint holders**

Where two or more persons are entered in the Register as the joint holders of an MTN:

- (a) they are taken to hold the MTN as joint tenants with rights of survivorship, but the Registrar is not bound to register more than four persons as joint holders of an MTN; and
- (b) a payment to any one joint holder of an MTN will discharge the Issuer's liability in respect of the payment.

#### **7.7 Transfers in whole**

MTNs may be transferred in whole but not in part.

#### **7.8 Compliance with laws**

- (a) MTNs may only be transferred pursuant to offers received in Australia if:
  - (i) the aggregate consideration payable at the time of transfer is at least A\$500,000 (disregarding moneys lent by the transferor or its associates) or the MTNs are otherwise transferred in a manner which does not require disclosure in accordance with Part 6D.2 or Chapter 7 of the Corporations Act; and
  - (ii) the transfer does not constitute an offer to a "retail client" as defined for the purposes of section 761G of the Corporations Act.
- (b) MTNs may only be transferred between persons in a jurisdiction or jurisdictions other than Australia if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place and the transfer of the MTNs otherwise does not require disclosure to investors in accordance with the laws of the jurisdiction in which the transfer takes place.

#### **7.9 Transfer procedures**

MTNs entered into a Clearing System will be transferable only in accordance with the regulations of that Clearing System and the Registry Services Agreement.

Application for the transfer of MTNs not entered into a Clearing System must be made by the lodgment of a transfer form with the Registrar at its Specified Office. Transfer forms must be in the form available from the Registrar. Each transfer form must be:

- (a) duly completed;
- (b) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly executed; and
- (c) signed by both the transferor and the transferee.



## **7.10 CHESS**

MTNs listed on the ASX are not:

- (a) transferred through, or registered on, the CHESS; or
- (b) “Approved Financial Products” (as defined for the purposes of that system).

## **7.11 Austraclear as MTN Holder**

Where Austraclear is recorded in the relevant Register as the MTN Holder, each person in whose Security Record (as defined in the Austraclear Regulations) an MTN is recorded is deemed to acknowledge in favour of the Registrar, the Issuer and Austraclear that:

- (a) the Registrar’s decision to act as the Registrar of that MTN is not a recommendation or endorsement by the Registrar or Austraclear in relation to that MTN, but only indicates that the Registrar considers that the holding of the MTNs is compatible with the performance by it of its obligations as Registrar under the Registry Services Agreement; and
- (b) the MTN Holder does not rely on any fact, matter or circumstance contrary to Condition 7.11(a) (“Austraclear as MTN Holder”).

## **7.12 Transfers of unidentified MTNs**

If an MTN Holder transfers some but not all of the MTNs of a Series that it holds and the transfer form does not identify the specific MTNs transferred, the Registrar may choose which MTNs registered in the name of the Holder have been transferred. However:

- (a) the MTNs registered as transferred must be of the same Series as the MTNs expressed to be transferred in the transfer form; and
- (b) the aggregate principal amount of the MTNs registered as transferred must equal the aggregate principal amount of the MTNs expressed to be transferred in the transfer form.

## **Part 3 Interest**

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### **8 Fixed Rate MTNs**

#### **8.1 Application**

This Condition 8 (“Fixed Rate MTNs”) applies to the MTNs only if the relevant Pricing Supplement states that it applies.

#### **8.2 Interest on Fixed Rate MTNs**

Each Fixed Rate MTN bears interest on its Outstanding Principal Amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear on each Interest Payment Date.

#### **8.3 Fixed Coupon Amount**

Unless otherwise specified in the Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of each Fixed Rate MTN for the preceding Interest Period is the Fixed Coupon Amount.

#### **8.4 Calculation of interest payable on Fixed Rate MTNs**

If the Pricing Supplement does not specify a Fixed Coupon Amount for any Interest Period, on the first day of the Interest Period the Calculation Agent must calculate the amount of interest payable on any Fixed Rate MTN for the Interest Period.

Unless otherwise specified in the Pricing Supplement, the amount of interest payable is calculated by multiplying the Interest Rate for the Interest Period, the Outstanding Principal Amount of the Fixed Rate MTN and the applicable Day Count Fraction.

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### **9 Floating Rate MTNs**

#### **9.1 Application**

This Condition 9 (“Floating Rate MTNs”) applies to the MTNs only if the relevant Pricing Supplement states that it applies.

#### **9.2 Interest on Floating Rate MTNs**

Each Floating Rate MTN bears interest on its Outstanding Principal Amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the relevant Pricing Supplement, each date which falls the number of months or other period specified as the Specified Period in the relevant Pricing Supplement after the preceding Interest Payment Date, or in the case of the first Interest Payment Date, after the Interest Commencement Date.

#### **9.3 Interest Rate determination**

- (a) The Interest Rate for a Floating Rate MTN for each Interest Period is the sum of the Margin and the Base Rate.
- (b) The Calculation Agent must determine the Interest Rate for any Floating Rate MTN for an Interest Period in accordance with these Conditions and the Pricing Supplement.

#### **9.4 Interpolation**

If the Pricing Supplement states that “Linear Interpolation” applies to an Interest Period, the Calculation Agent must determine the Interest Rate for that Interest Period using straight line interpolation by reference to two Base Rates, in each case, as specified in the Pricing Supplement. For these purposes:

- (a) the first such rate must be determined as if the Interest Period were the period of time for which rates are available next shorter than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement); and
- (b) the second such rate must be determined as if the Interest Period were the period of time for which rates are available next longer than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

#### **9.5 Base Rate Disruption Event**

In respect of a Floating Rate MTN for which the Pricing Supplement specifies “Screen Rate Determination” or “Bank Bill Rate Determination” (each as referred to in the definition of Base Rate) as the method for determining the Base Rate, if the Calculation Agent determines that

a Base Rate Disruption Event has occurred, then (subject, in respect of any Subordinated MTNs, to APRA's prior written approval), the Calculation Agent:

- (a) shall use as the Base Rate such Alternative Base Rate as it may determine in accordance with these Conditions;
- (b) shall make such adjustments to these Conditions as it determines are reasonably necessary to calculate interest in accordance with such Alternative Base Rate; and
- (c) in making the determinations under paragraphs (a) and (b) above:
  - (i) shall act in good faith and in a commercially reasonable manner;
  - (ii) may consult with such sources of market practice as it considers appropriate; and
  - (iii) may otherwise make such determination in its discretion.

*Holders should note that APRA's approval may not be given for any Alternative Base Rate it considers to have the effect of increasing the Interest Rate contrary to applicable prudential standards.*

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## **10 Structured MTNs**

### **10.1 Application**

This Condition 10 ("Structured MTNs") applies to the MTNs only if the relevant Pricing Supplement states that it applies.

### **10.2 Interest on Structured MTNs**

Each Structured MTN bears interest on its Outstanding Principal Amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the relevant Pricing Supplement, each date which falls the number of months or other period specified as the Specified Period in the relevant Pricing Supplement after the preceding Interest Payment Date (or in the case of the first Interest Payment Date, after the Interest Commencement Date).

### **10.3 Interest Rate determination**

The Interest Rate payable in respect of a Structured MTN must be determined in the manner specified in the relevant Pricing Supplement.

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## **11 General provisions applicable to interest**

### **11.1 Maximum or Minimum Interest Rate**

If the relevant Pricing Supplement specifies a Maximum Interest Rate or Minimum Interest Rate for any Interest Period then, the Interest Rate for that Interest Period must not be greater than the maximum, or be less than the minimum, so specified. The Pricing Supplement in respect of any Subordinated MTNs may not specify a Minimum Interest Rate and/or a Maximum Interest Rate.

## **11.2 Calculation of Interest Rate and interest payable**

The Calculation Agent must, as soon as practicable after determining the Interest Rate in relation to each Interest Period for each Floating Rate MTN and Index Linked MTN, calculate the amount of interest payable for the relevant Interest Period in respect of the Outstanding Principal Amount of each MTN. The amount of interest payable is calculated by multiplying the Interest Rate for that Interest Period, the Outstanding Principal Amount of the MTN and the applicable Day Count Fraction.

## **11.3 Determination and calculation of other amounts**

If the relevant Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent must, as soon as practicable after the time at which that amount is to be determined, calculate the relevant amount. The relevant amount must be calculated by the Calculation Agent in the manner specified in the relevant Pricing Supplement.

## **11.4 Notification of Interest Rate, interest payable and other things**

The Calculation Agent must notify the Issuer, the Registrar, the relevant MTN Holders and any stock exchange or other relevant authority on which the relevant Floating Rate MTNs or Index Linked MTNs are listed of:

- (a) each Interest Rate, the amount of interest payable and each other amount, item or date calculated or determined by it together with the relevant Interest Payment Date; and
- (b) any amendment to any amount, item or date referred to in paragraph (a) arising from any extension or reduction in any relevant Interest Period or calculation period.

The Calculation Agent must give notice under this Condition as soon as practicable after it makes its determination. However, it must give notice of each Interest Rate, the amount of interest payable and each Interest Payment Date by the fourth day of the relevant Interest Period.

The Calculation Agent may amend its determination of any amount, item or date (or make appropriate alternative arrangements by way of adjustment) as a result of the extension or reduction of the Interest Period without prior notice but must notify the Issuer, the Registrar and each stock exchange or other relevant authority on which the relevant Floating Rate MTNs or Index Linked MTNs are listed and the MTN Holders after doing so.

## **11.5 Determination and calculation final**

Except where there is an obvious error, any determination or calculation which is made by or on behalf of the Issuer in accordance with these Conditions is final and binds the Issuer, the Registrar, each Agent and each MTN Holder.

## **11.6 Late payment of MTNs other than Zero Coupon MTNs**

If the Redemption Amount payable in respect of an MTN (other than a Zero Coupon MTN) is not paid when due, interest continues to accrue on that MTN (both before and after any demand or judgment) at the Interest Rate then applicable to the Outstanding Principal Amount of the MTN or any other default rate specified in the relevant Pricing Supplement until the date on which the relevant payment is made to the relevant MTN Holder.

## **11.7 Late payment of Zero Coupon MTNs**

If the Redemption Amount payable in respect of any Zero Coupon MTN is not paid when due, the Redemption Amount is an amount equal to the sum of:

- (a) the Reference Price; and

- (b) the amount resulting from the application of the Accrual Yield (compounded annually) to the Reference Price from (and including) the Issue Date to (but excluding) the date on which all sums due in respect of such MTN are received by or on behalf of the relevant MTN Holder.

## **11.8 Rounding**

For the purposes of any calculations required under these Conditions (unless otherwise specified in these Conditions or the relevant Pricing Supplement):

- (a) all percentages resulting from the calculations must be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.);
- (b) all figures must be rounded to five significant figures (with halves being rounded up); and
- (c) all amounts that are due and payable in respect of a Holder's aggregate holding of MTNs of a Series must be rounded to the nearest cent (with halves being rounded up).

## **Part 4 Redemption, purchase and options**

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### **12 Redemption**

#### **12.1 Scheduled redemption**

Each MTN is redeemable by the Issuer on the Maturity Date at its Redemption Amount unless:

- (a) the MTN has been previously redeemed;
- (b) the MTN has been purchased and cancelled;
- (c) in relation to a Subordinated MTN only, the Subordinated MTN has been Converted or Written-Off as provided in Condition 13 ("Conversion or Write-Off of Subordinated MTNs on Non-Viability Trigger Event"); or
- (d) the relevant Pricing Supplement states that the MTN has no fixed maturity date.

#### **12.2 Early redemption for taxation reasons**

If the Issuer is required under Condition 16.2 ("Withholding tax") to increase the amount of a payment in respect of an MTN, the Issuer may redeem all (but not some) of the MTNs of a Series in whole before their Maturity Date for an amount in respect of each MTN equal to its Redemption Amount and any interest accrued on it to (but excluding) the redemption date (unless, in the case of Unsubordinated MTNs only, the Pricing Supplement specifies some other amount payable on redemption of the MTN).

However, the Issuer may only do so if:

- (a) the Issuer has given at least 30 days' (and no more than 60 days') notice to the relevant Agents and the MTN Holders;
- (b) before the Issuer gives the notice under paragraph (a), the Registrar has received:
  - (i) a certificate signed by two authorised officers of the Issuer; and
  - (ii) an opinion of independent legal advisers of recognised standing in the jurisdiction of incorporation of the Issuer,

that the Issuer would be required under Condition 16.2 (“Withholding tax”) to increase the amount of the next payment due in respect of the MTNs of that Series;

- (c) in the case of Fixed Rate MTNs, no notice of redemption is given earlier than 90 days before the earliest date on which the Issuer would be obliged to pay the Additional Amounts were a payment in respect of the MTNs then due;
- (d) in the case of Floating Rate MTNs and Index Linked MTNs:
  - (i) the proposed redemption date is an Interest Payment Date; and
  - (ii) no notice of redemption is given earlier than 60 days before the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay the Additional Amounts of a payment in respect of the MTNs then due; and
- (e) in the case of Subordinated MTNs:
  - (i) the Issuer is required under Condition 16.2 (“Withholding tax”) to increase the amount of a payment in respect of a Subordinated MTN as a result of any change (including any announcement of any change that will be introduced) in or amendment to the laws or regulations of Australia or any political subdivision thereof or any authority therein or any change in the application or official interpretation of such laws or regulations which change or amendment becomes effective on or after the Issue Date of the Subordinated MTNs of that Series, which event the Issuer did not expect as at the Issue Date of that Subordinated MTN (including where Subordinated MTNs are issued as a Tranche consolidated with an existing Series, as at the date of issue of that Tranche);
  - (ii) the Issuer has obtained the prior written approval of APRA; and
  - (iii) either:
    - (A) the Subordinated MTNs the subject of the redemption are replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the instrument is done under conditions that are sustainable for the Issuer’s income capacity; or
    - (B) the Issuer obtains confirmation from APRA that APRA is satisfied that the capital position of the Issuer Level 1 Group and the Issuer Level 2 Group will remain adequate after the Issuer elects to redeem the Subordinated MTNs.

*Subordinated MTN Holders should not expect that APRA’s approval will be given for any redemption of Subordinated MTNs.*

### **12.3 Early redemption of Subordinated MTNs for other taxation reasons**

If the relevant Pricing Supplement states that the Issuer may redeem all (but not some) of the Subordinated MTNs of a Series before their Maturity Date under this Condition 12.3 (“Early redemption of Subordinated MTNs for other taxation reasons”), the Issuer may redeem all (but not some) of the Subordinated MTNs of a Series in whole before their Maturity Date for an amount in respect of each Subordinated MTN equal to its Redemption Amount and any interest accrued on it to (but excluding) the redemption date if:

- (i) the Issuer determines, following receipt by it or a Related Entity of an opinion of reputable legal counsel or other tax adviser in Australia, experienced in such matters, or a ruling, confirmation or advice from the ATO to the effect that interest payable in respect of the Subordinated MTNs is not or may not be allowed as a deduction to the Issuer (or the head entity of any consolidated

group of which the Issuer is a member) for Australian income tax purposes;  
or

- (ii) the Issuer or the consolidated tax group of which it is a member would be exposed to more than a *de minimis* amount of other taxes, levies, imposts, charges and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties and expenses in connection with them, assessments or other governmental charges in connection with any Subordinated MTN,

in each case, as a result of any change (including any announcement of any change that will be introduced) in or amendment to the laws or regulations of Australia or any political subdivision thereof or any authority therein or any change in the application or official interpretation of such laws or regulations which change or amendment becomes effective on or after the Issue Date of the Subordinated MTNs of that Series, which event the Issuer did not expect as at the Issue Date of that Subordinated MTN (including where Subordinated MTNs are issued as a Tranche consolidated with an existing Series, as at the date of issue of that Tranche).

However, the Issuer may only do so if:

- (a) the Issuer has given at least 30 days' (and no more than 60 days') notice (unless specified otherwise in the Pricing Supplement) to the relevant Agents and the Subordinated MTN Holders;
- (b) before the Issuer gives the notice under paragraph (a), the Registrar has received:
  - (i) a certificate signed by two authorised officers of the Issuer; and
  - (ii) an opinion of independent legal advisers of recognised standing in the jurisdiction of incorporation of the Issuer,that an event described in this Condition 12.3 ("Early redemption of Subordinated MTNs for other taxation reasons") has occurred;
- (c) the Issuer has obtained the prior written approval of APRA; and
- (d) either:
  - (i) the Subordinated MTNs the subject of the redemption are replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the instrument is done under conditions that are sustainable for the Issuer's income capacity; or
  - (ii) the Issuer obtains confirmation from APRA that APRA is satisfied that the capital position of the Issuer Level 1 Group and the Issuer Level 2 Group will remain adequate after the Issuer elects to redeem the Subordinated MTNs.

*Subordinated MTN Holders should not expect that APRA's approval will be given for any redemption of Subordinated MTNs.*

#### **12.4 Early redemption of Subordinated MTNs for regulatory reasons**

If the relevant Pricing Supplement states that the Issuer may redeem all or some of the Subordinated MTNs of a Series before their Maturity Date under this Condition, the Issuer may redeem all or some of the Subordinated MTNs of a Series before their Maturity Date for an amount in respect of each Subordinated MTN redeemed equal to its Redemption Amount and any interest accrued on it to (but excluding) the redemption date if a Regulatory Event occurs.

For the purpose of this Condition 12.4 (“Early redemption of Subordinated MTNs for regulatory reasons”), “**Regulatory Event**” means a determination by the Directors of the Issuer, having received:

- (i) an opinion from a reputable legal counsel that, as a result of any amendment to, clarification of or change (including any announcement of any change that will be introduced) in any law or regulation of the Commonwealth of Australia or any political subdivision thereof or any authority thereof or therein, or any official administrative pronouncement or action or judicial decision interpreting such laws or regulations, or any direction, order, standard, requirement, guideline or statement of APRA (whether or not having the force of law), in each case which amendment, clarification or change is effective, or pronouncement, action or decision is approved, after the Issue Date; or
- (ii) a written statement from APRA after the Issue Date,

that the Issuer is not or will not be entitled to treat all of the Subordinated MTNs as Tier 2 Capital, which event the Issuer did not expect as at the Issue Date of that Subordinated MTN (including where Subordinated MTNs are issued as a Tranche consolidated with an existing Series, as at the date of issue of that Tranche).

However, the Issuer may only do so if:

- (a) the Issuer has given at least 30 days’ (and no more than 60 days’) notice (unless specified otherwise in the Pricing Supplement) to the relevant Agents and the Subordinated MTN Holders;
- (b) the Issuer has obtained the prior written approval of APRA; and
- (c) either:
  - (i) the Subordinated MTNs the subject of the redemption are replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the instrument is done under conditions that are sustainable for the Issuer’s income capacity; or
  - (ii) the Issuer obtains confirmation from APRA that APRA is satisfied that the capital position of the Issuer Level 1 Group and the Issuer Level 2 Group will remain adequate after the Issuer elects to redeem the Subordinated MTNs.

*Subordinated MTN Holders should not expect that APRA’s approval will be given for any redemption of Subordinated MTNs.*

## **12.5 Early redemption at the option of MTN Holders (investor put)**

If the relevant Pricing Supplement states that an MTN Holder may require the Issuer to redeem all or some of the MTNs of a Series held by that MTN Holder before their Maturity Date under this Condition, the Issuer must redeem the MTNs specified by that MTN Holder for an amount in respect of each MTN specified equal to its Redemption Amount and (unless otherwise specified in the Pricing Supplement) any interest accrued on it to (but excluding) the redemption date (or such other amount as may be specified in the Pricing Supplement) if the following conditions are satisfied:

- (a) the amount of MTNs to be redeemed is, or is a multiple of, their Denomination;
- (b) the MTN Holder has given at least 15 days’ (and no more than 30 days’) (or any other period which may be specified in the relevant Pricing Supplement) notice, to the Issuer and the Registrar by delivering to the Specified Office of the Registrar during normal business hours a completed and signed redemption notice in the form obtainable from the Specified Office of the Registrar together with any evidence the Registrar may require to establish title of the MTN Holder to the relevant MTN.



A notice or document deposited under this Condition 12.5 (“Early redemption at the option of MTN Holders (investor put)”) may not be withdrawn without the Issuer’s consent;

- (c) the notice referred to in paragraph (b) specifies a bank account to which the payment should be made or an address to where a cheque for payment should be sent;
- (d) the proposed redemption date is an Early Redemption Date (Put); and
- (e) any other condition specified in the relevant Pricing Supplement is satisfied.

An MTN Holder may not require the Issuer to redeem any MTN under this Condition 12.5 (“Early redemption at the option of MTN Holders (investor put)”) if the Issuer has given notice that it will redeem that MTN under Condition 12.2 (“Early redemption for taxation reasons”) or Condition 12.6 (“Early redemption at the option of the Issuer (Issuer call)”).

Subordinated MTNs may not contain an investor put option.

## **12.6 Early redemption at the option of the Issuer (Issuer call)**

If the relevant Pricing Supplement states that the Issuer may redeem all or some of the MTNs of a Series before their Maturity Date under this Condition, the Issuer may redeem those MTNs for an amount in respect of each MTN redeemed equal to its Redemption Amount and any interest accrued on it to (but excluding) the redemption date (unless, in the case of Unsubordinated MTNs only, the Pricing Supplement specifies some other amount payable on redemption of the MTN).

However, the Issuer may only do so if:

- (a) the amount of MTNs to be redeemed is, or is a multiple of, their Denomination;
- (b) the Issuer has given at least 30 days’ (and no more than 60 days’) (or any other period specified in the relevant Pricing Supplement) notice to the relevant Agents and the MTN Holders;
- (c) the proposed redemption date is an Early Redemption Date (Call) (which, in the case of a Subordinated MTN, may not be before the fifth anniversary of the Issue Date of that Subordinated MTN); and
- (d) in the case of Subordinated MTNs:
  - (i) the Issuer has obtained the prior written approval of APRA; and
  - (ii) either:
    - (A) the Subordinated MTNs the subject of the redemption are replaced concurrently or beforehand with Regulatory Capital of the same or better quality and the replacement of the instrument is done under conditions that are sustainable for the Issuer’s income capacity; or
    - (B) the Issuer obtains confirmation from APRA that APRA is satisfied that the capital position of the Issuer Level 1 Group and the Issuer Level 2 Group will remain adequate after the Issuer elects to redeem the Subordinated MTNs.

*Subordinated MTN Holders should not expect that APRA’s approval will be given for any redemption of Subordinated MTNs.*

## 12.7 Instalments

The Issuer agrees to redeem each Instalment MTN in instalments by paying to the MTN Holder on each Instalment Date the Instalment Amount due on that Instalment Date.

The principal amount of each Instalment MTN reduces from the date, and by the amount, of each payment the Issuer makes under this Condition 12.7 (“Instalments”).

## 12.8 Effect of notice of redemption

Subject to Condition 13 in the case of Subordinated MTNs, a notice of redemption given under this Condition 12 (“Redemption”) is irrevocable.

## 12.9 Purchases

The Issuer, any subsidiary or any other Related Entity of the Issuer may at any time purchase MTNs in the open market or otherwise and at any price, subject, in the case of Subordinated MTNs, to the prior written approval of APRA. All unmatured MTNs purchased under this Condition 12.9 (“Purchases”) are not extinguished (unless held beneficially by the Issuer at the Maturity Date) and, to the extent held beneficially by the Issuer prior to that Maturity Date, may be held, resold or cancelled at the discretion of the Issuer, subject to compliance with all legal and regulatory requirements.

*Subordinated MTN Holders should not expect that APRA’s approval will be given for any purchase of Subordinated MTNs.*

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## 13 Conversion or Write-Off of Subordinated MTNs on Non-Viability Trigger Event

This Condition 13 (“Conversion or Write-Off of Subordinated MTNs on Non-Viability Trigger Event”) applies only to Subordinated MTNs issued by the Issuer. The Schedule to these Conditions (including the defined terms therein) shall be deemed to form part of, and be incorporated in, this Condition 13 (“Conversion or Write-Off of Subordinated MTNs on Non-Viability Trigger Event”).

### 13.1 Non-Viability Trigger Event

A “**Non-Viability Trigger Event**” occurs when APRA has provided a written determination (“**Non-Viability Determination**”) to the Issuer that:

- (a) the conversion or write-off of Relevant Capital Instruments of the Issuer is necessary because without the conversion or write-off, APRA considers that the Issuer would become non-viable; or
- (b) without a public sector injection of capital into, or equivalent support with respect to, the Issuer, APRA considers that the Issuer would become non-viable.

The date on which a Non-Viability Trigger Event occurs under Condition 13.1(a) or 13.1(b) is a “**Conversion Date**”.

### 13.2 Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted

- (a) Where, on the Conversion Date, a Non-Viability Trigger Event occurs under Condition 13.1(a), the Issuer must immediately convert or write-off:
  - (i) all Relevant Capital Instruments then outstanding (including the Subordinated MTNs in accordance with this Condition 13.2 (“Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted”)); or
  - (ii) where the Issuer satisfies APRA that conversion or write-off of a proportion of Relevant Capital Instruments will be sufficient to ensure that the Issuer does not become non-viable, that proportion.

- (b) Where clause 13.2(a)(ii) applies, the Issuer must immediately Convert or Write-Off an aggregate principal amount of Subordinated MTNs in accordance with Condition 13.4 (“Conversion of Subordinated MTNs”) or Condition 13.11 (“Write-Off of Subordinated MTNs”) (whichever is applicable) and the aggregate principal amount of other Relevant Tier 2 Capital Instruments which will be converted or be written-off, such amount to be determined on the following basis:
- (i) first, the Issuer must convert into Ordinary Shares or write-off all Relevant Tier 1 Capital Instruments; and
  - (ii) second, to the extent the amount of Relevant Capital Instruments required to be converted or written-off exceeds the aggregate principal amount of Relevant Tier 1 Capital Instruments (and unless APRA has withdrawn the Non-Viability Determination), the Issuer must convert into Ordinary Shares or write-off Relevant Tier 2 Capital Instruments (including Subordinated MTNs in accordance with either Condition 13.4 (“Conversion of Subordinated MTNs”) or Condition 13.11 (“Write-Off of Subordinated MTNs”) (whichever is applicable)), in an aggregate principal amount equal to the amount of that excess and, in doing so:
    - (A) the Issuer will endeavour to treat Subordinated MTN Holders on an approximately proportionate basis but may discriminate to take account of logistical considerations and the need to effect the Conversion or Write-Off of Subordinated MTNs and conversion or write-off of other Relevant Tier 2 Capital Instruments immediately; and
    - (B) where the specified currency of Relevant Tier 2 Capital Instruments is not the same for all Relevant Tier 2 Capital Instruments, may treat them as if converted into a single currency of the Issuer’s choice at such rate of exchange as the Issuer considers reasonable but may make adjustments among Subordinated MTN Holders and holders of other Relevant Tier 2 Capital Instruments having regard to the need to effect Conversion immediately.
- (c) Where, on the Conversion Date, a Non-Viability Trigger Event occurs under Condition 13.1(b), the Issuer must immediately convert or write-off all Relevant Capital Instruments then outstanding (including the Subordinated MTNs) in accordance with this Condition 13.2 (“Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted”).

*APRA will not approve partial conversion or partial write-off in those exceptional circumstances where a public sector injection of funds is deemed necessary.*

### **13.3 General provisions relating to Conversion and Write-Off**

- (a) A Non-Viability Determination takes effect, and the Issuer must perform the obligations in respect of the determination, immediately on the day it is received by the Issuer, whether or not such day is a Business Day (as defined in the Schedule to these Conditions).
- (b) To the extent that a Subordinated MTN has been Converted or Written-Off in part then:
  - (i) the Issuer shall notify the Registrar of the principal amount of such Subordinated MTN that has been Converted or Written-Off and instruct the Registrar to reflect this Conversion or Write-Off (as applicable) in the Register so that the principal amount of such Subordinated MTN is reduced to an amount equal to the non-Converted or non-Written-Off (as applicable) portion of the principal amount of such Subordinated MTN;

- (ii) the Redemption Amount, the Denomination, Outstanding Principal Amount and any related amount shall be reduced in the same proportion as the principal amount Converted or Written-Off in respect of that Subordinated MTN bears to the principal amount of that Subordinated MTN before such Conversion or Write-Off; and
- (iii) for the purposes of any interest calculation, the interest amount of such Subordinated MTN and any related amount (including, in the case of a Fixed Rate MTN, any Fixed Coupon Amount specified in the Pricing Supplement) shall be determined as follows:
  - (A) in the case of a Floating Rate MTN or a Fixed Rate MTN where the Pricing Supplement does not specify a Fixed Coupon Amount, or where it is necessary to calculate interest for any period other than an Interest Period, the amount shall be calculated for the whole of the Interest Period to which the payment relates on the basis of the Outstanding Principal Amount, as reduced in accordance with Condition 13.3(b)(ii) on account of the Conversion or Write-Off; and
  - (B) in the case of a Fixed Rate MTN where the Pricing Supplement specifies a Fixed Coupon Amount, the Fixed Coupon Amount specified in the Pricing Supplement shall be reduced in the same proportion as the Denomination and the Outstanding Principal Amount of the Fixed Rate MTN is reduced in accordance with Condition 13.3(b)(ii) on account of the Conversion or Write-Off.
- (c) In Converting or Writing-Off Subordinated MTNs, the Issuer may make any decisions with respect to the identity of Subordinated MTN Holders at that time as may be necessary or desirable to ensure Conversion or Write-Off occurs in an orderly manner, including disregarding any transfers of Subordinated MTNs that have not been settled or registered at that time.

#### **13.4 Conversion of Subordinated MTNs**

Subject to Condition 13.11 (“Write-Off of Subordinated MTNs”) where the Write-Off option is specified in the applicable Pricing Supplement as applying to the Subordinated MTNs, but notwithstanding any other provision in these Conditions, on the Conversion Date, in respect of a Subordinated MTN, the relevant principal amount (as determined under Condition 13.2 (“Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted”)) of that Subordinated MTN will convert immediately and irrevocably into Ordinary Shares (in a number determined under clause 1.1(a) (“Conversion”) of the Schedule to these Conditions) and where only a portion of a Subordinated MTN is converted, the principal amount of that Subordinated MTN shall be reduced by the amount converted accordingly. The conversion will occur in accordance with the terms set out in the Schedule to these Conditions (the “**Conversion**” and “**Convert**” and “**Converted**” when used herein have corresponding meanings).

#### **13.5 Subordinated MTN Holder acknowledgements relating to Conversion and Write-Off**

Each Subordinated MTN Holder irrevocably:

- (a) consents to becoming a member of the Issuer upon the Conversion of Subordinated MTNs as required by Condition 13.4 (“Conversion of Subordinated MTNs”) and agrees to be bound by the constitution of the Issuer, in each case in respect of the Ordinary Shares issued on Conversion;
- (b) acknowledges and agrees that it is obliged to accept Ordinary Shares upon a Conversion notwithstanding anything that might otherwise affect a Conversion of the Subordinated MTNs including:
  - (i) any change in the financial position of the Issuer since the issue of the Subordinated MTNs;
  - (ii) any disruption to the market or potential market for the Ordinary Shares or to capital markets generally; or

- (iii) any breach by the Issuer of any obligation in connection with the Subordinated MTNs;
- (c) acknowledges and agrees that where Condition 13.2 (“Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted”) applies:
  - (i) there are no other conditions to a Non-Viability Trigger Event occurring as and when provided in Condition 13.1 (“Non-Viability Trigger Event”);
  - (ii) Conversion must occur immediately on the Non-Viability Trigger Event and that may result in disruption or failures in trading or dealings in the Subordinated MTNs;
  - (iii) it will not have any rights to vote in respect of any Conversion; and
  - (iv) the Ordinary Shares issued on Conversion may not be quoted at the time of issue, or at all;
- (d) acknowledges and agrees that where Condition 13.6 (“Write-Off of Subordinated MTNs due to failure to Convert”) or Condition 13.11 (“Write-Off of Subordinated MTNs”) applies, no other conditions or events will affect the operation of that Condition and the Subordinated MTN Holder will not have any rights to vote in respect of any Write-Off under that Condition and has no claim against the Issuer arising in connection with the application of that Condition;
- (e) acknowledges and agrees that a Subordinated MTN Holder has no right to request a Conversion of any principal amount of any Subordinated MTNs or to determine whether (or in what circumstances) the Subordinated MTNs are Converted; and
- (f) acknowledges and agrees that none of the following shall prevent, impede or delay the Conversion or (where relevant) Write-Off of the principal amount of Subordinated MTNs:
  - (i) any failure to or delay in the conversion or write-off of other Relevant Capital Instruments;
  - (ii) any failure or delay in giving a Non-Viability Trigger Event Notice;
  - (iii) in the case of Conversion only, any failure or delay in quotation of the Ordinary Shares to be issued on Conversion;
  - (iv) any obligation to treat Subordinated MTN Holders proportionately or to make the determinations or adjustments in accordance with Condition 13.2 (“Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted”) or Condition 13.3 (“General provisions relating to Conversion and Write-Off”); and
  - (v) any decision as to the identity of Subordinated MTN Holders whose Subordinated MTNs are to be Converted or Written-Off in accordance with Condition 13.2 (“Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted”).

### **13.6 Write-Off of Subordinated MTNs due to failure to Convert**

If a principal amount of Subordinated MTNs held by a Subordinated MTN Holder is required to Convert under Condition 13.4 (“Conversion of Subordinated MTNs”) and, for any reason (including an Inability Event) Conversion has not been effected within five Business Days (as defined in the Schedule to these Conditions) after the Conversion Date, to the extent the Issuer has not Converted that principal amount, then, notwithstanding any other provisions of these Conditions or the applicable Pricing Supplement, that principal amount of Subordinated MTNs will not be Converted on account of the Non-Viability Trigger Event or on any future date and the rights of Subordinated MTN Holders (including to payment of any principal or interest) in relation to the relevant principal amount (as determined under Condition 13.2 (“Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted”)) of the Subordinated MTNs will be Written-Off with effect on and from the Conversion Date.

Where only a portion of a Subordinated MTN is Written-Off under this Condition 13.6 (“Write-Off of Subordinated MTNs due to failure to Convert”), the principal amount of that Subordinated MTN shall be reduced by the amount Written-Off accordingly.

### **13.7 Non-Viability Trigger Event Notice**

As soon as practicable after the occurrence of a Non-Viability Trigger Event and no later than five Business Days (as defined in the Schedule to these Conditions) after the occurrence of the Non-Viability Trigger Event, the Issuer must give notice of the Non-Viability Trigger Event (a “**Non-Viability Trigger Event Notice**”) to the Subordinated MTN Holders which states the Conversion Date, the aggregate principal amount of Subordinated MTNs Converted or Written-Off and the aggregate principal amount of Relevant Tier 2 Capital Instruments converted or written-off.

### **13.8 Provision of information**

Where a principal amount of Subordinated MTNs held by a Subordinated MTN Holder is required to be Converted under Condition 13.4 (“Conversion of Subordinated MTNs”), a Subordinated MTN Holder wishing to receive Ordinary Shares in respect of such principal amount must, no later than the Conversion Date, have provided to the Issuer:

- (a) its name and address (or the name and address of any person in whose name it directs the Ordinary Shares to be issued) for entry into any register of title and receipt of any certificate or holding statement in respect of any Ordinary Shares;
- (b) the Subordinated MTN Holder’s security account details in CHESS or such other account to which the Ordinary Shares may be credited; and
- (c) such other information as is reasonably requested by the Issuer for the purposes of enabling it to issue the Conversion Number of Ordinary Shares to the Subordinated MTN Holder,

and the Issuer has no duty to seek or obtain such information.

If for any reason (whether or not due to the fault of a Subordinated MTN Holder) the Issuer has not received any information required to be provided by the Subordinated MTN Holder under this Condition 13.8 (“Provision of information”) by the time such information is required in order for Ordinary Shares to be issued on the Conversion Date, the Issuer will issue the Ordinary Shares in respect of that Subordinated MTN Holder to a nominee in accordance with Condition 13.9 (“Failure to Convert”) and the provisions of Condition 13.10 (“Issue to nominee”) shall apply, *mutatis mutandis*, to such Ordinary Shares.

### **13.9 Failure to Convert**

Subject to Condition 13.6 (“Write-Off of Subordinated MTNs due to failure to Convert”) and Condition 13.10 (“Issue to nominee”), if, in respect of a Conversion of a Subordinated MTN, the Issuer fails to issue the Conversion Number of Ordinary Shares in respect of the principal amount of that Subordinated MTN to, or in accordance with the instructions of, the relevant Subordinated MTN Holder or a nominee where Condition 13.10 (“Issue to nominee”) applies, the principal amount of that Subordinated MTN which would otherwise be subject to Conversion remains, for the purposes of these Conditions, on issue until:

- (a) the Ordinary Shares are issued to, or in accordance with the instructions of, the Subordinated MTN Holder; or
- (b) the Subordinated MTN is Written-Off in accordance with these Conditions,

provided, however, that the sole right of the Subordinated MTN Holder in respect of such principal amount of such Subordinated MTN is its right to be issued the Ordinary Shares upon Conversion (subject to its compliance with Condition 13.8 (“Provision of information”)) or to receive proceeds from their sale pursuant to Condition 13.10 (“Issue to nominee”), as applicable and the remedy of a Subordinated MTN Holder in respect of the Issuer’s failure to issue the Ordinary Shares is limited (subject always to Condition 13.6 (“Write-Off of Subordinated MTNs due to failure to Convert”)) to seeking an order for specific performance of the Issuer’s obligation to issue the Ordinary Shares to the Subordinated MTN Holder or

where Condition 13.10 (“Issue to nominee”) applies to the nominee and to receive such proceeds of sale, in each case, in accordance with the conditions of the Subordinated MTNs.

This Condition 13.9 (“Failure to Convert”) does not affect the obligation of the Issuer to issue the Ordinary Shares when required in accordance with these Conditions.

### **13.10 Issue to nominee**

If any Subordinated MTNs are required to be Converted under Condition 13.4 (“Conversion of Subordinated MTNs”) and:

- (a) the Subordinated MTN Holder has notified the Issuer that it does not wish to receive Ordinary Shares as a result of the Conversion (whether entirely or to the extent specified in the notice), which notice may be given at any time prior to the Conversion Date;
- (b) the Subordinated MTNs are held by a person whose address in the Register is a place outside Australia or who the Issuer believes in good faith may not be a resident of Australia (a “**Foreign Holder**”); or
- (c) if for any reason (whether or not due to the fault of a Subordinated MTN Holder):
  - (i) the Issuer has not received any information required by it in accordance with Condition 13.8 (“Provision of information”) so as to impede the Issuer issuing the Ordinary Shares to a Subordinated MTN Holder on the Conversion Date; or
  - (ii) a FATCA Withholding is required to be made in respect of Ordinary Shares issued on Conversion of such Subordinated MTN,

then, on the Conversion Date:

- (d) where subparagraph (a), (b) or (c)(ii) applies, the Issuer is obliged to issue the Ordinary Shares to the Subordinated MTN Holder only to the extent (if at all) that:
  - (i) where subparagraph (a) applies, the Subordinated MTN Holder has notified the Issuer that it wishes to receive them;
  - (ii) where subparagraph (b) applies, the Issuer is satisfied that the laws of both Australia and the Foreign Holder’s country of residence permit the issue of the Ordinary Shares to the Foreign Holder (but as to which the Issuer is not bound to enquire), either unconditionally or after compliance with conditions which the Issuer, in its absolute discretion, regards as acceptable and not unduly onerous; or
  - (iii) where subparagraph (c)(ii) applies, the Issuer, in its absolute discretion, considers that it can do so in accordance with the requirements applicable to the relevant FATCA Withholding without it having to take steps which it regards as unacceptable or unduly onerous,and to the extent the Issuer is not obliged to issue Ordinary Shares to the Subordinated MTN Holder, the Issuer will issue the balance of the Ordinary Shares to the nominee in accordance with subparagraph (c) of this Condition 13.10 (“Issue to nominee”);
- (e) otherwise, subject to applicable law, the Issuer will issue the balance of Ordinary Shares in respect of that Subordinated MTN Holder to a nominee appointed by the Issuer (which nominee may not be the Issuer or a Related Entity of the Issuer) and, subject to applicable law:
  - (i) where subparagraph (c) applies, the nominee will hold Ordinary Shares in an aggregate amount equal to the aggregate number to be issued in respect of those Subordinated MTN Holders and will transfer Ordinary Shares to a Subordinated MTN Holder who, within 30 days of the Conversion Date, provides the nominee with the information required to be provided by the Subordinated MTN Holder under Condition 13.8 (“Provision of information”)

(as if a reference in subparagraph (iii) of Condition 13.8 (“Provision of information”) to the Issuer is a reference to the nominee and a reference to the issue of Ordinary Shares is a reference to the transfer of Ordinary Shares); and

- (ii) the nominee will as soon as reasonably possible (or, where paragraph (c) applies, to the extent that the nominee has not already transferred Ordinary Shares to the relevant Subordinated MTN Holder under Condition 13.10(e)(i) (“Issue to nominee”) above at the end of the period of 30 days referred to in Condition 13.10(e)(i) (“Issue to nominee”) above, as soon as reasonably possible after the expiration of that period), sell the Ordinary Shares it receives and pay a cash amount equal to the net proceeds received, after deducting any applicable brokerage, stamp duty and other taxes and charges, to the Subordinated MTN Holder.

The issue of Ordinary Shares to such nominee will satisfy all obligations of the Issuer in connection with the Conversion, the Subordinated MTNs will be deemed Converted and on and from the issue of Ordinary Shares the rights of a Subordinated MTN Holder the subject of this Condition 13.10 (“Issue to nominee”) are limited to its rights in respect of the Ordinary Shares or their net cash proceeds as provided in this Condition;

- (f) nothing in this Condition 13.10 (“Issue to nominee”) shall affect the Conversion of the Subordinated MTNs of a Subordinated MTN Holder which is not a person to which any of subparagraphs (a) to (c) (inclusive) applies; and
- (g) for the purposes of this Condition 13.10 (“Issue to nominee”), without prejudice to the obligations of the Issuer and the nominee under this Condition 13.10 (“Issue to nominee”), none of the Issuer or the nominee owes any obligations or duties to the Subordinated MTN Holders in relation to the price at which Ordinary Shares are sold or has any liability for any loss suffered by a Subordinated MTN Holder as a result of the sale of Ordinary Shares.

### **13.11 Write-Off of Subordinated MTNs**

If the Write-Off option is specified to be applicable in the applicable Pricing Supplement, then this Condition 13.11 (“Write-Off of Subordinated MTNs”) shall apply to the Subordinated MTNs and, for the avoidance of doubt, Condition 13.4 (“Conversion of Subordinated MTNs”) and Conditions 13.5(a), (b), (c)(ii), (c)(iii), (c)(iv), (e) and (f)(iii) (“Subordinated MTN Holder acknowledgements relating to Conversion and Write-Off”), 13.6 (“Write-Off of Subordinated MTNs due to failure to Convert”), 13.8 (“Provision of information”), 13.9 (“Failure to Convert”) and 13.10 (“Issue to nominee”) shall not apply to the Subordinated MTNs. On the Conversion Date the rights of Subordinated MTN Holders (including to payment of any principal or interest) in relation to the relevant principal amount (as determined under Condition 13.2 (“Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted”)) of the Subordinated MTNs will be Written-Off.

Where only a portion of a Subordinated MTN is Written-Off, the principal amount of that Subordinated MTN shall be reduced by the amount Written-Off accordingly.

### **13.12 Ordinary Shares issued upon Conversion**

Each Ordinary Share issued to a relevant Subordinated MTN Holder upon Conversion will rank equally with all other fully paid Ordinary Shares from the date of such issue.

### **13.13 Substitution of Approved NOHC as issuer of Ordinary Shares**

Where:

- (a) either of the following occurs:
  - (i) a takeover bid is made to acquire all or some of the Ordinary Shares and such offer is, or becomes, unconditional, all regulatory approvals necessary for the acquisition to occur have been obtained and either:



- (A) the bidder has at any time during the offer period, a relevant interest in more than 50 per cent. of the Ordinary Shares on issue; or
- (B) the Directors, acting as a board, issue a statement that at least a majority of its Directors who are eligible to do so have recommended acceptance of such offer (in the absence of a higher offer); or
- (ii) a court orders the holding of meeting(s) to approve a scheme of arrangement under Part 5.1 of the Corporations Act, which scheme would result in a person having a relevant interest in more than 50 per cent. of the Ordinary Shares that will be on issue after the scheme is implemented and:
  - (A) all classes of members of the Issuer pass all resolutions required to approve the scheme by the majorities required under the Corporations Act to approve the scheme; and
  - (B) all conditions to the implementation of the scheme, including any necessary regulatory approval (but not including approval of the scheme by the court) have been satisfied or waived; and
- (b) the bidder or the person having a relevant interest in the Ordinary Shares in the Issuer after the scheme is implemented (or any entity that Controls the bidder or the person having the relevant interest) is an Approved NOHC,

then the Issuer may without the further authority, assent or approval of Subordinated MTN Holders (but with the prior written approval of APRA):

- (c) amend the Schedule such that, unless APRA otherwise agrees, on the date the principal amount of a Subordinated MTN is to be Converted:
  - (i) each Subordinated MTN that is being Converted in whole will be automatically transferred by each Subordinated MTN Holder free from encumbrance to the Approved NOHC (or another member of the company which is a holding company (as defined in the Corporations Act) of the Issuer) (the “**Transferee**”) on the date the Conversion is to occur;
  - (ii) in respect of each Subordinated MTN that is being Converted only in part, on the date the Conversion is to occur:
    - (A) the principal amount of the Subordinated MTN that is being Converted shall be reduced to an amount equal to the non-Converted portion of the principal amount of such Subordinated MTN; and
    - (B) the Approved NOHC will be taken to hold a new Subordinated MTN with a principal amount equal to the Converted portion of the principal amount of the Subordinated MTN being Converted,

provided that any failure or delay by a Subordinated MTN Holder or any other party in complying with the provisions of Condition 13.13(c) (“Substitution of Approved NOHC as issuer of Ordinary Shares”), shall not prevent, impede or delay the Conversion or Write-Off of Subordinated MTNs;

- (iii) each Subordinated MTN Holder (or in the circumstances contemplated in Condition 13.10 (“Issue to nominee”), the nominee) of a Subordinated MTN or portion thereof being Converted will be issued a number of ordinary shares in the capital of the Approved NOHC determined as if references in the Schedule to the Issuer were references to the Approved NOHC and the Ordinary Shares were to ordinary shares in the capital of the Approved NOHC (“**Approved NOHC Ordinary Shares**”); and
- (iv) as between the Issuer and the Approved NOHC, each Subordinated MTN held or taken to be held by the Approved NOHC as a result of the transfer will be automatically Converted into a number of Ordinary Shares such that the total number of Ordinary Shares held by the Transferee by reason of this Condition 13.13(c)(iv) (“Substitution of Approved NOHC as issuer of Ordinary Shares”) increases by the number of Ordinary Shares in the capital of the Approved NOHC issued by the Approved NOHC to Subordinated MTN Holders on Conversion; and

- (d) make such other amendments as in the Issuer's reasonable opinion are necessary and appropriate to effect the substitution of an Approved NOHC as the issuer of the ordinary shares on Conversion in the manner contemplated by these Conditions, including, where the terms upon which the Approved NOHC acquires the Issuer are such that the number of ordinary shares in the capital of the Approved NOHC on issue immediately after the substitution differs from the number of Ordinary Shares on issue immediately before the substitution (not involving any cash payment or other distribution to or by the holders of any such shares), an adjustment to any relevant VWAP or Issue Date VWAP consistent with the principles of adjustment set out in the Schedule.

#### **13.14 Further substitutions**

After a substitution under Condition 13.13 ("Substitution of Approved NOHC as issuer of Ordinary Shares"), the Approved NOHC may, without the authority, approval or assent of the Subordinated MTN Holders, effect a further substitution in accordance with Condition 13.13 ("Substitution of Approved NOHC as issuer of Ordinary Shares") (with necessary changes).

#### **13.15 Notice to Subordinated MTN Holders**

The Issuer or the Approved NOHC must notify the Subordinated MTN Holders of the particulars of any substitution according to Condition 13.13 ("Substitution of Approved NOHC as issuer of Ordinary Shares") or Condition 13.14 ("Further substitutions") in writing as soon as practicable after the substitution.

#### **13.16 Acknowledgement of Subordinated MTN Holders**

Each Subordinated MTN Holder irrevocably acknowledges and agrees that an Approved NOHC may in accordance with these Conditions be substituted for the Issuer as issuer of the Ordinary Shares on Conversion and that if such a substitution is effected, the Subordinated MTN Holder is obliged to accept ordinary shares in that Approved NOHC on a Conversion, and will not receive Ordinary Shares in the Issuer.

### **Part 5 Payments**

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#### **14 General provisions**

##### **14.1 Summary of payment provisions**

Payments in respect of MTNs will be made in accordance with Condition 15 ("Payments").

##### **14.2 Payments subject to fiscal laws**

All payments of principal, interest and other amounts are subject to all applicable fiscal laws or other Directives, but without prejudice to the provisions of Condition 16 ("Taxation").

##### **14.3 Payments on business days**

If a payment:

- (a) is due on an MTN on a day which is not a Business Day then the due date for payment will be adjusted by the applicable Business Day Convention specified in the Pricing Supplement; or
- (b) is to be made to an account on a Business Day on which banks are not open for general banking business in the place in which the account is located, then the due date for payment will be the first following day on which banks are open for general banking business in that place,

and in either case, the MTN Holder is not entitled to any additional payment in respect of that delay. Nothing in this Condition 14.3 (“Payments on business days”) applies to any payment referred to in Clause 1.1(d) (“Conversion”) of the Schedule.

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## **15 Payments**

### **15.1 Payment of principal**

The Issuer agrees to pay the Redemption Amount (together with any accrued interest and other amounts due in respect of the MTN on the relevant redemption date) for an MTN or, in the case of an Instalment MTN, the final Instalment Amount for that MTN, and all other amounts due in respect of the MTN, in the currency in which it is due to the person who is the MTN Holder at 10.00 am in the place where the Register is maintained on the due date.

### **15.2 Payment of interest**

The Issuer agrees to pay interest on any interest bearing MTN and, in the case of an Instalment MTN, in the currency in which it is due each Instalment Amount for that MTN (other than the final Instalment Amount), to the person who is the MTN Holder at 4.00 pm in the place where the Register is maintained on the Record Date.

### **15.3 Payments to accounts**

Except as otherwise provided in the relevant Pricing Supplement, the Issuer agrees to make payments in respect of an MTN:

- (a) if the MTN is held in a Clearing System, by crediting on the relevant payment date, the amount due to the account previously notified by the Clearing System to the Issuer and the Registrar in accordance with the Clearing System’s rules and regulations in the country of the currency in which the payment is due; and
- (b) if the MTN is not held in a Clearing System, subject to Condition 15.4 (“Payments by cheque”) by crediting on the relevant payment date, the amount due to an account previously notified by the MTN Holder to the Issuer and the Registrar in the country of the currency in which the payment is due.

### **15.4 Payments by cheque**

If an MTN Holder has not notified the Registrar of an account to which payments to it must be made by close of business in the place where the Register is maintained on the Record Date, the Issuer may make payments in respect of the MTNs held by that MTN Holder by cheque.

If the Issuer makes a payment in respect of an MTN by cheque, the Issuer agrees to send the cheque by prepaid ordinary post on the due date, to the MTN Holder (or if two or more persons are entered in the Register as joint MTN Holders of the MTN, to the first named joint MTN Holder) at its address appearing in the Register at close of business in the place where the Register is maintained on the Record Date.

Cheques sent to an MTN Holder are sent at the MTN Holder’s risk and are taken to be received by the MTN Holder on the due date for payment. If the Issuer makes a payment in respect of an MTN by cheque, the Issuer is not required to pay any additional amount as a result of the MTN Holder not receiving payment on the due date in immediately available funds.

### **15.5 Uncompleted payments**

If:

- (a) a Holder has not notified the Registrar by close of business on the Record Date of a bank account denominated in the Specified Currency with a financial institution to which payments in respect of the MTN may be credited, and the issuer has not made payment by cheque in accordance with Condition 15.4 (“Payments by cheque”);

- (b) the transfer of any amount for payment to the credit of the nominated account does not complete for any reason; or
- (c) a cheque issued by the Issuer in accordance with Condition 15.4 (“Payments by cheque”) has not been presented within six months of its date,

the Issuer will send a notice to the address most recently notified by the MTN Holder advising of the uncompleted payment and the amount of the uncompleted payment will be held as a deposit in a non-interest bearing, special purpose account maintained by the Issuer or the Registrar until the first to occur of the following:

- (i) the MTN Holder nominates a bank account to which the payment may be credited;
- (ii) claims may no longer be made in respect of that amount, in which case the monies shall be paid to and be the property of the Issuer; or
- (iii) the Issuer becomes entitled or obliged to deal with the amount in accordance with the law relating to unclaimed monies.

The Issuer may cancel any cheque to which this Condition 15.5 (“Uncompleted payments”) applies.

When this Condition 15.5 (“Uncompleted payments”) applies the amount payable in respect of the MTNs shall be treated as having been paid on the date scheduled for payment and no interest is payable in respect of any delay in payment.

## **15.6 No United States payments**

No payment of interest will be made to an address in the United States or transferred to an account maintained by the MTN Holder in the United States.

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## **16 Taxation**

### **16.1 No set-off, counterclaim or deductions**

All payments in respect of the MTNs must be made in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes, unless prohibited by law.

### **16.2 Withholding tax**

Subject to Condition 16.3 (“Withholding tax exemptions”), if a law requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of the MTNs such that the MTN Holder would not actually receive on the due date the full amount provided for under the MTNs, then:

- (a) the Issuer agrees to deduct the amount for the Taxes (and any further withholding or deduction applicable to any further payment due under paragraph (b) below); and
- (b) if the amount deducted or withheld is in respect of Taxes imposed by a Relevant Tax Jurisdiction, the Issuer must pay an additional amount so that, after making the deduction and further deductions applicable to additional amounts payable under this Condition 16.2 (“Withholding tax”), each MTN Holder is entitled to receive (at the time the payment is due) the amount it would have received if no deductions or withholdings had been required to be made.

### **16.3 Withholding tax exemptions**

The Issuer is not required to pay an Additional Amount under Condition 16.2 (“Withholding tax”) if the obligation to do so arises as a result of any one or more of the following:

- (a) the deduction is required in respect of Taxes by reason of the MTN Holder or beneficial holder having some connection with a Relevant Tax Jurisdiction other than the mere holding of the MTN or receipt of payment in respect of the MTN. However, an MTN Holder is not regarded as having a connection with Australia on account of the MTN Holder being a resident of Australia within the meaning of the Australian Tax Act where, and to the extent, those taxes are payable by reason of section 128B(2A) of the Australian Tax Act;
- (b) the deduction is required as a result of Taxes which would not be required to be deducted if the MTN Holder (or a person acting on its behalf) provided the Issuer, its agent or any tax authority with the required tax certification or documentation or other reporting requirements concerning the MTN Holder's name, address, registration number, Australian tax file number, Australian business number or similar details relating to foreign tax residency and FATCA status or any relevant information necessary to enable the Issuer to make full payments without deductions on account of Taxes; or
- (c) such other circumstances as may be specified in the Pricing Supplement.

The Issuer may withhold or make deductions from payments to an MTN Holder where it is required to do so under or in connection with FATCA, or where it has reasonable grounds to suspect that the MTN Holder or a beneficial owner of MTNs may be subject to FATCA, and may deal with such payment in accordance with FATCA. If any withholding or deduction arises under or in connection with FATCA, the Issuer will not be required to pay any further amounts on account of such withholding or deduction or otherwise reimburse or compensate, or make any payment to, an MTN Holder or a beneficial owner of MTNs for or in respect of any such withholding or deduction. A dealing with such payment in accordance with FATCA satisfies the Issuer's obligations to that MTN Holder to the extent of the amount of that payment.

#### **16.4 Subordinated MTNs**

Any Additional Amounts due in respect of the Subordinated MTNs will be subordinated in right of payment as described in Condition 6 ("Subordination").

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#### **17 Time limit for claims**

A claim against the Issuer for a payment under an MTN is void unless made within 10 years (in the case of principal) or 5 years (in the case of interest and other amounts) from the date on which payment first became due.

#### **Part 6 Events of Default**

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#### **18 Events of Default**

##### **18.1 Event of Default - Unsubordinated MTNs**

An Event of Default occurs in relation to a Series of Unsubordinated MTNs if:

- (a) **(payment default)** the Issuer fails to pay any interest in respect of the Unsubordinated MTNs within 30 days of the relevant due date or any principal in respect of the Unsubordinated MTNs within 7 days of the relevant due date;
- (b) **(other default)** the Issuer defaults in performance or observance of any of its obligations under any Unsubordinated MTNs, of such Series (other than those specified in paragraph (a) above), which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after notice requiring such default to be remedied has been given to the Issuer by the relevant MTN Holder;
- (c) **(insolvency)** the Issuer becomes insolvent or is unable to pay its debts as they fall due or stops payment of its debts (in each case within the meaning of Australian or any applicable insolvency law);

- (d) **(winding up)** an order is made or an effective resolution is passed for the Winding Up of the Issuer except in any such case:
  - (i) for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of Unsubordinated MTN Holders; or
  - (ii) for any winding up in the process of a merger, reconstruction or amalgamation in which the surviving entity has assumed or will assume expressly or by law all the obligations of the Issuer in respect of the MTNs;
- (e) **(enforcement against assets)** a distress, attachment, execution or other legal process is levied, enforced or sued out against or on the Issuer or against all or a substantial part of the assets of the Issuer and is not stayed, satisfied or discharged within 60 days or otherwise contested in bona fide proceedings and such occurrence would materially prejudice the performance by the Issuer of its obligations under the MTNs of such Series;
- (f) **(enforcement of security)** an encumbrancer takes possession or a receiver or administrator is appointed of the whole or substantially the whole of the undertaking, property, assets or revenues of the Issuer (other than in respect of monies borrowed or raised on a non-recourse basis) and such occurrence is not discharged or stayed within 45 days (or where the proceedings are being contested in good faith, such longer period as may be agreed by an Extraordinary Resolution of the Unsubordinated MTN Holders) and such occurrence would materially prejudice the performance by the Issuer of its obligations under the MTNs of such Series; or
- (g) **(cessation of business)** the Issuer ceases to carry on a banking business in the Commonwealth of Australia, or the Issuer's authority under the Banking Act to carry on banking business in Australia is revoked and not replaced by an equivalent authority except in connection with a merger, reconstruction or amalgamation where the surviving entity carries on such a banking business and is duly authorised to carrying on banking business in Australia.

Notwithstanding any other provision of this Condition 18.1 ("Event of Default - Unsubordinated MTNs"), no Event of Default (other than Condition 18.1(d)) in respect of the Unsubordinated MTNs shall occur solely on account of any failure by the Issuer to perform or observe any of its obligations in relation to, or the stopping of payment with respect to, or the agreement or declaration of any moratorium with respect to, or the taking of any proceeding in respect of, any share, note or other security or instrument constituting Tier 1 Capital or Tier 2 Capital.

## **18.2 Consequences of an Event of Default - Unsubordinated MTNs**

Subject to Condition 18.3 ("Rectification"), if any Event of Default occurs and continues unremedied in relation to the Unsubordinated MTNs of any Series or any of them, then any holder of Unsubordinated MTNs then Outstanding in that Series may declare by notice to the Issuer (with a copy to the Registrar) that the Redemption Amount (together with any accrued interest) applicable to each Unsubordinated MTN held by it is either payable immediately or on such other date specified in the notice.

The making of this declaration gives immediate effect to its provisions.

## **18.3 Rectification**

An Unsubordinated MTN Holder's right to declare MTNs due and payable terminates if the situation giving cause to it has been cured before such right is exercised.

## **18.4 Events of Default and Consequences of an Event of Default - Subordinated MTNs**

- (a) **(payment default)** If a Payment Default occurs and is continuing, a Subordinated MTN Holder may bring proceedings:

- (i) to recover any amount then due and payable but unpaid on its Subordinated MTNs (subject to the Issuer being able to make the payment and remain Solvent);
  - (ii) to obtain an order for specific performance of any other obligation in respect of its Subordinated MTNs; or
  - (iii) for the Winding Up of the Issuer.
- (b) **(winding up default)** If a Winding Up Default occurs and is continuing, a Subordinated MTN Holder may, in addition to taking any of the actions specified in Condition 18.4(a) (“Events of Default and Consequences of an Event of Default - Subordinated MTNs”) above, by notice to the Issuer declare that its Subordinated MTNs must be redeemed immediately for an amount equal to the Outstanding Principal Amount of the Subordinated MTNs together with any accrued interest or other amounts (in each case to the extent unpaid) and, subject to Condition 6.3 (“Subordination”), may prove in the Winding Up of the Issuer for that amount.
- (c) **(amounts unpaid remain debts)** Any amount not paid either due to Condition 5.4 (“Conditions to payment”) or Condition 18.4(a)(i) (“Events of Default and Consequences of an Event of Default - Subordinated MTNs”) above remains a debt owing to the Subordinated MTN Holder by the Issuer until it is paid and will be payable on the first date on which the relevant Condition is satisfied.
- (d) **(no other action)** The Subordinated MTN Holders may not exercise any other remedies (including any right to sue for damages which has the same economic effect as acceleration) as a consequence of an Event of Default or other default other than as specified in this Condition 18.4 (“Events of Default and Consequences of an Event of Default - Subordinated MTNs”).

#### 18.5 Additional definitions for Condition 18.4

For the purposes of Condition 18.4 (“Events of Default and Consequences of an Event of Default - Subordinated MTNs”):

- (a) **“Payment Default”** means either:
- (i) **(failure to pay principal)** the Issuer does not pay any principal or Redemption Amount due in respect of the Subordinated MTNs of the relevant Series within seven days of its due date; or
  - (ii) **(failure to pay interest or other amounts)** the Issuer does not pay any interest or other amount due in respect of the Subordinated MTNs of the relevant Series within 30 days of its due date,

provided that, to the extent that a payment is not required to be made because of the solvency condition to payment in Condition 5.4 (“Conditions to payment”), the amount is not due and payable and a Payment Default does not occur; and

- (b) **“Winding Up Default”** means:
- (i) an order is made by a court of competent jurisdiction in Australia for the Winding Up of the Issuer which order is not successfully appealed or permanently stayed within 60 days of the making of the order; or
  - (ii) an effective resolution is passed by shareholders or members for the Winding Up of the Issuer in Australia,

other than for the purposes of a consolidation, amalgamation, merger or reconstruction which has been approved by an Extraordinary Resolution of the relevant Subordinated MTN Holders or in which the surviving entity has assumed or

will assume expressly or by law all obligations of the Issuer in respect of the Subordinated MTNs of the relevant Series.

## **18.6 Notification**

If an Event of Default occurs, the Issuer must promptly after becoming aware of it notify the Registrar of the occurrence of the Event of Default (specifying details of it) and use its reasonable endeavours to procure that the Registrar promptly notifies MTN Holders of the occurrence of the Event of Default by registered post to the address of the MTN Holder recorded in the Register.

## **Part 7 General**

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## **19 Agents**

### **19.1 Role of Agents**

In acting under the relevant Agency Agreement and in connection with the MTNs, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the MTN Holders.

### **19.2 Appointment and replacement of Agents**

The initial Calculation Agent (if any) is specified in the relevant Pricing Supplement. Subject to Condition 19.3 ("Required Agents"), the Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor.

### **19.3 Required Agents**

The Issuer must:

- (a) at all times maintain a Registrar;
- (b) if a Calculation Agent is specified in the relevant Pricing Supplement, at all times maintain a Calculation Agent; and
- (c) if an I&P Agent (Offshore) is specified in the relevant Pricing Supplement, at all times maintain an I&P Agent (Offshore).

### **19.4 Change of Agent**

Notice of any change of a relevant Agent or its Specified Offices must promptly be given to the relevant MTN Holders by the Issuer or the Agent on its behalf.

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## **20 Meetings of MTN Holders**

### **20.1 Meetings provisions**

The Meetings Provisions contain provisions (which have effect as if incorporated in these Conditions) for convening meetings of the MTN Holders of any Series to consider any matter affecting their interests, including, subject to Condition 21.11.1(b) ("Variation with consent") the variation of these Conditions or the relevant Pricing Supplement.

Any such variation may be made if sanctioned by an Extraordinary Resolution and agreed by the Issuer. Such a meeting may be convened by the Issuer and must be convened by the Issuer upon the request in writing of MTN Holders holding not less than 10% of the Outstanding Principal Amount of the Outstanding MTNs. The quorum at any meeting convened to vote on an Extraordinary Resolution will be persons holding or representing more than 50% of the Outstanding Principal Amount of the Outstanding MTNs or 25% at an adjourned meeting. However, certain fundamental matters affecting the rights of MTN Holders may only be sanctioned by an Extraordinary Resolution passed at a meeting of MTN Holders



at which persons holding or representing not less than 75% or, at any adjourned meeting, 35% of the Outstanding Principal Amount of the Outstanding MTNs form a quorum.

In addition, a resolution in writing signed by or on behalf of MTN Holders representing at least 75% of the aggregate Outstanding Principal Amount of Outstanding MTNs who for the time being are entitled to receive notice of a meeting of MTN Holders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more MTN Holders.

## **20.2 Resolutions binding**

Any resolution passed at any meeting of the MTN Holders of any Series is binding on all MTN Holders of such Series, whether or not they are present at the meeting.

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## **21 Variation**

### **21.1 Variation with consent**

Subject to Condition 21.2 (“Variation without consent”), any MTN Document (including, without limitations, the MTNs and these Conditions) may be varied:

- (a) with the approval of the MTN Holders of the relevant Series by Extraordinary Resolution; and
- (b) in the case of Subordinated MTNs, subject to the Issuer having obtained the prior written approval of APRA to the variation where such variation may affect the eligibility of Subordinated MTNs as Tier 2 Capital.

### **21.2 Variation without consent**

The Issuer may vary any MTN Document (including, without limitation, the MTNs and these Conditions) without the approval of the MTN Holders if, in the reasonable opinion of the Issuer, the variation:

- (a) is necessary or advisable to comply with any law;
- (b) is necessary to correct an obvious error, or otherwise of a formal, technical or administrative nature only;
- (c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision;
- (d) is not materially prejudicial to the interests of the MTN Holders as a whole;
- (e) only applies to MTNs issued by the Issuer after the date of the amendment; or
- (f) in the case of Subordinated MTNs, is made to:
  - (i) amend the terms of Subordinated MTNs to align them with any Relevant Tier 2 Capital Instruments issued after the Issue Date; or
  - (ii) amend the definition of Relevant Tier 2 Capital Instruments on account of the issue of capital instruments after the Issue Date,

provided that such amendment is not materially prejudicial to the interests of Subordinated MTN Holders as a whole.

In the case of Subordinated MTNs, no variation may be made without the prior written approval of APRA, where such variation may affect the eligibility of Subordinated MTNs as Tier 2 Capital.

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**22 Further issues**

The Issuer may from time to time, without the consent of the MTN Holders, issue further MTNs having the same Conditions as the MTNs of any Series in all respects (or in all respects except for the first payment of interest) so as to form a single Series with the MTNs of that Series, provided that, in the case of Subordinated MTNs, the requirements of APRA that the Subordinated MTNs be eligible to be treated as Tier 2 Capital are met. References in these Conditions to the MTNs include (unless the context requires otherwise) any other MTNs issued pursuant to this Condition and forming a single Series with the MTNs.

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**23 Notices****23.1 Notices to MTN Holders**

All notices, certificates, consents, approvals, waivers and other communications in connection with an MTN to the MTN Holders must be in writing and may be:

- (a) sent by prepaid post (airmail if appropriate) or left at the address of the relevant MTN Holder (as shown in the relevant Register at the close of business on the day which is 3 Business Days before the date of the relevant notice or communication); or
- (b) given by an advertisement published in the Australian Financial Review or The Australian; or
- (c) if the Pricing Supplement for the MTN specifies an additional or alternate newspaper, given by publication in that newspaper; or
- (d) where MTNs are lodged in the Austraclear System, by delivery to the Austraclear System for communication by the Austraclear System to the persons shown in its records as having interests therein.

**23.2 Notices to the Issuer and the Registrar**

All notices, and other communications to the Issuer and the Registrar must be in writing and may be sent by prepaid post or left at the address of the registered office of the Issuer or the Registrar or such other address as is notified to MTN Holders from time to time.

**23.3 When effective**

Communications take effect from the time they are received or taken to be received (whichever happens first) unless a later time is specified in them.

**23.4 Receipt - publication in newspaper**

If published in a newspaper, communications are taken to be received on the first date that publication has been made in all the required newspapers.

**23.5 Receipt - postal**

Unless a later time is specified in it, a notice, if sent by post, is taken to be received on the sixth succeeding Business Day in the place of the addressee.

**23.6 Non-receipt of notice**

If there are two or more MTN Holders, the non-receipt of any notice by, or the accidental omission to give any notice to, an MTN Holder does not invalidate the giving of that notice.

### 23.7 Receipt - Austraclear System

If published via the Austraclear System, where MTNs are lodged in the Austraclear System, communications are taken to be received on the fourth Business Day after delivery to the Austraclear System.

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## 24 Currency indemnity

The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if an MTN Holder receives an amount in a currency other than that in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably considers appropriate. It may deduct its usual costs in connection with the conversion; and
- (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion after deducting the costs of the conversion.

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## 25 Substitution of the Issuer

### 25.1 Substitution of Issuer

The Issuer may with respect to any Series of MTNs issued by it, except any Series of Subordinated MTNs ("**Relevant MTNs**"), without the consent of any MTN Holder, substitute for itself any other body corporate incorporated in any country in the world as the debtor in respect of the Relevant MTNs and the relevant Agency Agreement ("**Substituted Debtor**") upon notice by the Issuer and the Substituted Debtor to be given by publication in accordance with Condition 23.1 ("Notices to MTN Holders"), provided that:

- (a) the Issuer is not in default in respect of any amount payable under any of the Relevant MTNs;
- (b) the rating of the Programme, and if relevant, the MTNs, will not be downgraded as a result of the substitution;
- (c) the Issuer and the Substituted Debtor have entered into such documents ("**Documents**") as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favour of each holder of the Relevant MTNs to be bound by these Conditions, the provisions of the Agency Agreement and the MTN Deed Poll, as the debtor in respect of such Relevant MTNs in place of the Issuer (or of any previous substitute under this Condition 25 ("Substitution of the Issuer"));
- (d) the Substituted Debtor has obtained a legal opinion in relation to the enforceability of the Substituted Debtor's obligations under the Documents and the MTN Documents;
- (e) if the Substituted Debtor is resident for tax purposes in a territory ("**New Residence**") other than that in which the Issuer prior to such substitution was resident for tax purposes ("**Former Residence**"), the MTN Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each holder of the Relevant MTNs has the benefit of an undertaking in terms corresponding to the provisions of Condition 16 ("Taxation"), with, where applicable, the substitution of references to the Former Residence with references to the New Residence;
- (f) the Substituted Debtor and the Issuer have obtained all necessary regulatory and governmental approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the MTN Documents;

- (g) each competent listing authority, stock exchange, and/or quotation system on or by which the Relevant MTNs are admitted to listing, trading and/or quotation have confirmed that, following the proposed substitution of the Substituted Debtor, the Relevant MTNs will continue to be admitted to listing, trading and/or quotation by the relevant competent listing authority, stock exchange, and/or quotation system; and
- (h) if applicable, the Substituted Debtor has appointed a process agent as its agent to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Relevant MTNs.

## **25.2 Substituted Debtor's rights under MTN Documents**

Upon such substitution:

- (a) the Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Relevant MTNs, the MTN Documents with the same effect as if the Substituted Debtor had been named as the Issuer in it;
- (b) the Issuer shall be released from its obligations under the Relevant MTNs and under the MTN Documents; and
- (c) references in these Conditions to the Issuer are taken, where the context so requires, to be or include references to such Substituted Debtor.

## **25.3 Further substitutions**

After a substitution pursuant to Condition 25.1 ("Substitution of Issuer"), the Substituted Debtor may, without the consent of any MTN Holder, effect a further substitution. All the provisions specified in Conditions 25.1 ("Substitution of Issuer") and 25.2 ("Substituted Debtor's rights under MTN Documents") shall apply *mutatis mutandis*, and references in these Conditions to the Issuer are taken, where the context so requires, to be or include references to any such further Substituted Debtor.

## **25.4 Reversing substitution**

After a substitution pursuant to Conditions 25.1 ("Substitution of Issuer") or 25.2 ("Substituted Debtor's rights under MTN Documents") any Substituted Debtor may, without the consent of any MTN Holder, reverse the substitution, *mutatis mutandis*.

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## **26 Governing law and jurisdiction**

### **26.1 Governing law**

The MTNs are governed by the law in force in Victoria, Australia.

### **26.2 Jurisdiction**

The Issuer submits to the non-exclusive jurisdiction of the courts of Victoria and courts of appeal from them. The Issuer waives any right it has to object to an action being brought in those courts including by claiming that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

### **26.3 Serving documents**

Without preventing any other method of service, any document in any action may be served on a party by being delivered or left at that party's address in the MTN Deed Poll.

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## 27 Interpretation

### 27.1 Definitions

In these Conditions the following expressions have the following meanings:

**Accrual Yield** has the meaning given in the relevant Pricing Supplement.

**Additional Amount** means an additional amount payable by the Issuer under Condition 16.2 (“Withholding tax”).

**Additional Business Centre** has the meaning given in the relevant Pricing Supplement.

**Agency Agreement** means:

- (a) the Registry Services Agreement; and
- (b) the I&P Agency Agreement (Offshore); and
- (c) any other agency agreement entered into by the Issuer in relation to an issue of MTNs under the Programme.

**Agent** means the Registrar, each Calculation Agent and the I&P Agent (Offshore) and includes any successor, substitute or additional agent appointed under an Agency Agreement from time to time.

**Alternate Currency** means a currency (other than Australian dollars) which is specified in the Pricing Supplement.

**Alternative Base Rate** means a rate (expressed as a percentage per annum) other than the Base Rate that is generally accepted in the market for floating rate securities denominated in the specified currency of a tenor and interest period comparable to that of the relevant MTN, or if the Calculation Agent is not able, after making reasonable efforts, to ascertain such rate, or there is no such rate:

- (a) a reference rate that is, in the Calculation Agent’s opinion, appropriate to floating rate debt securities denominated in the specified currency of a tenor and interest period most comparable to that of the relevant MTN; or
- (b) such other reference rate as the Calculation Agent considers appropriate having regard to available comparable indices.

**Amortised Face Amount** means, in relation to an MTN, an amount equal to the sum of:

- (a) the issue price specified in the Pricing Supplement; and
- (b) the amount resulting from the application of the Accrual Yield specified in the Pricing Supplement (compounded annually) to the Issue Price (as specified in the Pricing Supplement) from (and including) the Issue Date specified in the Pricing Supplement to (but excluding) the date fixed for redemption or (as the case may be) the date the MTN becomes due and repayable.

If the calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year must be made on the basis of the Day Count Fraction specified in the Pricing Supplement.

**Approved NOHC** means an entity which:

- (a) is a non-operating holding company within the meaning of the Banking Act; and
- (b) has agreed for the benefit of MTN Holders:

- (i) to issue fully paid ordinary shares in its capital under all circumstances when the Issuer would otherwise have been required to Convert a principal amount of Subordinated MTNs, subject to the same terms and conditions as set out in these Conditions (with all necessary modifications); and
- (ii) to use all reasonable endeavours to procure quotation of Approved NOHC Ordinary Shares issued upon Conversion of Relevant Subordinated MTNs on ASX.

**Approved NOHC Ordinary Shares** has the meaning given to it in Condition 13.13 (“Substitution of Approved NOHC as issuer of Ordinary Shares”).

**APRA** means the Australian Prudential Regulation Authority or any successor Government Agency responsible for prudential regulation.

**Assets** means, in respect of the Issuer, its total non-consolidated gross assets as shown by its latest published audited financial statements but adjusted for events subsequent to the date of such financial statements in such manner and to such extent as its Directors, its auditors or its liquidator may determine to be appropriate.

**ASX** means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires.

**ATO** means the Australian Taxation Office or any successor Government Agency responsible for income taxation.

**Austraclear** means Austraclear Limited (ABN 94 002 060 773).

**Austraclear Regulations** means the regulations known as “Austraclear System Regulations” established by Austraclear to govern the use of the Austraclear System.

**Austraclear System** means the system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between members of that system.

**Australian Tax Act** means the Income Tax Assessment Act 1936 of Australia and where applicable any replacement legislation including, but not limited to, the Income Tax Assessment Act 1997 of Australia.

**Bank Bill Rate** means for an Interest Period:

- (a) the rate (expressed as a percentage per annum) designated “BBSW” in respect of prime bank eligible securities having a tenor closest to the Interest Period which rate ASX (or its successor as administrator of that rate) publishes through information vendors at approximately 10:30am (Sydney time) (or such other time at which such rate is accustomed to be so published) on the first day of the Interest Period; or
- (b) if the Calculation Agent determines that such rate (expressed as a percentage per annum) as is described in paragraph (a) above:
  - (i) is not published by the Cut-Off Time (other than on account of a Base Rate Disruption Event); or
  - (ii) is published, but is affected by an obvious error,

such other rate (expressed as a percentage per annum) that the Calculation Agent determines having regard to comparable indices then available.

**Banking Act** means the Banking Act 1959 of Australia.

**Base Rate** means, where the relevant Pricing Supplement specifies as the basis for determining the Base Rate:

- (a) “ISDA Determination”, the ISDA Rate;
- (b) “Screen Rate Determination”, the Screen Rate; and
- (c) “Bank Bill Rate Determination”, the Bank Bill Rate,

or such other rate as is specified in the relevant Pricing Supplement.

**Base Rate Disruption Event** means that, in respect of a Floating Rate MTN for which the Pricing Supplement specifies “Screen Rate Determination” or “Bank Bill Rate Determination” (each as referred to in the definition of Base Rate) as the basis for determining the Base Rate, in the Calculation Agent’s opinion, the Base Rate:

- (a) has been discontinued or otherwise ceased to be calculated or administered; or
- (b) is no longer generally accepted as a reference rate appropriate to floating rate debt securities denominated in the Specified Currency of a tenor and interest period comparable to that of that Floating Rate MTN.

**Business Day** means a day on which commercial banks and foreign exchange markets are open to settle payments and for general business in Sydney and Melbourne and in each (if any) Additional Business Centre and on which the relevant Clearing System (if any) for the relevant MTN is operating.

**Business Day Convention** means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the relevant Pricing Supplement, in relation to any date applicable to any MTN, have the following meanings:

- (a) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (b) **Modified Following Business Day Convention or Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is brought forward to the first preceding day that is a Business Day;
- (c) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day; and
- (d) **No Adjustment** means that the relevant date must not be adjusted in accordance with any Business Day Convention.

**Calculation Agent** means the Issuer or any other person specified as such in the relevant Pricing Supplement.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX or its affiliates or any system that replaces it relevant to the Subordinated MTNs (including in respect of the transfer or Conversion of the Subordinated MTNs).

**Clearing System** means:

- (a) the Austraclear System;
- (b) Euroclear;
- (c) Clearstream; or

(d) any other clearing system specified in the relevant Pricing Supplement.

**Clearstream** means Clearstream Banking, société anonyme.

**Condition** means the correspondingly numbered condition in these terms and conditions.

**Control** has the meaning given in the Corporations Act.

**Convert** has the meaning given to it in Condition 13.4 (“Conversion of Subordinated MTNs”).

**Conversion Date** has the meaning given to it in Condition 13.1 (“Non-Viability Trigger Event”).

**Conversion Number** has the meaning given to it in the Schedule.

**Corporations Act** means the Corporations Act 2001 of Australia.

**Cum Value** has the meaning given to it in the Schedule.

**Cut-Off Time** means:

- (a) if “Screen Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the time that is 15 minutes after the Relevant Time, or such other time as is specified in the Pricing Supplement; or
- (b) if “Bank Bill Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, midday or such other time as is specified in the Pricing Supplement.

**Day Count Fraction** means, in respect of the calculation of an amount of interest of any MTN for any period of time (“**Calculation Period**”), the day count fraction specified in these Conditions or the relevant Pricing Supplement and:

- (a) if “**Actual/Actual (ICMA)**” is so specified, means:
  - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and
  - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year;
- (b) if “**Actual/365**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
  - (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
  - (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);



- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**” is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months unless:
  - (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day is not considered to be shortened to a 30-day month; or
  - (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February is not considered to be lengthened to a 30-day month);
- (f) if “**30E/360**” or “**Eurobond Basis**” is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February is not considered to be lengthened to a 30-day month);
- (g) if “**RBA Bond Basis**” or “**Australian Bond Basis**” is so specified, means:
  - (i) for amounts paid and/or calculated in respect of Interest Payment Dates, one divided by the number of Interest Payment Dates in a year; and
  - (ii) for amounts paid and/or calculated in respect of dates other than Interest Payment Dates, Actual/Actual (ICMA); and
- (h) any other Day Count Fraction specified in the relevant Pricing Supplement.

**Denomination** means, for an MTN, the principal amount of the MTN specified as such in the Pricing Supplement (or calculated in accordance with the provisions of the relevant Pricing Supplement) as it may be adjusted, in the case of Subordinated MTNs, in accordance with Condition 13.3 (“General provisions relating to Conversion and Write-Off”).

**Directive** means:

- (a) a law; or
- (b) a treaty, an official directive, request, regulation, guideline or policy having the force of law or compliance with which is in accordance with general practice of responsible participants in the market concerned.

**Director** means a director of the Issuer.

**Early Redemption Date (Call)** has the meaning given in the relevant Pricing Supplement.

**Early Redemption Date (Put)** has the meaning given in the relevant Pricing Supplement.

**Equal Ranking Instruments** means any instrument that ranks in a Winding Up of the Issuer as the most junior claim in the Winding Up of the Issuer ranking senior to Junior Ranking Instruments and includes:

- (a) the Undated Subordinated Floating Rate Notes issued under the trust deed dated 4 October 1986 between Issuer and The Law Debenture Trust Corporation p.l.c, as amended from time to time (except in so far as such amendment is inconsistent with such ranking); and
- (b) any other instruments issued after 1 January 2013 as Relevant Tier 2 Capital Instruments.

**Euroclear** means the Euroclear Systems operated by Euroclear Bank S.A./N.V..

**Event of Default** has the meaning given in Condition 18 (“Events of Default”).

**Extraordinary Resolution** has the meaning given in the Meetings Provisions.

**FATCA** means sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (the “**Code**”) (or any consolidation, amendment, re-enactment or replacement of those sections), any current or future regulations or official interpretations issued, agreements entered into pursuant to section 1471(b) of the Code or non-US laws enacted or regulations or practices adopted pursuant to any intergovernmental agreement in connection with the implementation of those sections.

**FATCA Withholding** means any withholding or deduction imposed or required pursuant to FATCA.

**Fixed Coupon Amount** has the meaning given in the relevant Pricing Supplement, as it may be reduced (in the case of Subordinated MTNs only) by Condition 13.3 (“General provisions relating to Conversion and Write-Off”).

**Fixed Rate MTN** means an MTN on which interest is calculated at a fixed rate payable in arrears on a fixed date or fixed dates in each year and on redemption or on any other dates as specified in the relevant Pricing Supplement.

**Floating Rate MTN** means an MTN on which interest is calculated at a floating rate payable 1, 2, 3, 6, or 12 monthly or in respect of any other period or on any date specified in the relevant Pricing Supplement.

**Foreign Holder** has the meaning given to it in Condition 13.10 (“Issue to nominee”).

**Government Agency** means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.

**Inability Event** means the Issuer is prevented by applicable law or order of any court or action of any government authority (including regarding the insolvency, winding up or other external administration of the Issuer) or any other reason from Converting Subordinated MTNs.

**Index Linked MTN** means an MTN in respect of which the amount payable in respect of interest is calculated by reference to an index or a formula or both as specified in the relevant Pricing Supplement.

**Information Memorandum** means at any time any current information memorandum (and any supplement to it) prepared on behalf of, and approved by, the Issuer in connection with the issue of MTNs and includes:

- (a) all documents incorporated by reference in it; and
- (b) any other information (including a Pricing Supplement) approved by the Issuer from time to time.

**Instalment Amount** has the meaning given in the relevant Pricing Supplement.

**Instalment Date** has the meaning given in the relevant Pricing Supplement.

**Instalment MTN** means an MTN which is redeemable in one or more instalments, as specified in the relevant Pricing Supplement.

**Interest Commencement Date** means, for an MTN, the Issue Date of the MTN or any other date so specified in the relevant Pricing Supplement.

**Interest Determination Date** has the meaning given in the relevant Pricing Supplement.

**Interest Payment Date** means each date so specified in, or determined in accordance with, the relevant Pricing Supplement and, if a Business Day Convention is specified in the relevant Pricing Supplement as adjusted in accordance with the relevant Business Day Convention.

**Interest Period** means each period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date. However:

- (a) the first Interest Period commences on (and includes) the Interest Commencement Date; and
- (b) the final Interest Period ends on (but excludes) the Maturity Date.

**Interest Rate** means, for an MTN, the interest rate (expressed as a percentage per annum) payable in respect of that MTN specified in the relevant Pricing Supplement or calculated or determined in accordance with these Conditions or the relevant Pricing Supplement.

**ISDA Definitions** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (as supplemented, amended and updated as at the Issue Date of the first Tranche of the MTNs of the relevant Series).

**ISDA Rate** means for a Floating Rate MTN and an Interest Period, the rate the Calculation Agent determines would be the Floating Rate under a Swap Transaction if the Calculation Agent were acting as Calculation Agent for that Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option, the Designated Maturity and the Reset Date are as specified in the Pricing Supplement; and
- (b) the Period End Dates are each Interest Payment Date, and the Floating Rate Day Count Fraction is the Day Count Fraction.

For the purposes of this definition, "Swap Transaction", "Floating Rate", "Floating Rate Option", "Designated Maturity", "Reset Date", "Period End Date", and "Floating Rate Day Count Fraction" have the meanings given to those terms in the ISDA Definitions.

**I&P Agency Agreement (Offshore)** means any agreement between the relevant I&P Agent (Offshore) and the Issuer and any replacement of it relating to the Programme which is identified by the Issuer as being a document within the meaning of this definition.

**I&P Agent (Offshore)** in relation to all or any Series or Tranche of MTNs, means each person appointed by the Issuer with the consent of the Permanent Dealer, to perform issue and paying agency functions with respect to that Series or Tranche of MTNs initially lodged and held through (or predominantly through) Euroclear, Clearstream or such other system as is agreed from time to time by the Issuer, the relevant dealer and the relevant I&P Agent (Offshore), details of which are specified in the relevant Pricing Supplement or in the Information Memorandum.

**Issue Date** means the date on which an MTN is, or is to be issued, as specified in, or determined in accordance with, the relevant Pricing Supplement.

**Issue Date VWAP** has the meaning given to it in the Schedule.

**Issue Date VWAP Date** has the meaning given to it in the Schedule.

**Issue Price** of an MTN means the price at which that MTN is issued as specified in the relevant Pricing Supplement.

**Issuer** has the meaning given to it in Condition 1.1 (“Programme”).

**Issuer Level 1 Group** means the Issuer and those of its Related Entities included by APRA from time to time in the calculation of the Issuer’s capital ratios on a Level 1 basis.

**Issuer Level 2 Group** means the Issuer and those of its Related Entities included by APRA from time to time in the calculation of the Issuer’s capital ratios on a Level 2 basis.

**Issuer Group** means the Issuer and its Controlled entities.

**Junior Ranking Instruments** means:

- (a) any instrument issued as Tier 1 Capital (whether or not constituting Tier 1 Capital at the Issue Date or at the time of commencement of Winding Up of the Issuer); and
- (b) any shares (including Ordinary Shares) in the capital of the Issuer (other than shares issued as Tier 2 Capital),

or any claims in respect of a shareholding including claims described in sections 563AA and 563A of the Corporations Act.

**Level 1** and **Level 2** mean those terms as defined by APRA from time to time.

**Liabilities** means, in respect of the Issuer, its total non-consolidated gross liabilities as shown by its latest published audited financial statements but adjusted for events subsequent to the date of such financial statements in such manner and to such extent as its Directors, its auditors or its liquidator may determine to be appropriate.

**Margin** means the margin specified in, or determined in accordance with, the relevant Pricing Supplement.

**Maturity Date** means, for an MTN, the date specified in the relevant Pricing Supplement as the date for redemption of that MTN as adjusted in accordance with the relevant Business Day Convention.

**Maximum Conversion Number** has the meaning given to it in the Schedule.

**Maximum Interest Rate** has the meaning given in the relevant Pricing Supplement.

**Meetings Provisions** means the provisions for the convening of meetings of, and passing of resolutions by, MTN Holders set out in schedule 2 of the MTN Deed Poll.

**Minimum Interest Rate** has the meaning given in the relevant Pricing Supplement.

**MTN** means a medium term registered debt obligation of the Issuer constituted by, and owing under the MTN Deed Poll, the details of which are recorded in, and evidenced by, entry in, the Register.

**MTN Deed Poll** means the deed poll so entitled executed by the Issuer on or about 11 November 2003, amended and restated as at 12 February 2021, and previously amended and restated as at 15 May 2007, 12 March 2009, 23 August 2011, 5 March 2014, 5 September 2014, 31 August 2016 and 30 October 2019.

**MTN Documents** means:

- (a) each Agency Agreement;

- (b) the MTN Deed Poll;
- (c) these Conditions; and
- (d) any other document which the Issuer acknowledges in writing to be an MTN Document.

**MTN Holder** means, for an MTN, each person whose name is entered in the Register as the holder of that MTN. If an MTN is held in a Clearing System, references to the MTN Holder of that MTN include the operator of that Clearing System or a nominee for that operator or a common depository for one or more Clearing Systems (in each case acting in accordance with the rules and regulations of the Clearing System or Clearing Systems).

**Non-Viability Determination** has the meaning given to it in Condition 13.1 (“Non-Viability Trigger Event”).

**Non-Viability Trigger Event** has the meaning given to it in Condition 13.1 (“Non-Viability Trigger Event”).

**Non-Viability Trigger Event Notice** has the meaning given to it in Condition 13.7 (“Non-Viability Trigger Event Notice”).

**Ordinary Shares** has the meaning given to it in the Schedule.

**Outstanding** means in relation to the MTNs of all or any Series, all of the MTNs of such Series other than:

- (a) MTNs which have been redeemed or satisfied in full by the Issuer;
- (b) MTNs for which funds equal to their aggregate Outstanding Principal Amount are on deposit with the Registrar on terms which prohibit the redemption of those MTNs or in respect of which the Registrar holds an irrevocable direction to apply funds in repayment of MTNs to be redeemed on that day;
- (c) MTNs in respect of which an MTN Holder is unable to make a claim as a result of the operation of Condition 17 (“Time limit for claims”); or
- (d) in the case of any Subordinated MTNs, a Subordinated MTN which has been Converted or Written-Off in full.

**Outstanding Principal Amount** means at any time, the amount of the principal in respect of an MTN, determined in accordance with Condition 27.6 (“References to principal and interest”) that is outstanding.

**Payment Default** has the meaning given to it in Condition 18.5 (“Additional definitions for Condition 18.4”).

**Permanent Dealer** means a dealer appointed in accordance with the relevant dealer agreement to act as a dealer to the Programme, but not including a dealer appointed only in relation to a Tranche of MTNs.

**Pricing Supplement** means, in respect of a Tranche, a pricing supplement specifying the relevant issue details in relation to it.

**Principal Amount** has the meaning given to it in the Schedule.

**Programme** means the debt issuance programme established by the Issuer.

**Record Date** means, for a payment due in respect of an MTN, the eighth calendar day before the relevant payment date or any other date specified in, or determined in accordance with, the Pricing Supplement.

**Redemption Amount** means:

- (a) for a Fixed Rate MTN or a Floating Rate MTN, the Outstanding Principal Amount of the MTN on the date it is redeemed;
- (b) for a Zero Coupon MTN, the Amortised Face Amount of the Zero Coupon MTN calculated on the date it is redeemed; and
- (c) for a Structured MTN, the amount determined by the Calculation Agent on the date and in the manner specified in the Pricing Supplement.

It also includes any amount in the nature of a redemption amount specified in, or determined in accordance with, the Pricing Supplement or these Conditions.

**Reference Price** has the meaning given in the relevant Pricing Supplement.

**Reference Rate** has the meaning given in the relevant Pricing Supplement.

**Register** means a register, including any branch register, of holders of MTNs established and maintained by or on behalf of the Issuer under the Registry Services Agreement.

**Registrar** means Austraclear Services Limited (ABN 28 003 284 419) or any other person appointed by the Issuer under the Registry Services Agreement to maintain the Register and perform any payment and other duties as specified in that agreement.

**Registry Services Agreement** means the agreement titled “The ASX Austraclear Registry and IPA Services Agreement” dated on or about 23 August 2011 between the Issuer and the Registrar in relation to the MTNs and any other registry services agreement from time to time entered into between the Issuer and a Registrar.

**Regular Period** means:

- (a) in the case of MTNs where interest is scheduled to be paid only by means of regular payments, each Interest Period;
- (b) in the case of MTNs where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of MTNs where, apart from one Interest Period other than the first Interest Period (the “**Irregular Interest Period**”), interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the Irregular Interest Period.

**Regulatory Capital** means a Tier 1 Capital Instrument or a Tier 2 Capital Instrument.

**Regulatory Event** has the meaning given to it in Condition 12.4 (“Early redemption of Subordinated MTNs for regulatory reasons”).

**Related Entity** has the meaning given by APRA from time to time.

**Relevant Capital Instruments** means each of:

- (a) Relevant Tier 1 Capital Instruments; and
- (b) Relevant Tier 2 Capital Instruments.

**Relevant Fraction** has the meaning given to it in the Schedule.

**Relevant Screen Page** means, for a Floating Rate MTN in respect of which "Screen Rate" applies:

- (a) the page, section or other part of a particular information service which displays the applicable Reference Rate, as specified in the Pricing Supplement; or
- (b) any other page, section or other part as may replace it on that information service or another information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

**Relevant Subordinated MTN** has the meaning given to it in the Schedule.

**Relevant Tax Jurisdiction** means the Commonwealth of Australia or any political subdivision or any authority therein or of such jurisdiction having power to tax to which the Issuer becomes subject in respect of payments made by it under or in respect of the MTNs.

**Relevant Tier 1 Capital Instrument** means a Tier 1 Capital Instrument that in accordance with its terms or by operation of law is capable of being written-off or converted into Ordinary Shares when a Non-Viability Determination is made.

**Relevant Tier 2 Capital Instrument** means a Tier 2 Capital Instrument that in accordance with its terms or by operation of law is capable of being written-off or converted into Ordinary Shares when a Non-Viability Determination is made.

**Relevant Time** has the meaning given in the relevant Pricing Supplement.

**Reorganisation** has the meaning given to it in the Schedule.

**Screen Rate** means, for a Floating Rate MTN and an Interest Period:

- (a) the quotation offered for the Reference Rate as displayed on the Relevant Screen Page at the Relevant Time on the Interest Determination Date; or
- (b) if the Calculation Agent determines that such rate as is described in paragraph (a) above:
  - (i) is not published by the Cut-Off Time (other than on account of a Base Rate Disruption Event); or
  - (ii) is published, but is affected by an obvious error,such other rate that the Calculation Agent determines having regard to comparable indices then available.

**Series** means an issue of MTNs made up of one or more Tranches all of which form a single Series and are issued on the same Conditions except that the Issue Date, Issue Price, and Interest Commencement Date may be different in respect of a different Tranche of a Series.

**Senior Creditors** means all present and future creditors of the Issuer (including but not limited to depositors of the Issuer) whose claims:

- (a) would be entitled to be admitted in the Winding Up of the Issuer; and
- (b) are not in respect of Equal Ranking Instruments or Junior Ranking Instruments,

including creditors in respect of Subordinated MTNs issued by the Issuer before 1 January 2013.

**Solvent** means that each of the following is the case:

- (a) the Issuer is able to pay its debts as they fall due; and
- (b) its Assets exceed its Liabilities.

**Specified Office** means the office specified in the most recent Information Memorandum or any other address notified to MTN Holders from time to time.

**Specified Period** has the meaning given in the relevant Pricing Supplement.

**Structured MTN** means:

- (a) an Index Linked MTN; or
- (b) an Instalment MTN.

**Subordinated MTN** means an MTN that is specified in the relevant Pricing Supplement as being a Subordinated MTN.

**Subordinated MTN Holder** means, in respect of a Subordinated MTN:

- (a) for the purposes of determining the person entitled to be issued Ordinary Shares (or, where Condition 13.10 ("Issue to nominee") applies, the net proceeds of sale of such shares) and the amount of their entitlements:
  - (i) for so long as such Subordinated MTNs are held in the Austraclear System, a person who is a Participant (as defined in the Austraclear Regulations); and
  - (ii) for so long as such Subordinated MTNs are held in any other Clearing System specified in the relevant Pricing Supplement and Ordinary Shares are not able to be held in that Clearing System, a participant of that Clearing System; and
- (b) for all other purposes, a person whose name is entered in the Register as the holder of that Subordinated MTN. If a Subordinated MTN is held in a Clearing System, references to the Subordinated MTN Holder of that Subordinated MTN include the operator of that Clearing System or a nominee for that operator or a common depository for one or more Clearing Systems (in each case acting in accordance with the rules and regulations of the Clearing System or Clearing Systems).

**Taxes** means taxes, levies, imposts, deductions, charges or withholdings and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties and expenses in connection with them.

**Tier 1 Capital** means the Tier 1 Capital of the Issuer (on a Level 1 basis) or the Issuer Group (on a Level 2 basis) as defined by APRA from time to time.

**Tier 1 Capital Instrument** means a share, note or other security or instrument constituting Tier 1 Capital.

**Tier 2 Capital** means the Tier 2 Capital of the Issuer (on a Level 1 basis) or the Issuer Group (on a Level 2 basis) as defined by APRA from time to time.

**Tier 2 Capital Instrument** means a share, note or other security or instrument constituting Tier 2 Capital.

**Tranche** means an issue of MTNs specified as such in the relevant Pricing Supplement issued on the same Issue Date and on the same Conditions (except that a Tranche may comprise MTNs in more than one denomination).



**Transferee** has the meaning given to it in Condition 13.13 (“Substitution of Approved NOHC as issuer of Ordinary Shares”).

**Unsubordinated MTN** means an MTN specified in the relevant Pricing Supplement as being unsubordinated.

**Unsubordinated MTN Holder** means an MTN Holder holding an Unsubordinated MTN.

**VWAP** has the meaning given to it in the Schedule.

**VWAP Period** has the meaning given to it in the Schedule.

**Winding Up** means a winding up by a court of competent jurisdiction or otherwise under applicable law (which, in the case of Australia, includes the Corporations Act).

**Winding Up Default** has the meaning given in Condition 18.5 (“Additional definitions for Condition 18.4”).

**Written-Off** means, in respect of an Outstanding Principal Amount of Subordinated MTNs, the rights of the Subordinated MTN Holder (including to payment of any principal or interest) in relation to that principal amount of such Subordinated MTNs are written-off and immediately and irrevocably terminated (and “**Write-Off**” when used herein has a corresponding meaning).

**Zero Coupon MTN** means an MTN which does not entitle the MTN Holder to the periodic payment of interest before its Maturity Date and which is issued at a discount to its Denomination.

## **27.2 References to certain general terms**

Unless the contrary intention appears, a reference in these Conditions to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) a document (including these Conditions) includes any variation or replacement of it;
- (c) law means common law, principles of equity and laws made by any parliament (and laws made by parliament include federal or state laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (d) Australian dollars or A\$ is a reference to the lawful currency of Australia and a reference to US dollars or US\$ is a reference to the lawful currency of the United States of America;
- (e) a time of day is a reference to Melbourne time;
- (f) the word “person” includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (g) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (h) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (i) anything (including any amount) is a reference to the whole and each part of it;
- (j) the words “including”, “for example” or “such as” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind; and

- (k) in Condition 20 (“Meetings of MTN Holders”) and Condition 21 (“Variation”), “vary” includes modify, cancel, alter or add to and “variation” has a corresponding meaning.

### **27.3 Number**

The singular includes the plural and vice versa.

### **27.4 Headings**

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these Conditions.

### **27.5 References**

Unless the contrary intention appears, in these Conditions:

- (a) a reference to an MTN Holder is a reference to the holder of MTNs of a particular Series;
- (b) a reference to an MTN is a reference to an MTN of a particular Series;
- (c) if the MTNs are Zero Coupon MTNs, references to interest are not applicable; and
- (d) a reference to the approval of APRA to anything occurring (including the redemption of an MTN or a variation of an MTN Document) shall be read as applying to the extent that such approval is required in accordance with any applicable prudential standards.

### **27.6 References to principal and interest**

Unless the contrary intention appears, in these Conditions:

- (a) subject to paragraphs (e) and (f) below, any reference to “principal” in the context of an MTN is taken to include the Redemption Amount of the MTN, any premium payable in respect of the MTN when it is issued, and any other amount in the nature of principal payable in respect of the MTN under these Conditions;
- (b) the principal amount of an MTN issued at a discount is to be taken as at any time to equal the lesser of:
  - (i) its Denomination; and
  - (ii) if specified in the Pricing Supplement, its Amortised Face Amount at that time;
- (c) the principal amount of an MTN which may vary by reference to a schedule or formula at any time is taken to equal its varied amount as determined in accordance with these Conditions;
- (d) the principal amount of an Instalment MTN at any time is to be taken to be its Denomination less the total of the Instalment Amounts for that MTN repaid at that time to the extent that those Instalment Amounts relate to a repayment of principal;
- (e) the principal amount of a Subordinated MTN when it is issued is equal to its Denomination and remains that amount so long as it is Outstanding except to the extent it has been Converted or Written-Off;
- (f) the Outstanding Principal Amount of any Subordinated MTN which has been Converted or Written-Off in part is the principal amount of such Subordinated MTN after such Conversion or Write-Off; and

- (g) any reference to “interest” in the context of an MTN is taken to include any interest and any amount in the nature of interest payable in respect of the MTN under these Conditions.

**27.7 Terms defined in Pricing Supplement**

If these Conditions state that a definition has the meaning given in the relevant Pricing Supplement, but the relevant Pricing Supplement gives no meaning or specifies that the definition is "Not Applicable", then that definition is not applicable to the MTNs.

**27.8 No adjustment to Conversion Date**

The operation of Condition 13 (“Conversion or Write-Off of Subordinated MTNs on Non-Viability Trigger Event”) and the Schedule is not affected by any other Condition, including the Business Day Convention or Condition 15 (“Payments”).

## SCHEDULE – SUBORDINATED MTN CONVERSION MECHANISMS

### 1.1 Conversion

If the Issuer must Convert a principal amount of a Subordinated MTN in accordance with Condition 13 (“Conversion or Write-Off of Subordinated MTNs on Non-Viability Trigger Event”) (a “**Relevant Subordinated MTN**”), then the following provisions shall apply:

- (a) on the Conversion Date, the Issuer will, for the Principal Amount of the Relevant Subordinated MTN held by the MTN Holder, allot and issue that number of fully paid ordinary shares in the capital of the Issuer (“**Ordinary Shares**”) which is the lesser of the number calculated according to the following formula and the Maximum Conversion Number:

$$\frac{\text{Principal Amount}}{(1 - \text{CD}) \times \text{VWAP during the VWAP Period}}$$

(the “**Conversion Number**”)

where:

**Principal Amount** means, in respect of a Relevant Subordinated MTN, all or such lesser principal amount of that Relevant Subordinated MTN determined by the Issuer in accordance with Condition 13.2 (“Relevant Tier 1 Capital Instruments to be converted or written-off first where permitted”) to be the proportionate allocation of the aggregate principal amount required to be Converted to that Relevant Subordinated MTN;

**CD** means the Conversion Discount specified in the applicable Pricing Supplement;

**Maximum Conversion Number** means in respect of the Principal Amount of a Relevant Subordinated MTN the number calculated according to the following formula:

$$\text{Maximum Conversion Number} = \frac{\text{Principal Amount}}{(\text{Issue Date VWAP} \times \text{Relevant Fraction})}$$

**VWAP** means, subject to any adjustments under clause 1.2 (“Adjustments to VWAP”) of this Schedule, the average of the daily volume weighted average sale prices (such average being rounded to the nearest full cent) of Ordinary Shares sold on ASX during the VWAP Period or on the relevant days (and, where the specified currency of the Principal Amount in respect of the Relevant Subordinated MTN is an Alternate Currency (and not Australian dollars), with each such daily price converted into the Alternate Currency on the basis of the closing spot price on each day of calculation in the VWAP Period for the sale of the Australian dollar against the purchase of such Alternate Currency as published by Bloomberg (or a replacement or equivalent information vendor), or as otherwise determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner) but does not include any “Crossing” transacted outside the “Open Session State” or any “Special Crossing” transacted at any time, each as defined in the ASX Operating Rules, or any overseas trades or trades pursuant to the exercise of options over Ordinary Shares;

**VWAP Period** means the latest period of five Business Days (or such other period specified in the applicable Pricing Supplement) on which trading in Ordinary Shares took place immediately preceding (but not including) the Conversion Date;

**Relevant Fraction** means 0.2;

**Issue Date VWAP** means the VWAP during the period of 20 Business Days or such other period specified in the applicable Pricing Supplement on which trading in Ordinary Shares took place immediately preceding (but not including) the first date on which MTNs of the Series of which the Relevant Subordinated MTNs forms part were issued (the "**Issue Date VWAP Date**"), as adjusted in accordance with clauses 1.4 ("Adjustments to Issue Date VWAP") to 1.7 ("No adjustment to Issue Date VWAP in certain circumstances") (inclusive) of this Schedule;

- (b) any calculation under paragraph (a) shall be rounded to four decimal places provided that if the total number of additional Ordinary Shares to be allotted to a Subordinated MTN Holder in respect of the aggregate principal amount of its holding of Relevant Subordinated MTNs upon Conversion includes a fraction of an Ordinary Share, that fraction of an Ordinary Share will be disregarded;
- (c) the rights attaching to Ordinary Shares issued as a result of Conversion do not take effect until 5.00pm (Melbourne, Australia time) on the Conversion Date (unless another time is required for Conversion on that date). At that time all other rights conferred or restrictions imposed on that Subordinated MTN under the Conditions will no longer have effect to the extent of the Principal Amount of that Subordinated MTN being Converted (except for the right to receive the Ordinary Shares as set forth in clause 1.1 ("Conversion") of this Schedule and Condition 13.4 ("Conversion of Subordinated MTNs") and except for rights relating to interest which is payable but has not been paid on or before the Conversion Date which will continue); and
- (d) on the Conversion Date the Issuer will:
  - (i) redeem the Principal Amount of each Relevant Subordinated MTN held by the MTN Holder;
  - (ii) apply the proceeds of the redemption of the Principal Amount of each Relevant Subordinated MTN on behalf of the MTN Holder in subscription for the Conversion Number of Ordinary Shares; and
  - (iii) issue to the relevant MTN Holder, in respect of the Principal Amount of each Relevant Subordinated MTN held by that MTN Holder, a number of Ordinary Shares that is equal to the Conversion Number,

and the rights of the MTN Holder (including to payment of interest with respect to such Principal Amount, both in the future and as accrued but unpaid as at the Conversion Date) in relation to the Principal Amount that is being Converted will be immediately and irrevocably terminated.

The MTN Holder irrevocably directs the Issuer to take all such action in accordance with the above provisions as is necessary to immediately effect Conversion accordingly and the Issuer will take all steps, including updating any register, required to record the Conversion.

Nothing in this clause creates any obligation to pay any amount in respect of the redemption of the Principal Amount of any Relevant Subordinated MTN except by way of the application of the proceeds of that redemption in subscription for the Conversion Number of Ordinary Shares.

## 1.2 Adjustments to VWAP

For the purposes of calculating the VWAP in this Schedule:

- (a) where, on some or all of the Business Days in the relevant VWAP Period, Ordinary Shares have been quoted on ASX as cum dividend or cum any other distribution or entitlement and a principal amount of Relevant Subordinated MTNs will Convert into Ordinary Shares after the date those Ordinary Shares no longer carry that dividend or any other distribution or entitlement, then the VWAP on the Business Days on which those Ordinary Shares have been quoted cum dividend or cum any other distribution or entitlement shall be reduced by an amount (the “**Cum Value**”) equal to:
- (i) (in case of a dividend or other distribution), the amount of that dividend or other distribution including, if the dividend or other distribution is franked, the amount that would be included in the assessable income of a recipient of the dividend or other distribution who is both a resident of Australia and a natural person under the Australian Tax Act;
  - (ii) (in the case of any other entitlement that is not a dividend or other distribution under clause 1.2(a)(i) (“Adjustments to VWAP”) which is traded on ASX on any of those Business Days), the volume weighted average sale price of all such entitlements sold on ASX during the VWAP Period on the Business Days on which those entitlements were traded; or
  - (iii) (in the case of any other entitlement which is not traded on ASX during the VWAP Period), the value of the entitlement as reasonably determined by the Directors of the Issuer (or a committee authorised by them); and
- (b) where, on some or all of the Business Days in the VWAP Period, Ordinary Shares have been quoted on ASX as ex dividend or ex any other distribution or entitlement, and a principal amount of Relevant Subordinated MTNs will Convert into Ordinary Shares in respect of which the relevant dividend or other distribution or entitlement would be payable, the VWAP on the Business Days on which those Ordinary Shares have been quoted ex dividend or ex any other distribution or entitlement shall be increased by the Cum Value.

## 1.3 Adjustments to VWAP for divisions and similar transactions

Where during the relevant VWAP Period there is a change in the number of Ordinary Shares on issue as a result of a subdivision, consolidation or reclassification of the Issuer’s share capital not involving any cash payment or other distribution or compensation to or by the holders of Ordinary Shares (“**Reorganisation**”), in calculating the VWAP for that VWAP Period the VWAP on each Business Day in the relevant VWAP Period which falls before the date on which trading in Ordinary Shares is conducted on a post Reorganisation basis shall be adjusted by multiplying it by the following formula:

$$\frac{A}{B}$$

where:

**A** means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

**B** means the aggregate number of Ordinary Shares immediately after the Reorganisation.

## 1.4 Adjustments to Issue Date VWAP

For the purposes of determining the Issue Date VWAP in respect of a Relevant Subordinated MTN, adjustments to the VWAP will be made in accordance with clauses 1.2 (“Adjustments to VWAP”) and 1.3 (“Adjustments to VWAP for divisions and similar transactions”) during the

VWAP Period for the Issue Date VWAP. On and from the Issue Date VWAP Date, adjustments to the Issue Date VWAP:

- (a) may be made in accordance with clauses 1.5 (“Adjustments to Issue Date VWAP for bonus issues”) to 1.7 (“No adjustments to VWAP in certain circumstances”); and
- (b) if so made, will cause an adjustment to the Maximum Conversion Number by operation of the formula in clause 1.1(a) (“Conversion”).

#### **1.5 Adjustments to Issue Date VWAP for bonus issues**

- (a) Subject to clause 1.5(b) (“Adjustments to Issue Date VWAP for bonus issues”), if after the Issue Date VWAP Date in respect of a Relevant Subordinated MTN, the Issuer makes a pro rata bonus issue of Ordinary Shares to holders of Ordinary Shares generally, the Issue Date VWAP in respect of the Relevant Subordinated MTNs will be adjusted in accordance with the following formula:

$$V = V_0 \times \frac{RD}{RD + RN}$$

where:

**V** means the Issue Date VWAP applicable to the Relevant Subordinated MTNs immediately after the application of this formula;

**V<sub>0</sub>** means the Issue Date VWAP applicable to the Relevant Subordinated MTNs immediately prior to the application of this formula;

**RD** means the number of Ordinary Shares on issue immediately prior to the allotment of new Ordinary Shares pursuant to the bonus issue; and

**RN** means the number of Ordinary Shares issued pursuant to the bonus issue.

- (b) Clause 1.5(a) (“Adjustments to Issue Date VWAP for bonus issues”) does not apply to Ordinary Shares issued as part of a bonus share plan, employee or executive share plan, executive option plan, share top up plan, share purchase plan or a dividend reinvestment plan.
- (c) For the purpose of clause 1.5(a) (“Adjustments to Issue Date VWAP for bonus issues”), an issue will be regarded as a pro rata issue notwithstanding that the Issuer does not make offers to some or all holders of Ordinary Shares with registered addresses outside Australia, provided that in so doing the Issuer is not in contravention of the ASX Listing Rules.
- (d) No adjustments to the Issue Date VWAP will be made under this clause 1.5 (“Adjustments to Issue Date VWAP for bonus issues”) for any offer of Ordinary Shares not covered by clause 1.5(a) (“Adjustments to Issue Date VWAP for bonus issues”), including a rights issue or other essentially pro rata issue.
- (e) The fact that no adjustment is made for an issue of Ordinary Shares except as covered by clause 1.5(a) (“Adjustments to Issue Date VWAP for bonus issues”) shall not in any way restrict the Issuer from issuing Ordinary Shares at any time on such terms as it sees fit nor be taken to constitute a modification or variation of rights or privileges of MTN Holders or otherwise requiring any consent or concurrence.

#### **1.6 Adjustment to Issue Date VWAP for divisions and similar transactions**

- (a) If at any time after the Issue Date VWAP Date in respect of the Relevant Subordinated MTNs there is a change in the number of Ordinary Shares on issue as a result of a Reorganisation, the Issuer shall adjust the Issue Date VWAP applicable to the

Relevant Subordinated MTNs by multiplying the Issue Date VWAP applicable on the Business Day immediately before the date of any such Reorganisation by the following formula:

$$\frac{A}{B}$$

where:

**A** means the aggregate number of Ordinary Shares immediately before the Reorganisation; and

**B** means the aggregate number of Ordinary Shares immediately after the Reorganisation.

- (b) Each MTN Holder acknowledges that the Issuer may consolidate, divide or reclassify securities so that there is a lesser or greater number of Ordinary Shares at any time in its absolute discretion without any such action constituting a modification or variation of rights or privileges of MTN Holders or otherwise requiring any consent or concurrence.

#### **1.7 No adjustment to Issue Date VWAP in certain circumstances**

Despite the provisions of clauses 1.5 (“Adjustments to Issue Date VWAP for bonus issues”) and 1.6 (“Adjustments to Issue Date VWAP for divisions and similar transactions”), no adjustment shall be made to the Issue Date VWAP where such adjustment (rounded if applicable) would be less than one per cent. of the Issue Date VWAP then in effect.

#### **1.8 Effect and announcement of adjustments**

Any adjustment made by the Issuer to the VWAP or the Issue Date VWAP under this Schedule is effective and binding on the Subordinated MTN Holders and these Conditions will be construed accordingly. The Issuer will notify the MTN Holders of any adjustment to the VWAP or the Issue Date VWAP under this Schedule within 10 Business Days of the Issuer determining the adjustment.

#### **1.9 Listing Ordinary Shares issued on Conversion**

The Issuer shall use all reasonable endeavours to procure a quotation of the Ordinary Shares issued upon Conversion of a principal amount of Relevant Subordinated MTNs on ASX. The MTN Holder agrees not to trade Ordinary Shares issued on Conversion (except as permitted by the Corporations Act, other applicable laws and the ASX Listing Rules) until the Issuer has taken such steps as are required by the Corporations Act, other applicable laws and the ASX Listing Rules for the shares to be freely tradeable without such further disclosure or other action and agrees to allow the Issuer to impose a holding lock or refuse to register a transfer in respect of Ordinary Shares until such time.

#### **1.10 Definitions**

- (a) In this Schedule:

**Business Day** means a day which is both (i) a day on which banks are open for general banking business in Melbourne and Sydney (not being a Saturday, Sunday or public holiday in that place) and (ii) a day which is a business day for the purposes of the ASX Listing Rules;

**ASX** means ASX Limited or the securities market operated by it, as the context requires, or any successor;

**ASX Listing Rules** means the listing rules of ASX as amended, varied or waived (whether in respect of the Issuer or generally) from time to time;



**ASX Operating Rules** means the market operating rules of ASX as amended, varied or waived (whether in respect of the Issuer or generally) from time to time.

- (b) If the principal securities exchange on which Ordinary Shares are listed becomes other than ASX, unless the context otherwise requires, a reference to ASX shall be read as a reference to that principal securities exchange and a reference to the ASX Listing Rules, ASX Operating Rules or any term defined in any such rules, shall be read as a reference to the corresponding rules of that exchange or corresponding defined terms in such rules (as the case may be).

# TCD Terms and Conditions

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*The following are the general terms and conditions which, as supplemented, amended and/or replaced by the relevant Pricing Supplement, will apply to each TCD issued under the Debt Issuance Programme of National Australia Bank Limited. Definitions and interpretation provisions are set out in Condition 26 ("Interpretation").*

## Part 1 Introduction

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### 1 Introduction

#### 1.1 Programme

The TCDs may be issued under a Debt Issuance Programme established on or about 11 November 2003, amended and restated as at 30 October 2019 and previously amended and restated as at 15 May 2007, 12 March 2009, 23 August 2011, 5 March 2014, 5 September 2014 and 31 August 2016 by National Australia Bank Limited ("**Issuer**").

#### 1.2 Pricing Supplement

TCDs issued under the Programme are issued in Series. Each Series may comprise one or more Tranches having one or more issue dates and on terms otherwise identical (other than in respect of the Issue Price and the first payment of interest and the amounts of interest payable). Each Tranche is the subject of the Pricing Supplement which supplements, amends or replaces these Conditions. In the event of any inconsistency between these Conditions and the relevant Pricing Supplement, the relevant Pricing Supplement prevails.

Copies of the relevant Pricing Supplement are available for inspection or upon request by TCD Holders or prospective TCD Holders during normal business hours at the Specified Office of the Issuer or the Registrar.

#### 1.3 Types of TCDs

A TCD may be:

- (a) a Fixed Rate TCD;
- (b) a Floating Rate TCD; or
- (c) an Instalment TCD,

or any other type of TCD specified in the relevant Pricing Supplement.

#### 1.4 Clearing system

TCDs may be held in a Clearing System. If TCDs are held in a Clearing System, the rights of each TCD Holder and any other person holding an interest in those TCDs are subject to the rules and regulations of the Clearing System. The Issuer is not responsible for anything the Clearing System does or omits to do.

## Part 2 Form, Denomination and Title

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### 2 Form

#### 2.1 Form

The TCDs are issued in registered form. No certificates will be issued to TCD Holders unless the Issuer determines that certificates should be available or are required by any applicable law or regulation.

#### 2.2 Constitution under TCD Deed Poll

The TCDs are registered debt obligations of the Issuer, constituted by, and owing under, the TCD Deed Poll and take the form of entries in the Register. Each entry in the Register constitutes a separate and individual acknowledgement to the relevant TCD Holder of the indebtedness of the Issuer to the relevant TCD Holder.

#### 2.3 Independent obligations

The obligations of the Issuer in respect of each TCD constitute separate and independent obligations which the TCD Holder to whom those obligations are owed is entitled to enforce without having to join any other TCD Holder or any predecessor in title of a TCD Holder.

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### 3 Denomination

TCDs must be issued in a single Specified Denomination. Unless the relevant Pricing Supplement states otherwise, TCDs of one Specified Denomination may not be exchanged for TCDs of another Specified Denomination.

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### 4 Currency

The TCDs must be denominated in Australian dollars or an Alternate Currency specified in the relevant Pricing Supplement.

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### 5 Status

#### 5.1 Nature of obligations

**The indebtedness evidenced by the TCDs will not be a protected account for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act or of the Financial Claims Scheme established under Division 2AA of Part II of the Banking Act and are not guaranteed or insured by any government, government agency or compensation scheme of the Commonwealth of Australia or any other jurisdiction or by any other party.**

**The Issuer does not make any representation as to whether the TCDs would or would not constitute a deposit liability of the Issuer for the purposes of section 13A of the Banking Act.**

#### 5.2 Status and ranking

Subject to Condition 5.1 ("Nature of obligations"), TCDs constitute direct, unconditional and unsecured obligations of the Issuer, ranking equally among themselves and at least equally with all other unsecured and unsubordinated obligations of the Issuer, except for liabilities mandatorily preferred by law.

The TCDs rank senior to the Issuer's subordinated obligations.

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**6 Not used**

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**7 Title and transfer of TCDs**

**7.1 Registered form**

Each TCD takes the form of an entry in the Register.

**7.2 Title**

Title to TCDs passes when details of the transfer are entered in the Register. The Register will be closed for the purpose of determining entitlements to payments of interest and principal at 5.00pm local registry office time on the Record Date prior to any relevant payment date.

**7.3 Effect of entries in Register**

Each entry in the Register in respect of a TCD constitutes:

- (a) an unconditional and irrevocable undertaking by the Issuer to the TCD Holder to make all payments of principal and interest in respect of the TCD in accordance with these Conditions; and
- (b) an entitlement to the other benefits given to the TCD Holders under these Conditions in respect of the relevant TCD.

**7.4 Register conclusive as to ownership**

Entries in the Register in relation to a TCD constitute conclusive evidence that the person so entered is the absolute owner of the TCD subject to correction for fraud or error.

**7.5 Non-recognition of interests**

Except as required by law, the Issuer and each Agent must treat the person whose name is entered in the Register as the holder of a TCD as the absolute owner of that TCD. This Condition applies whether or not a TCD is overdue and despite any notice of ownership, trust or interest in the TCD.

**7.6 Joint holders**

Where two or more persons are entered in the Register as the joint holders of a TCD then they are taken to hold the TCD as joint tenants with rights of survivorship, but the Register is not bound to register more than four persons as joint holders of a TCD.

**7.7 Transfers in whole**

TCDs may be transferred in whole but not in part.

**7.8 Compliance with laws**

- (a) TCDs may only be transferred pursuant to offers received in Australia if:
  - (i) the aggregate consideration payable at the time of transfer is at least A\$500,000 (disregarding moneys lent by the transferor or its associates) or the TCDs are otherwise transferred in a manner which does not require disclosure in accordance with Part 6D.2 or Part 7 of the Corporations Act; and

- (ii) the transfer does not constitute an offer to a “retail client” as defined for the purposes of section 761G of the Corporations Act.
- (b) TCDs may only be transferred between persons in a jurisdiction or jurisdictions other than Australia if the transfer is in compliance with the laws of the jurisdiction in which the transfer takes place and the transfer of the TCDs otherwise does not require disclosure to investors in accordance with the laws of the jurisdiction in which the transfer takes place.

## **7.9 Transfer procedures**

TCDs entered into a Clearing System will be transferable only in accordance with the regulations of that Clearing System and the Registry Services Agreement.

Application for the transfer of TCDs not entered into a Clearing System must be made by the lodgment of a transfer form with the Registrar at its Specified Office. Transfer forms must be in the form available from the Registrar. Each transfer form must be:

- (a) duly completed;
- (b) accompanied by any evidence the Registrar may require to establish that the transfer form has been duly executed; and
- (c) signed by both the transferor and the transferee.

## **7.10 CHESS**

TCDs listed on the ASX are not:

- (a) transferred through, or registered on, CHESS; or
- (b) “Approved Financial Products” (as defined for the purposes of that system).

## **7.11 Austraclear as TCD Holder**

Where Austraclear is recorded in the relevant Register as the TCD Holder, each person in whose Security Record (as defined in the Austraclear Regulations) a TCD is recorded is deemed to acknowledge in favour of the Registrar, the Issuer and Austraclear that:

- (a) the Registrar’s decision to act as the Registrar of that TCD is not a recommendation or endorsement by the Registrar or Austraclear in relation to that TCD, but only indicates that the Registrar considers that the holding of the TCDs is compatible with the performance by it of its obligations as Registrar under the Registry Services Agreement; and
- (b) the TCD Holder does not rely on any fact, matter or circumstance contrary to Condition 7.11(a) (“Austraclear as TCD Holder”).

## **7.12 Transfers of unidentified TCDs**

If a TCD Holder transfers some but not all of the TCDs it holds and the transfer form does not identify the specific TCDs transferred, the Registrar may choose which TCDs registered in the name of TCD Holder have been transferred. However, the outstanding principal amounts of the TCDs registered as transferred must equal the outstanding principal amount of the TCDs expressed to be transferred in the transfer form.

## Part 3 Interest

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### **8 Fixed Rate TCDs**

#### **8.1 Application**

This Condition 8 (“Fixed Rate TCDs”) applies to the TCDs only if the relevant Pricing Supplement states that it applies.

#### **8.2 Interest on Fixed Rate TCDs**

Each Fixed Rate TCD bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear on each Interest Payment Date.

#### **8.3 Fixed Coupon Amount**

Unless otherwise specified in the Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of each Fixed Rate TCD for the preceding Interest Period is the Fixed Coupon Amount.

#### **8.4 Calculation of interest payable on Fixed Rate TCDs**

If the Pricing Supplement does not specify a Fixed Coupon Amount for any Interest Period, on the first day of the Interest Period the Calculation Agent must calculate the amount of interest payable on any Fixed Rate TCD for the Interest Period.

Unless otherwise specified in the Pricing Supplement, the amount of interest payable is calculated by multiplying the Interest Rate for the Interest Period, the outstanding principal amount of the Fixed Rate TCD and the applicable Day Count Fraction.

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### **9 Floating Rate TCDs**

#### **9.1 Application**

This Condition 9 (“Floating Rate TCDs”) applies to the TCDs only if the relevant Pricing Supplement states that it applies.

#### **9.2 Interest on Floating Rate TCDs**

Each Floating Rate TCD bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the relevant Pricing Supplement, each date which falls the number of months or other period specified as the Specified Period in the relevant Pricing Supplement after the preceding Interest Payment Date, or in the case of the first Interest Payment Date, after the Interest Commencement Date.

#### **9.3 Interest Rate determination**

The Calculation Agent must determine the Interest Rate for any Floating Rate TCD for an Interest Period in accordance with these Conditions and the Pricing Supplement.

#### **9.4 ISDA Determination**

If “ISDA Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for any Floating Rate TCDs for each Interest Period is the sum of the Margin and the ISDA Rate.

#### **9.5 Screen Rate Determination**

If “Screen Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for any Floating Rate TCDs for each Interest Period is the sum of the Margin and the Screen Rate.

#### **9.6 Bank Bill Rate Determination**

If “Bank Bill Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for any Floating Rate TCDs for each Interest Period is the sum of the Margin and the Bank Bill Rate.

#### **9.7 Interpolation**

If the Pricing Supplement states that “Linear Interpolation” applies to an Interest Period, the Calculation Agent must determine the Interest Rate for that Interest Period using straight line interpolation by reference to two ISDA Rates, Screen Rates, Bank Bill Rates or other floating rates, in each case, as specified in the Pricing Supplement.

The first rate must be determined as if the Interest Period were the period of time for which rates are available next shorter than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

The second rate must be determined as if the Interest Period were the period of time for which rates are available next longer than the length of the Interest Period (or any alternative Interest Period specified in the Pricing Supplement).

#### **9.8 Base Rate Disruption Event**

In respect of a Floating Rate TCD for which the Pricing Supplement specifies “Screen Rate Determination” or “Bank Bill Rate Determination” as the method for determining the Base Rate, if the Calculation Agent determines that a Base Rate Disruption Event has occurred, then the Calculation Agent

- (a) shall use as the Base Rate such Alternative Base Rate as it may determine in accordance with these Conditions;
- (b) shall make such adjustments to these Conditions as it determines are reasonably necessary to calculate interest in accordance with such Alternative Base Rate; and
- (c) in making the determinations under paragraphs (a) and (b) above:
  - (i) shall act in good faith and in a commercially reasonable manner;
  - (ii) may consult with such sources of market practice as it considers appropriate; and
  - (iii) may otherwise make such determination in its discretion.

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### **10 Instalment TCDs**

#### **10.1 Application**

This Condition 10 (“Instalment TCDs”) applies to the TCDs only if the relevant Pricing Supplement states that it applies.

## **10.2 Interest on Instalment TCDs**

Each Instalment TCD bears interest on its outstanding principal amount from (and including) its Interest Commencement Date to (but excluding) its Maturity Date at the Interest Rate.

Interest is payable in arrear:

- (a) on each Interest Payment Date; or
- (b) if no Interest Payment Date is specified in the relevant Pricing Supplement, each date which falls the number of months or other period specified as the Specified Period in the relevant Pricing Supplement after the preceding Interest Payment Date (or in the case of the first Interest Payment Date, after the Interest Commencement Date).

## **10.3 Interest Rate determination**

The Interest Rate payable in respect of an Instalment TCD must be determined in the manner specified in the relevant Pricing Supplement.

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## **11 General provisions applicable to interest**

### **11.1 Maximum or Minimum Interest Rate**

If the relevant Pricing Supplement specifies a Maximum Interest Rate or Minimum Interest Rate for any Interest Period then, the Interest Rate for that Interest Period must not be greater than the maximum, or be less than the minimum, so specified.

### **11.2 Calculation of Interest Rate and interest payable**

The Calculation Agent must, as soon as practicable after determining the Interest Rate in relation to each Interest Period for each Floating Rate TCD, calculate the amount of interest payable for the relevant Interest Period in respect of the outstanding principal amount of each TCD. The amount of interest payable is calculated by multiplying the product of the Interest Rate for that Interest Period and the outstanding principal amount of the TCD by the applicable Day Count Fraction.

### **11.3 Determination and calculation of other amounts**

If the relevant Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent must, as soon as practicable after the time at which that amount is to be determined, calculate the relevant amount. The relevant amount must be calculated by the Calculation Agent in the manner specified in the relevant Pricing Supplement.

### **11.4 Notification of Interest Rate, interest payable and other things**

The Calculation Agent must notify the Issuer, the Registrar and the relevant TCD Holders and any stock exchange or other relevant authority on which the relevant Floating Rate TCDs are listed of:

- (a) each Interest Rate, the amount of interest payable and each other amount, item or date calculated or determined by it together with the relevant Interest Payment Date; and
- (b) any amendment to any amount, item or date referred to in paragraph (a) arising from any extension or reduction in any relevant Interest Period or calculation period.

The Calculation Agent must give notice under this Condition as soon as practicable after it makes its determination. However, it must give notice of each Interest Rate, the amount of interest payable and each Interest Payment Date by the fourth day of the relevant Interest Period.



The Calculation Agent may amend its determination of any amount, item or date (or make appropriate alternative arrangements by way of adjustment) as a result of the extension or reduction of the Interest Period without prior notice but must notify the Issuer, the Registrar and each stock exchange or other relevant authority on which the relevant Floating Rate TCDs are listed and the TCD Holders after doing so.

#### **11.5 Determination and calculation final**

Except where there is an obvious error, any determination or calculation which the Calculation Agent makes in accordance with these Conditions is final and binds the Issuer, the Registrar, each Agent and each TCD Holder.

#### **11.6 Late payment of TCDs**

If the Redemption Amount payable in respect of a TCD is not paid when due, interest continues to accrue on that TCD (both before and after any demand or judgment) at the Interest Rate then applicable to the outstanding principal amount of the TCD or any other default rate specified in the relevant Pricing Supplement until the date on which the relevant payment is made to the relevant TCD Holder.

#### **11.7 Rounding**

For the purposes of any calculations required under these Conditions (unless otherwise specified in these Conditions or the relevant Pricing Supplement):

- (a) all percentages resulting from the calculations must be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.);
- (b) all figures must be rounded to five significant figures (with halves being rounded up); and
- (c) all amounts that are due and payable must be rounded to the nearest cent (with halves being rounded up).

### **Part 4 Redemption, purchase and options**

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#### **12 Redemption**

##### **12.1 Scheduled redemption**

Each TCD is redeemable by the Issuer on the Maturity Date at its Redemption Amount unless:

- (a) the TCD has been previously redeemed; or
- (b) the TCD has been purchased and cancelled; or
- (c) the relevant Pricing Supplement states that the TCD has no fixed maturity date.

##### **12.2 Early redemption for taxation reasons**

The Issuer may redeem all (but not some) of the TCDs of a Series in whole before their Maturity Date for an amount equal to the Redemption Amounts for the TCDs and any interest accrued on it to (but excluding) the redemption date if the Issuer is required under Condition 15.2 ("Withholding tax") to increase the amount of a payment in respect of a TCD.

However, the Issuer may only do so if:

- (a) the Issuer has given at least 30 days' (and no more than 60 days') notice to the relevant Agents and the TCD Holders; and

- (b) before the Issuer gives the notice under paragraph (a), the Registrar has received:
  - (i) a certificate signed by two authorised officers of the Issuer; and
  - (ii) an opinion of independent legal advisers of recognised standing in the jurisdiction of incorporation of the Issuer,

that the Issuer would be required under Condition 15.2 (“Withholding tax”) to increase the amount of the next payment due in respect of the TCDs of that Series;
- (c) in the case of Fixed Rate TCDs, no notice of redemption is given earlier than 90 days before the earliest date on which the Issuer would be obliged to pay the additional amounts were a payment in respect of the TCDs then due; and
- (d) in the case of Floating Rate TCDs:
  - (i) the proposed redemption date is an Interest Payment Date; and
  - (ii) no notice of redemption is given earlier than 60 days before the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay the additional amounts of a payment in respect of the TCDs then due.

### **12.3 Early redemption at the option of TCD Holders (investor put)**

If the relevant Pricing Supplement states that a TCD Holder may require the Issuer to redeem all or some of the TCDs of a Series held by that TCD Holder before their Maturity Date under this Condition, the Issuer must redeem the TCDs specified by that TCD Holder for an amount equal to the Redemption Amounts for the TCDs and any interest accrued on it to (but excluding) the redemption date if the following conditions are satisfied:

- (a) the amount of TCDs to be redeemed is, or is a multiple of, their Specified Denomination;
- (b) the TCD Holder has given at least 15 days’ (and no more than 30 days’) (or any other period which may be specified in the relevant Pricing Supplement) notice, to the Issuer and the Registrar by delivering to the Specified Office of the Registrar during normal business hours a completed and signed redemption notice in the form obtainable from the Specified Office of the Registrar together with any evidence the Registrar may require to establish title of the TCD Holder to the relevant TCD.
 

A notice or document deposited under this Condition may not be withdrawn without the Issuer’s consent;
- (c) the notice referred to in paragraph (b) specifies a bank account to which the payment should be made or an address to where a cheque for payment should be sent;
- (d) the proposed redemption date is an Early Redemption Date (Put); and
- (e) any other condition specified in the relevant Pricing Supplement is satisfied.

A TCD Holder may not require the Issuer to redeem any TCD under this Condition 12.3 (“Early redemption at the option of TCD Holders (investor put)”) if the Issuer has given notice that it will redeem that TCD under Condition 12.2 (“Early redemption for taxation reasons”) or Condition 12.4 (“Early redemption at the option of the Issuer (Issuer call)”).

#### **12.4 Early redemption at the option of the Issuer (Issuer call)**

If the relevant Pricing Supplement states that the Issuer may redeem all or some of the TCDs of a Series before their Maturity Date under this Condition, the Issuer may redeem so many of those TCDs specified in the Pricing Supplement for an amount equal to the Redemption Amounts for the TCDs and any interest accrued on it to (but excluding) the redemption date.

However, the Issuer may only do so if:

- (a) the amount of TCDs to be redeemed is, or is a multiple of, their Specified Denomination;
- (b) the Issuer has given at least 30 days' (and no more than 60 days') (or any other period specified in the relevant Pricing Supplement) notice to the relevant Agents and the TCD Holders; and
- (c) the proposed redemption date is an Early Redemption Date (Call).

#### **12.5 Instalments**

The Issuer agrees to redeem each Instalment TCD in instalments by paying to the TCD Holder on each Instalment Date the Instalment Amount due on that Instalment Date.

The principal amount of each Instalment TCD reduces from the date, and by the amount, of each payment the Issuer makes under this Condition 12.5 ("Instalments").

#### **12.6 Effect of notice of redemption**

Any notice of redemption given under this Condition 12 ("Redemption") is irrevocable.

#### **12.7 Purchases**

The Issuer and any Related Entities may at any time purchase TCDs in the open market or otherwise and at any price. All unmatured TCDs purchased under this Condition 12.7 ("Purchases") are not extinguished (unless held beneficially by the Issuer at the Maturity Date) and to the extent held beneficially by the Issuer prior to that Maturity Date may be held, resold or cancelled at the discretion of the Issuer, subject to compliance with all legal and regulatory requirements.

### **Part 5 Payments**

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#### **13 General provisions**

##### **13.1 Summary of payment provisions**

Payments in respect of TCDs will be made in accordance with Condition 14 ("Payments").

##### **13.2 Payments subject to fiscal laws**

All payments of principal, interest and other amounts are subject to all applicable fiscal laws or other Directives, but without prejudice to the provisions of Condition 15 ("Taxation").

##### **13.3 Payments on business days**

If a payment:

- (a) is due on a TCD on a day which is not a Business Day then the due date for payment will be the next Business Day unless that day falls on the following month or after the Maturity Date, in which case on the previous Business Day; or

- (b) is to be made to an account on a Business Day on which banks are not open for general banking business in the place in which the account is located, then the due date for payment will be the first following day on which banks are open for general banking business in that place,

and in either case, the TCD Holder is not entitled to any additional payment in respect of that delay.

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## **14 Payments**

### **14.1 Payment of principal**

The Issuer agrees to pay the Redemption Amount (together with any accrued interest and other amounts due in respect of the TCD on the relevant redemption date) for a TCD or, in the case of an Instalment TCD, the final Instalment Amount for that TCD, and all other amounts due in respect of the TCD, in the currency in which it is due to the person who is the TCD Holder at 10.00 am in the place where the Register is maintained on the due date.

### **14.2 Payment of interest**

The Issuer agrees to pay interest on any interest bearing TCD and, in the case of an Instalment TCD, in the currency in which it is due each Instalment Amount for that TCD (other than the final Instalment Amount), to the person who is the TCD Holder at 4.00 pm in the place where the Register is maintained on the Record Date.

### **14.3 Payments to accounts**

Except as otherwise provided in the relevant Pricing Supplement, the Issuer agrees to make payments in respect of a TCD:

- (a) if the TCD is held in a Clearing System, by crediting on the relevant payment date, the amount due to the account previously notified by the Clearing System to the Issuer and the Registrar in accordance with the Clearing System's rules and regulations in the country of the currency in which the payment is due; and
- (b) if the TCD is not held in a Clearing System, subject to Condition 14.4 ("Payments by cheque") by crediting on the relevant payment date, the amount due to an account previously notified by the TCD Holder to the Issuer and the Registrar in the country of the currency in which the payment is due.

### **14.4 Payments by cheque**

If a TCD Holder has not notified the Registrar of an account to which payments to it must be made by close of business in the place where the Register is maintained on the Record Date, the Issuer may make payments in respect of the TCDs held by that TCD Holder by cheque.

If the Issuer makes a payment in respect of a TCD by cheque, the Issuer agrees to send the cheque by prepaid ordinary post on the due date, to the TCD Holder (or if two or more persons are entered in the Register as joint TCD Holders of the TCD, to the first named joint TCD Holder) at its address appearing in the Register at close of business in the place where the Register is maintained on the Record Date.

Cheques sent to a TCD Holder are sent at the TCD Holder's risk and are taken to be received by the TCD Holder on the due date for payment. If the Issuer makes a payment in respect of a TCD by cheque, the Issuer is not required to pay any additional amount as a result of the TCD Holder not receiving payment on the due date in immediately available funds.

### **14.5 No US payments**

No payment of interest will be made to an address in the United States or transferred to an account maintained by the TCD Holder in the United States.

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**15 Taxation****15.1 No set-off, counterclaim or deductions**

All payments in respect of the TCDs must be made in full without set-off or counterclaim, and without any withholding or deduction in respect of Taxes, unless prohibited by law.

**15.2 Withholding tax**

Subject to Condition 15.3 (“Withholding tax exemptions”), if a law requires the Issuer to withhold or deduct an amount in respect of Taxes from a payment in respect of the TCDs such that the TCD Holder would not actually receive on the due date the full amount provided for under the TCDs, then:

- (a) the Issuer agrees to deduct the amount for the Taxes (and any further withholding or deduction applicable to any further payment due under paragraph (b) below); and
- (b) if the amount deducted or withheld is in respect of Taxes imposed by a Relevant Tax Jurisdiction, the Issuer must pay an additional amount so that, after making the deduction and further deductions applicable to additional amounts payable under this Condition 15.2 (“Withholding tax”), each TCD Holder is entitled to receive (at the time the payment is due) the amount it would have received if no deductions or withholdings had been required to be made.

**15.3 Withholding tax exemptions**

The Issuer is not required to pay an additional amount under Condition 15.2 (“Withholding tax”) if the obligation to do so arises as a result of any one or more of the following:

- (a) the deduction is required in respect of Taxes by reason of the TCD Holder or beneficial holder having some connection with a Relevant Tax Jurisdiction other than the mere holding of the TCD or receipt of payment in respect of the TCD. However, a TCD Holder is not regarded as having a connection with Australia on account of the TCD Holder being a resident of Australia within the meaning of the Australian Tax Act where, and to the extent, those taxes are payable by reason of section 128B(2A) of the Australian Tax Act;
- (b) the deduction is required as a result of Taxes which would not be required to be deducted if the TCD Holder (or a person acting on its behalf) provided the Issuer, its agent or any tax authority with the required tax certification or other reporting requirements concerning the TCD Holder’s name, address, registration number, Australian tax file number, Australian business number or similar details relating to foreign tax residency and FATCA status or any relevant information necessary to enable the Issuer to make full payments without deductions on account of Taxes; or
- (c) such other circumstances as may be specified in the Pricing Supplement.

The Issuer may withhold or make deductions from payments to a TCD Holder where it is required to do so under or in connection with FATCA, or where it has reasonable grounds to suspect that the TCD Holder or a beneficial owner of TCDs may be subject to FATCA, and may deal with such payment in accordance with FATCA. If any withholding or deduction arises under or in connection with FATCA, the Issuer will not be required to pay any further amounts on account of such withholding or deduction or otherwise reimburse or compensate, or make any payment to, a TCD Holder or a beneficial owner of TCDs for or in respect of any such withholding or deduction. A dealing with such payment in accordance with FATCA satisfies the Issuer’s obligations to that TCD Holder to the extent of the amount of that payment.

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**16 Time limit for claims**

A claim against the Issuer for a payment under a TCD is void unless made within 10 years (in the case of principal) or 5 years (in the case of interest and other amounts) from the date on which payment first became due.

**Part 6 Events of Default**

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**17 Events of Default****17.1 Event of Default**

An Event of Default occurs in relation to a series of TCDs if:

- (a) **(payment default)** the Issuer fails to pay any interest in respect of the TCDs within 30 days of the relevant due date or any principal in respect of the TCDs within 7 days of the relevant due date;
- (b) **(other default)** the Issuer defaults in performance or observance of any of its obligations under any TCDs, of such Series (other than those specified in paragraph (a) above), which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after notice requiring such default to be remedied has been given to the Issuer by the relevant TCD Holder;
- (c) **(insolvency)** the Issuer becomes insolvent or is unable to pay its debts as they fall due or stops payment of its debts (in each case within the meaning of Australian or any applicable insolvency law);
- (d) **(winding up)** an order is made or an effective resolution is passed for the winding up of the Issuer except in any such case:
  - (i) for the purposes of a solvent reconstruction or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of TCD Holders; or
  - (ii) for any winding up in the process of a merger, reconstruction or amalgamation in which the surviving entity has assumed or will assume expressly or by law all the obligations of the Issuer in respect of the TCDs;
- (e) **(enforcement against assets)** a distress, attachment, execution or other legal process is levied, enforced or sued out against or on the Issuer or against all or a substantial part of the assets of the Issuer and is not stayed, satisfied or discharged within 60 days or otherwise contested in bona fide proceedings and such occurrence would materially prejudice the performance by the Issuer of its obligations under the TCDs of such Series;
- (f) **(enforcement of security)** an encumbrancer takes possession or a receiver or administrator is appointed of the whole or substantially the whole of the undertaking, property, assets or revenues of the Issuer (other than in respect of monies borrowed or raised on a non-recourse basis) and such occurrence is not discharged or stayed within 45 days (or where the proceedings are being contested in good faith, such longer period as may be agreed by an Extraordinary Resolution of the TCD Holders) and such occurrence would materially prejudice the performance by the Issuer of its obligations under the TCDs of such Series; or
- (g) **(cessation of business)** the Issuer ceases to carry on a banking business in the Commonwealth of Australia, or the Issuer's authority under the Banking Act to carry on banking business in Australia is revoked and not replaced by an equivalent authority except in connection with a merger, reconstruction or amalgamation where the surviving entity carries on such a banking business and is duly authorised to carrying on banking business in Australia.

Notwithstanding any other provision of this Condition 17.1 (“Event of Default”) no Event of Default (other than Condition 17.1(d)) in respect of the TCDs shall occur solely on account of any failure by the Issuer to perform or observe any of its obligations in relation to, or the stopping of payment with respect to, or the agreement or declaration of any moratorium with respect to, or the taking of any proceeding in respect of, any share, note or other security or instrument constituting the Issuer’s Tier 1 Capital or Tier 2 Capital (as defined by APRA from time to time).

## **17.2 Consequences of an Event of Default**

Subject to Condition 17.3 (“Rectification”), if any Event of Default occurs and continues unremedied in relation to the TCDs of any Series or any of them, then any holder of TCDs then outstanding in that Series may declare by notice to the Issuer (with a copy to the Registrar) that the Redemption Amount (together with any accrued interest) applicable to each TCD held by it is either payable immediately or on such other date specified in the notice.

The making of this declaration gives immediate effect to its provisions.

## **17.3 Rectification**

An TCD Holder’s right to declare TCDs due and payable terminates if the situation giving cause to it has been cured before such right is exercised.

## **17.4 Notification**

If an Event of Default occurs, the Issuer must promptly after becoming aware of it notify the Registrar of the occurrence of the Event of Default (specifying details of it) and use its reasonable endeavours to procure that the Registrar promptly notifies TCD Holders of the occurrence of the Event of Default by registered post to the address of the TCD Holder recorded in the Register.

## **Part 7 General**

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## **18 Agents**

### **18.1 Role of Agents**

In acting under the relevant Agency Agreement and in connection with the TCDs, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the TCD Holders.

### **18.2 Appointment and replacement of Agents**

The initial Calculation Agent (if any) is specified in the relevant Pricing Supplement. Subject to Condition 18.3 (“Required Agents”), the Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor.

### **18.3 Required Agents**

The Issuer must:

- (a) at all times maintain a Registrar;
- (b) if a Calculation Agent is specified in the relevant Pricing Supplement, at all times maintain a Calculation Agent; and
- (c) if an I&P Agent (Offshore) is specified in the relevant Pricing Supplement, at all times maintain an I&P Agent (Offshore).

## **18.4 Change of Agent**

Notice of any change of a relevant Agent or its Specified Offices must promptly be given to the relevant TCD Holders by the Issuer or the Agent on its behalf.

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## **19 Meetings of TCD Holders**

### **19.1 Meetings provisions**

The Meetings Provisions contain provisions (which have effect as if incorporated in these Conditions) for convening meetings of the TCD Holders of any Series to consider any matter affecting their interests, including the modification of these Conditions or the relevant Pricing Supplement.

Any such modification may be made if sanctioned by an Extraordinary Resolution and agreed by the Issuer. Such a meeting may be convened by the Issuer and must be convened by the Issuer upon the request in writing of TCD Holders holding not less than 10% of the outstanding principal amount of the Outstanding TCDs. The quorum at any meeting convened to vote on an Extraordinary Resolution will be persons holding or representing more than 50% of the outstanding principal amount of the Outstanding TCDs or 25% at an adjourned meeting. However, certain fundamental matters affecting the rights of TCD Holders may only be sanctioned by an Extraordinary Resolution passed at a meeting of TCD Holders at which persons holding or representing not less than 75% or, at any adjourned meeting, 35% of the outstanding principal amount of the Outstanding TCDs form a quorum.

In addition, a resolution in writing signed by or on behalf of all TCD Holders who for the time being are entitled to receive notice of a meeting of TCD Holders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more TCD Holders.

### **19.2 Resolutions binding**

Any Resolution passed at any meeting of the TCD Holders of any Series is binding on all TCD Holders of such Series, whether or not they are present at the meeting.

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## **20 Variation**

### **20.1 Variation with consent**

Subject to Condition 20.2 (“Variation without consent”), any TCD Document (including, without limitations, the TCDs and these Conditions) may be varied with the approval of the TCD Holders of the relevant Series by Extraordinary Resolution.

### **20.2 Variation without consent**

The Issuer may vary any TCD Document (including, without limitation, the TCDs and these Conditions) without the approval of the TCD Holders if, in the reasonable opinion of the Issuer, the variation:

- (a) is necessary or advisable to comply with any law;
- (b) is necessary to correct an obvious error, or otherwise of a formal, technical or administrative nature only;
- (c) is made to cure any ambiguity or correct or supplement any defective or inconsistent provision;
- (d) is not materially prejudicial to the interests of the TCD Holders as a whole; or
- (e) only applies to TCDs issued by the Issuer after the date of the amendment.



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**21 Further issues**

The Issuer may from time to time, without the consent of the TCD Holders, issue further TCDs having the same Conditions as the TCDs of any Series in all respects (or in all respects except for the first payment of interest) so as to form a single series with the TCDs of that Series. References in these Conditions to the TCDs include (unless the context requires otherwise) any other TCDs issued pursuant to this Condition and forming a single Series with the TCDs.

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**22 Notices****22.1 Notices to TCD Holders**

All notices, certificates, consents, approvals, waivers and other communications in connection with a TCD to the TCD Holders must be in writing and may be:

- (a) sent by prepaid post (airmail if appropriate) or left at the address of the relevant TCD Holder (as shown in the relevant Register at the close of business on the day which is 3 Business Days before the date of the relevant notice or communication); or
- (b) given by an advertisement published in the Australian Financial Review or The Australian; or
- (c) if the Pricing Supplement for the TCD specifies an additional or alternate newspaper, given by publication in that newspaper.

**22.2 Notices to the Issuer and the Registrar**

All notices, and other communications to the Issuer and the Registrar must be in writing and may be sent by prepaid post or left at the address of the registered office of the Issuer or the Registrar or such other address as is notified to TCD Holders from time to time.

**22.3 When effective**

Communications take effect from the time they are received or taken to be received (whichever happens first) unless a later time is specified in them.

**22.4 Receipt - publication in newspaper**

If published in a newspaper, communications are taken to be received on the first date that publication has been made in all the required newspapers.

**22.5 Receipt - postal**

Unless a later time is specified in it, a notice, if sent by post, is taken to be received on the sixth succeeding Business Day in the place of the addressee.

**22.6 Non-receipt of notice**

If there are two or more TCD Holders, the non-receipt of any notice by, or the accidental omission to give any notice to, a TCD Holder does not invalidate the giving of that notice.

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**23 Currency indemnity**

The Issuer waives any right it has in any jurisdiction to pay an amount other than in the currency in which it is due. However, if a TCD Holder receives an amount in a currency other than that in which it is due:

- (a) it may convert the amount received into the due currency (even though it may be necessary to convert through a third currency to do so) on the day and at such rates (including spot rate, same day value rate or value tomorrow rate) as it reasonably

considers appropriate. It may deduct its usual costs in connection with the conversion; and

- (b) the Issuer satisfies its obligation to pay in the due currency only to the extent of the amount of the due currency obtained from the conversion after deducting the costs of the conversion.

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## **24 Substitution of the Issuer**

### **24.1 Substitution of Issuer**

The Issuer may with respect to any Series of TCDs issued by it (“**Relevant TCDs**”) without the consent of any TCD Holder, substitute for itself any other body corporate incorporated in any country in the world as the debtor in respect of the Relevant TCDs and the relevant Agency Agreement (“**Substituted Debtor**”) upon notice by the Issuer and the Substituted Debtor to be given by publication in accordance with Condition 22.1 (“Notices to TCD Holders”), provided that:

- (a) the Issuer is not in default in respect of any amount payable under any of the Relevant TCDs;
- (b) the rating of the Programme, and if relevant, the Notes, will not be downgraded as a result of the substitution;
- (c) the Issuer and the Substituted Debtor have entered into such documents (“**Documents**”) as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favour of each holder of the Relevant TCDs to be bound by these Conditions, the provisions of the Agency Agreement and the TCD Deed Poll, as the debtor in respect of such Relevant TCDs in place of the Issuer (or of any previous substitute under this Condition 24 (“Substitution of the Issuer”));
- (d) the Substituted Debtor has obtained a legal opinion in relation to the enforceability of the Substituted Debtor’s obligations under the Documents and the TCD Documents;
- (e) if the Substituted Debtor is resident for tax purposes in a territory (“**New Residence**”) other than that in which the Issuer prior to such substitution was resident for tax purposes (“**Former Residence**”), the TCD Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each holder of the Relevant TCDs has the benefit of an undertaking in terms corresponding to the provisions of Condition 15 (“Taxation”), with, where applicable, the substitution of references to the Former Residence with references to the New Residence;
- (f) the Substituted Debtor and the Issuer have obtained all necessary regulatory and governmental approvals and consents for such substitution and for the performance by the Substituted Debtor of its obligations under the TCD Documents;
- (g) each competent listing authority, stock exchange, and/or quotation system on or by which the Relevant TCDs are admitted to listing, trading and/or quotation have confirmed that, following the proposed substitution of the Substituted Debtor, the Relevant TCDs will continue to be admitted to listing, trading and/or quotation by the relevant competent listing authority, stock exchange, and/or quotation system; and
- (h) if applicable, the Substituted Debtor has appointed a process agent as its agent to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the Relevant TCDs.

## 24.2 Substituted Debtor's rights under TCD Documents

Upon such substitution:

- (a) the Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer under the Relevant TCDs, the TCD Documents with the same effect as if the Substituted Debtor had been named as the Issuer in it;
- (b) the Issuer shall be released from its obligations under the Relevant TCDs and under the TCD Documents; and
- (c) references in these Conditions to the Issuer are taken, where the context so requires, to be or include references to such Substituted Debtor.

## 24.3 Further substitutions

After a substitution pursuant to Condition 24.1 ("Substitution of Issuer"), the Substituted Debtor may, without the consent of any TCD Holder, effect a further substitution. All the provisions specified in Conditions 24.1 ("Substitution of Issuer") and 24.2 ("Substituted Debtor's rights under TCD Documents") shall apply mutatis mutandis, and references in these Conditions to the Issuer are taken, where the context so requires, to be or include references to any such further Substituted Debtor.

## 24.4 Reversing substitution

After a substitution pursuant to Conditions 24.1 ("Substitution of Issuer") or 24.2 ("Substituted Debtor's rights under TCD Documents") any Substituted Debtor may, without the consent of any TCD Holder, reverse the substitution, mutatis mutandis.

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## 25 Governing law and jurisdiction

### 25.1 Governing law

The TCDs are governed by the law in force in Victoria, Australia.

### 25.2 Jurisdiction

The Issuer submits to the non-exclusive jurisdiction of the courts of Victoria and courts of appeal from them. The Issuer waives any right it has to object to an action being brought in those courts including by claiming that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

### 25.3 Serving documents

Without preventing any other method of service, any document in any action may be served on a party by being delivered or left at that party's address in the TCD Deed Poll.

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## 26 Interpretation

### 26.1 Definitions

In these Conditions the following expressions have the following meanings:

**Additional Business Centre** has the meaning given in the relevant Pricing Supplement.

**Agency Agreement** means:

- (a) the Registry Services Agreement; and
- (b) the I&P Agency Agreement (Offshore); and

- (c) any other agency agreement entered into by the Issuer in relation to an issue of TCDs under the Programme.

**Agent** means the Registrar, each Calculation Agent and the I&P Agent (Offshore) and includes any successor, substitute or additional agent appointed under an Agency Agreement from time to time.

**Alternate Currency** means a currency (other than Australian dollars) which is specified in the Pricing Supplement.

**Alternative Base Rate** means a rate (expressed as a percentage per annum) other than the Base Rate that is generally accepted in the market for floating rate securities denominated in the specified currency of a tenor and interest period comparable to that of the relevant TCD, or if the Calculation Agent is not able, after making reasonable efforts, to ascertain such rate, or there is no such rate:

- (a) a reference rate that is, in the Calculation Agent's opinion, appropriate to floating rate debt securities denominated in the specified currency of a tenor and interest period most comparable to that of the relevant TCD; or
- (b) such other reference rate as the Calculation Agent considers appropriate having regard to available comparable indices.

**APRA** means the Australian Prudential Regulation Authority or any successor Government Agency responsible for prudential regulation.

**ASX** means ASX Limited (ABN 98 008 624 691) or the securities market operated by it, as the context requires.

**Austraclear** means Austraclear Limited (ABN 94 002 060 773).

**Austraclear Regulations** means the regulations known as "Austraclear System Regulations" established by Austraclear to govern the use of the Austraclear System.

**Austraclear System** means the system operated by Austraclear in Australia for holding securities and electronic recording and settling of transactions in those securities between members of that system.

**Australian Tax Act** means the Income Tax Assessment Act 1936 of Australia and where applicable any replacement legislation including, but not limited to, the Income Tax Assessment Act 1997 of Australia.

**Bank Bill Rate** means for an Interest Period:

- (a) the rate (expressed as a percentage per annum) designated "BBSW" in respect of prime bank eligible securities having a tenor closest to the Interest Period which rate ASX (or its successor as administrator of that rate) publishes through information vendors at approximately 10:30am (Sydney time) (or such other time at which such rate is accustomed to be so published) on the first day of the Interest Period; or
- (b) if the Calculation Agent determines that such rate (expressed as a percentage per annum) as is described in paragraph (a) above:
  - (i) is not published by the Cut-Off Time (other than on account of a Base Rate Disruption Event); or
  - (ii) is published, but is affected by an obvious error,

such other rate (expressed as a percentage per annum) that the Calculation Agent determines having regard to comparable indices then available.

**Banking Act** means the Banking Act 1959 of Australia.

**Base Rate** means, where the relevant Pricing Supplement specifies as the basis for determining the Base Rate:

- (a) "ISDA Determination", the ISDA Rate;
- (b) "Screen Rate Determination", the Screen Rate; and
- (c) "Bank Bill Rate Determination", the Bank Bill Rate,

or such other rate as is specified in the relevant Pricing Supplement.

**Base Rate Disruption Event** means that, in respect of a Floating Rate TCD for which the Pricing Supplement specifies "Screen Rate Determination" or "Bank Bill Rate Determination" as the method for determining the Base Rate, in the Calculation Agent's opinion, the Base Rate:

- (a) has been discontinued or otherwise ceased to be calculated or administered; or
- (b) is no longer generally accepted as a reference rate appropriate to floating rate debt securities denominated in Australian dollars of a tenor and interest period comparable to that of that Floating Rate TCD.

**Business Day** means a day on which commercial banks and foreign exchange markets are open to settle payments and for general business in Sydney and Melbourne and in each (if any) Additional Business Centre and on which the relevant Clearing System (if any) for the relevant TCD is operating.

**Business Day Convention** means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the relevant Pricing Supplement, in relation to any date applicable to any TCD, have the following meanings:

- (a) **Following Business Day Convention** means that the date is postponed to the first following day that is a Business Day;
- (b) **Modified Following Business Day Convention or Modified Business Day Convention** means that the date is postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date is brought forward to the first preceding day that is a Business Day;
- (c) **Preceding Business Day Convention** means that the date is brought forward to the first preceding day that is a Business Day; and
- (d) **No Adjustment** means that the relevant date must not be adjusted in accordance with any Business Day Convention.

**Calculation Agent** means the Issuer or any other person specified as such in the relevant Pricing Supplement.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX or its affiliates.

**Clearing System** means:

- (a) the Austraclear System;
- (b) Euroclear;
- (c) Clearstream; or

- (d) any other clearing system specified in the relevant Pricing Supplement.

**Clearstream** means Clearstream Banking, société anonyme.

**Condition** means the correspondingly numbered condition in these terms and conditions.

**Corporations Act** means the Corporations Act 2001 of Australia.

**Cut-Off Time** means:

- (a) if “Screen Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, the time that is 15 minutes after the Relevant Time, or such other time as is specified in the Pricing Supplement; or
- (b) if “Bank Bill Rate Determination” is specified in the Pricing Supplement as the manner in which the Interest Rate is to be determined, midday or such other time as is specified in the Pricing Supplement.

**Day Count Fraction** means, in respect of the calculation of an amount of interest of any TCD for any period of time (“**Calculation Period**”), the day count fraction specified in these Conditions or the relevant Pricing Supplement and:

- (a) if “**Actual/Actual (ICMA)**” is so specified, means:
- (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and
- (ii) where the Calculation Period is longer than one Regular Period, the sum of:
- (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
- (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year;
- (b) if “**Actual/365**” or “**Actual/Actual (ISDA)**” is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:
- (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
- (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if “**Actual/365 (Fixed)**” is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is so specified, means the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**” is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months unless:

- (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day is not considered to be shortened to a 30-day month; or
  - (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February is not considered to be lengthened to a 30-day month);
- (f) if “**30E/360**” or “**Eurobond Basis**” is so specified means, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with twelve 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February is not considered to be lengthened to a 30-day month);
- (g) if “**RBA Bond Basis**” or “**Australian Bond Basis**” is so specified, means:
- (i) for amounts paid and/or calculated in respect of Interest Payment Dates, one divided by the number of Interest Payment Dates in a year; and
  - (ii) for amounts paid and/or calculated in respect of dates other than Interest Payment Date, Actual/Actual (ICMA); and
- (h) any other Day Count Fraction specified in the relevant Pricing Supplement.

**Denomination** means, for a TCD, the principal amount of the TCD specified in the Pricing Supplement.

**Directive** means:

- (a) a law; or
- (b) a treaty, an official directive, request, regulation, guideline or policy having the force of law or compliance with which is in accordance with general practice of responsible participants in the market concerned.

**Early Redemption Date (Call)** has the meaning given in the relevant Pricing Supplement.

**Early Redemption Date (Put)** has the meaning given in the relevant Pricing Supplement.

**Euroclear** means the Euroclear Systems operated by Euroclear Bank S.A./N.V..

**Event of Default** has the meaning given in Condition 17 (“Events of Default”).

**Extraordinary Resolution** has the meaning given in the Meetings Provisions.

**FATCA** means sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended (the “**Code**”) (or any consolidation, amendment, re-enactment or replacement of those sections), any current or future regulations or official interpretations issued, agreements entered into pursuant to section 1471(b) of the Code or non-US laws enacted or regulations or practices adopted pursuant to any intergovernmental agreement in connection with the implementation of those sections.

**Fixed Coupon Amount** has the meaning given in the relevant Pricing Supplement.

**Fixed Rate TCD** means a TCD on which interest is calculated at a fixed rate payable in arrear on a fixed date or fixed dates in each year and on redemption or on any other dates as specified in the relevant Pricing Supplement.

**Floating Rate TCD** means a TCD on which interest is calculated at a floating rate payable 1, 2, 3, 6, or 12 monthly or in respect of any other period or on any date specified in the relevant Pricing Supplement.

**Government Agency** means any government or any governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity.

**Information Memorandum** means at any time any current information memorandum (and any supplement to it) prepared on behalf of, and approved by, the Issuer in connection with the issue of TCDs and includes:

- (a) all documents incorporated by reference in it; and
- (b) any other information (including a Pricing Supplement) approved by the Issuer from time to time.

**Instalment Amounts** has the meaning given in the relevant Pricing Supplement.

**Instalment Dates** has the meaning given in the relevant Pricing Supplement.

**Instalment TCD** means a TCD which is redeemable in one or more instalments, as specified in the relevant Pricing Supplement.

**Interest Commencement Date** means, for a TCD, the Issue Date of the TCD or any other date so specified in the relevant Pricing Supplement.

**Interest Determination Date** has the meaning given in the relevant Pricing Supplement.

**Interest Payment Date** means each date so specified in, or determined in accordance with, the relevant Pricing Supplement and, if a Business Day Convention is specified in the relevant Pricing Supplement as adjusted in accordance with the relevant Business Day Convention.

**Interest Period** means each period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next Interest Payment Date. However:

- (a) the first Interest Period commences on (and includes) the Interest Commencement Date; and
- (b) the final Interest Period ends on (but excludes) the Maturity Date.

**Interest Rate** means, for a TCD, the interest rate (expressed as a percentage per annum) payable in respect of that TCD specified in the relevant Pricing Supplement or calculated or determined in accordance with these Conditions or the relevant Pricing Supplement.

**ISDA Definitions** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. (as supplemented, amended and updated as at the Issue Date of the first Tranche of the TCDs of the relevant Series).

**ISDA Rate** means for a Floating Rate TCD and an Interest Period, the rate the Calculation Agent determines would be the Floating Rate under a Swap Transaction if the Calculation Agent were acting as Calculation Agent for that Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option, the Designated Maturity and the Reset Date are as specified in the Pricing Supplement; and
- (b) the Period End Dates are each Interest Payment Date, the Spread is the Margin and the Floating Rate Day Count Fraction is the Day Count Fraction.



For the purposes of this definition, “Swap Transaction”, “Floating Rate”, “Floating Rate Option”, “Designated Maturity”, “Reset Date”, “Period End Date”, “Spread” and “Floating Rate Day Count Fraction” have the meanings given to those terms in the ISDA Definitions.

**I&P Agency Agreement (Offshore)** means any agreement between the relevant I&P Agent (Offshore) and the Issuer and any replacement of it relating to the Programme which is identified by the Issuer as being a document within the meaning of this definition.

**I&P Agent (Offshore)** in relation to all or any Series or Tranche of Notes, means each person appointed by the Issuer with the consent of the Permanent Dealer, to perform issue and paying agency functions with respect to that Series or Tranche of Notes initially lodged and held through (or predominantly through) Euroclear, Clearstream or such other system as is agreed from time to time by the Issuer, the relevant Dealer and the relevant I&P Agent (Offshore), details of which are specified in the relevant Pricing Supplement or in the Information Memorandum.

**Issue Date** means the date on which a TCD is, or is to be issued, as specified in, or determined in accordance with, the relevant Pricing Supplement.

**Issue Price** of a TCD means the price at which that TCD is issued as specified in the relevant Pricing Supplement.

**Margin** means the margin specified in, or determined in accordance with, the relevant Pricing Supplement.

**Maturity Date** means, for a TCD, the date specified in the relevant Pricing Supplement as the date for redemption of that TCD.

**Meetings Provisions** means the provisions for the convening of meetings of, and passing of resolutions by, TCD Holders set out in schedule 2 of the TCD Deed Poll.

**Outstanding** means in relation to the TCDs of all or any Series, all of the TCDs of such Series other than:

- (a) TCDs which have been redeemed or satisfied in full by the Issuer; or
- (b) TCDs for which funds equal to their aggregate outstanding principal amount are on deposit with the Registrar on terms which prohibit the redemption of those TCDs or in respect of which the Registrar holds an irrevocable direction to apply funds in repayment of TCDs to be redeemed on that day; or
- (c) TCDs in respect of which a TCD Holder is unable to make a claim as a result of the operation of Condition 16 (“Time limit for claims”).

**Permanent Dealer** means a dealer appointed in accordance with the relevant dealer agreement to act as a dealer to the Programme, but not including a dealer appointed only in relation to a Tranche of TCDs.

**Pricing Supplement** means, in respect of a Tranche, a pricing supplement specifying the relevant issue details in relation to it.

**Programme** means the debt issuance programme established by the Issuer.

**Record Date** means, for a payment due in respect of a TCD, the eighth calendar day before the relevant payment date or any other date specified in, or determined in accordance with, the Pricing Supplement.

**Redemption Amount** means:

- (a) for a Fixed Rate TCD or a Floating Rate TCD, the outstanding principal amount of the TCD on the date it is redeemed; and

- (b) for an Instalment TCD, the amount determined by the Calculation Agent on the date and in the manner specified in the Pricing Supplement.

It also includes any amount in the nature of a redemption amount specified in, or determined in accordance with, the Pricing Supplement or these Conditions.

**Reference Banks** means, for a Floating Rate TCD in respect of which “Screen Rate” applies, the financial institutions specified in the Pricing Supplement or, if none are specified, four leading banks selected by the Calculation Agent in the Relevant Financial Centre.

**Reference Rate** has the meaning given in the relevant Pricing Supplement.

**Register** means a register, including any branch register, of holders of TCDs established and maintained by or on behalf of the Issuer under the Registry Services Agreement.

**Registrar** means Austraclear Services Limited (ABN 28 003 284 419) or any other person appointed by the Issuer under the Registry Services Agreement to maintain the Register and perform any payment and other duties as specified in that agreement.

**Registry Services Agreement** means the agreement titled “The ASX Austraclear Registry and IPA Services Agreement” dated on or about 23 August 2011 between the Issuer and the Registrar in relation to the TCDs and any other registry services agreement from time to time entered into between the Issuer and a Registrar.

**Regular Period** means:

- (a) in the case of TCDs where interest is scheduled to be paid only by means of regular payments, each Interest Period;
- (b) in the case of TCDs where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of TCDs where, apart from one Interest Period other than the first Interest Period (the “**Irregular Interest Period**”), interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the Irregular Interest Period.

**Related Entity** has the meaning it has in the Corporations Act.

**Relevant Financial Centre** means, for a Floating Rate TCD in respect of which “Screen Rate” applies, the place specified in the Pricing Supplement.

**Relevant Indebtedness** means any present or future indebtedness of the Issuer or any other person or entity in the form of, or represented by, bonds, notes, debentures or other securities which are capable of being listed, quoted, ordinarily dealt in or traded on any recognised securities market.

**Relevant Screen Page** means, for a Floating Rate TCD in respect of which “Screen Rate” applies:

- (a) the page, section or other part of a particular information service (including the Reuters Monitor Money Rates Service and the Dow Jones Telerate Service) which displays the applicable Reference Rate, as specified in the Pricing Supplement; or
- (b) any other page, section or other part as may replace it on that information service or another information service, in each case, as may be nominated by the person

providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

**Relevant Tax Jurisdiction** means the Commonwealth of Australia or any political subdivision or any authority therein or of such jurisdiction having power to tax to which the Issuer becomes subject in respect of payments made by it under or in respect of the TCDs.

**Relevant Time** has the meaning given in the relevant Pricing Supplement.

**Screen Rate** means, for a Floating Rate TCD and an Interest Period:

- (a) the quotation offered for the Reference Rate as displayed on the Relevant Screen Page at the Relevant Time on the Interest Determination Date; or
- (b) if the Calculation Agent determines that such rate as is described in paragraph (a) above:
  - (i) is not published by the Cut-Off Time (other than on account of a Base Rate Disruption Event); or
  - (ii) is published, but is affected by an obvious error,

such other rate that the Calculation Agent determines having regard to comparable indices then available.

**Series** means an issue of TCDs made up of one or more Tranches all of which form a single Series and are issued on the same Conditions except that the Issue Date, Issue Price, and interest commencement date may be different in respect of a different Tranche of a Series.

**Specified Denomination** has the meaning given in the relevant Pricing Supplement.

**Specified Office** means the office specified in the most recent information memorandum for the Programme or any other address notified to TCD Holders from time to time.

**Specified Period** has the meaning given in the relevant Pricing Supplement.

**Taxes** means taxes, levies, imposts, deductions, charges or withholdings and duties (including stamp and transaction duties) imposed by any authority together with any related interest, penalties and expenses in connection with them.

**TCD** means a medium term registered debt obligation of the Issuer constituted by, and owing under the TCD Deed Poll, the details of which are recorded in, and evidenced by, entry in, the Register.

**TCD Deed Poll** means the deed poll so entitled executed by the Issuer on 12 March 2009 and amended and restated as at 30 October 2019, and previously amended and restated as at 23 August 2011, 5 March 2014 and 31 August 2016.

**TCD Documents** means:

- (a) each Agency Agreement;
- (b) the TCD Deed Poll;
- (c) these Conditions; and
- (d) any other document which the Issuer acknowledges in writing to be a TCD Document.

**TCD Holder** means, for a TCD, each person whose name is entered in the Register as the holder of that TCD. If a TCD is held in a Clearing System, references to the TCD Holder of that TCD include the operator of that Clearing System or a nominee for that operator or a

common depository for one or more Clearing Systems (in each case acting in accordance with the rules and regulations of the Clearing System or Clearing Systems).

**Tranche** means an issue of TCDs specified as such in the relevant Pricing Supplement issued on the same Issue Date and on the same Conditions (except that a Tranche may comprise TCDs in more than one denomination).

## **26.2 References to certain general terms**

Unless the contrary intention appears, a reference in these Conditions to:

- (a) a group of persons is a reference to any two or more of them jointly and to each of them individually;
- (b) a document (including these Conditions) includes any variation or replacement of it;
- (c) law means common law, principles of equity and laws made by any parliament (and laws made by parliament include federal or state laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (d) Australian dollars or A\$ is a reference to the lawful currency of Australia and a reference to US dollars or US\$ is a reference to the lawful currency of the United States of America;
- (e) a time of day is a reference to Melbourne time;
- (f) the word “person” includes an individual, a firm, a body corporate, an unincorporated association and an authority;
- (g) a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (h) an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (i) anything (including any amount) is a reference to the whole and each part of it;
- (j) the words “including”, “for example” or “such as” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind; and
- (k) in Condition 19 (“Meetings of TCD Holders”) and Condition 20 (“Variation”), “vary” includes modify, cancel, alter or add to and “variation” has a corresponding meaning.

## **26.3 Number**

The singular includes the plural and vice versa.

## **26.4 Headings**

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of these Conditions.

## **26.5 References**

Unless the contrary intention appears, in these Conditions:

- (a) a reference to a TCD Holder is a reference to the holder of TCDs of a particular Series;
- (b) a reference to a TCD is a reference to a TCD of a particular Series; and

- (c) a reference to the approval of APRA to anything occurring (including the redemption of a Note or a variation of a TCD Document) shall be read as applying to the extent that such approval is required in accordance with any applicable prudential standards.

## **26.6 References to principal and interest**

Unless the contrary intention appears, in these Conditions:

- (a) any reference to “principal” in the context of a TCD is taken to include the Redemption Amount of the TCD, any premium payable in respect of the TCD when it is issued, and any other amount in the nature of principal payable in respect of the TCD under these Conditions;
- (b) the principal amount of an Instalment TCD at any time is to be taken to be its Denomination less the total of the Instalment Amounts for that TCD repaid at that time to the extent that those Instalment Amounts relate to a repayment of principal; and
- (c) any reference to “interest” in the context of a TCD is taken to include any interest and any amount in the nature of interest payable in respect of the TCD under these Conditions.

## **26.7 Terms defined in Pricing Supplement**

If these Conditions state that a definition has the meaning given in the relevant Pricing Supplement, but the relevant Pricing Supplement gives no meaning or specifies that the definition is “Not Applicable”, then that definition is not applicable to the TCDs.

## Form of MTN Pricing Supplement

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The Pricing Supplement that will be issued in respect of each Tranche of MTNs will be substantially in the form set out below.

**PRIIPs Regulation / Prohibition of sales to EEA retail investors** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID2**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID2; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**UK PRIIPs Regulation / Prohibition of sales to UK retail investors** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 of the UK (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**[MiFID2 product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID2; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market.] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s] target market assessment; however, a distributor subject to MiFID2 is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s] target market assessment) and determining appropriate distribution channels.]<sup>1</sup>

**[UK MiFIR product governance / Professional investors and eligible counterparties only target market** - Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the UK Financial Conduct Authority (“**FCA**”) Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market.] Any person subsequently offering, selling or recommending the Notes (a “**UK distributor**”) should take into consideration the manufacturer[’s/s] target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is

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<sup>1</sup> Legend to be included on front of the Pricing Supplement if transaction involves one or more manufacturer(s) subject to MiFID2 and if following the “ICMA 1” approach.

responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[s/s'] target market assessment) and determining appropriate distribution channels.<sup>2</sup>

**SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION** – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”), the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A(1) of the SFA) that the Notes are “[prescribed capital markets products] / [capital markets products other than prescribed capital markets products]” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and [Excluded Investment Products]/[Specified Investment Products] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Series No.: [ ]

Tranche No.: [ ]

**National Australia Bank Limited**  
(ABN 12 004 044 937)

**Debt Issuance Programme**

Issue of  
**[Aggregate Principal Amount of Tranche] [Title of Medium Term Notes (“MTNs”)]**

This Pricing Supplement (as referred to in the Information Memorandum in relation to the above Programme) relates to the Tranche of Medium Term Notes (“MTNs”) referred to above. The date of this Pricing Supplement is [ ]. It is supplementary to, and should be read in conjunction with the MTN Deed Poll dated 11 November 2003, amended and restated as at [●] 2021 and previously amended and restated as at 15 May 2007, 12 March 2009, 23 August 2011, 5 March 2014, 5 September 2014, 31 August 2016 and 30 October 2019 made by the Issuer.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the MTNs or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The particulars to be specified in relation to the Tranche of MTNs referred to above are as follows:

|          |                                     |   |
|----------|-------------------------------------|---|
| <b>1</b> | <b>Issuer:</b>                      | National Australia Bank Limited   |
| <b>2</b> | <b>Type of Issue:</b>               | [Private]/[Syndicated] Issue  |
| <b>3</b> | <b>Public Offer Test Compliant:</b> | It [is]/[is not] the Issuer’s intention that this issue of MTNs will be issued in a manner which will seek to satisfy the Public Offer Test |
| <b>4</b> | <b>Dealer(s):</b>                   | [Name]  |
| <b>5</b> | <b>Lead Manager:</b>                | [Name(s)]   |
| <b>6</b> | <b>Registrar:</b>                   | [Austraclear Services Limited (ABN 28 003 284 419)]/[Specify]   |
| <b>7</b> | <b>Calculation Agent:</b>           | [Issuer]/[Specify]  |

<sup>2</sup> Legend to be included on front of the Pricing Supplement if transaction involves one or more manufacturer(s) subject to UK MiFIR and if following the “ICMA 1” approach.

|           |   |  |
|-----------|---|--|
| <b>8</b>  | <b>If to form a single Series with an existing Series, specify date on which all MTNs of the Series become fungible, if not the Issue Date:</b> | <i>[Specify]</i>   |
| <b>9</b>  | <b>Aggregate Principal Amount of Tranche:</b>   | <i>[Specify]</i>   |
| <b>10</b> | <b>Aggregate Principal Amount of Series (including the Tranche):</b>  | <i>[Specify]</i>   |
| <b>11</b> | <b>If interchangeable with existing Series:</b>   | <i>[Specify]</i>   |
| <b>12</b> | <b>Issue Date:</b>  | <i>[Specify]</i>   |
| <b>13</b> | <b>Issue Price:</b>   | [100] per cent. per Denomination   |
| <b>14</b> | <b>Denomination:</b>  | [\$1,000] <i>[Specify amount and currency]</i><br><br>The minimum aggregate consideration for offers or transfers of the <i>[insert type]</i> MTNs in Australia must be at least A\$500,000 (disregarding any moneys lent by the offeror, the transferor or their associates to the transferee), unless the offer or invitation resulting in the transfer does not otherwise require disclosure in accordance with the Part 6D.2 or Chapter 7 of the Corporations Act of Australia and is not an offer or invitation to a retail client for the purposes of section 761G of the Corporations Act of Australia. |
| <b>15</b> | <b>Type of MTNs:</b>  | [Fixed Rate]/[Floating Rate]/[Zero Coupon]/<br>[Instalment]/[Subordinated]/[Other]   |
| <b>16</b> | <b>If MTNs are interest-bearing, specify whether they are:</b>  |  |
|           | <b>(a) Fixed Rate:</b>  | [Yes]/[No]   |
|           | <b>(b) Floating Rate:</b>   | [Yes]/[No]   |
|           | <b>(c) Other MTNs:</b>  | [Yes]/[No]   |
| <b>17</b> | <b>If the MTNs are Fixed Rate, specify:</b>   | Applicable: [Yes]/[No]   |
|           | <b>(a) Fixed Coupon Amount:</b>   | [     ]  |
|           | <b>(b) Interest Rate:</b>   | [     ]  |
|           | <b>(c) Interest Commencement Date:</b>  | [Issue Date]/ <i>[specify]</i>   |
|           | <b>(d) Interest Payment Dates:</b>  | [     ]  |
|           | <b>(e) Business Day Convention:</b>   | [Following Business Day Convention]/[Modified Following Business Day Convention]/[Modified Business Day Convention]/[Preceding Business Day Convention]/[No Adjustment]  |
|           | <b>(f) Additional Business Centre(s):</b>   | [     ]  |



- (g) **Day Count Fraction:** [ ] (if none specified, the Day Count Fraction will be Actual/365 (Fixed) (as defined in the MTN Terms and Conditions))
- 18 If the MTNs are Floating Rate, specify:** Applicable: [Yes]/[No]
- (a) **Basis for determination of Base Rate:** [ISDA Determination]/[Screen Rate]/[Bank Bill Rate]
- (b) **Interest Commencement Date:** [Issue Date]/[specify]
- (c) **Interest Rate:** [ ]
- (d) **Interest Payment Dates:** [ ]
- (e) **Business Day Convention:** [Following Business Day Convention]/[ Modified Following Business Day Convention]/[Modified Business Day Convention]/[Preceding Business Day Convention]/[No Adjustment]
- (f) **Additional Business Centre(s):** [ ]/[Not Applicable]
- (g) **Margin:** [ ] (state if positive or negative)
- (h) **Minimum Interest Rate /Maximum Interest Rate:** [ ]/[Not Applicable]
- (i) **Day Count Fraction:** [ ] (if none specified, the Day Count Fraction will be Actual/365 (Fixed) (as defined in the MTN Terms and Conditions))
- (j) **Cut-Off Time:** [*Specify any modification to definitions*]/[Not Applicable]
- (k) **Specified Period:** [ ]/[Not Applicable]
- (l) **Linear Interpolation:** Applicable: [Yes]/[No]
- [If ISDA Determination applies, complete the following items]
- (m) **Floating Rate Option:** [ ]
- (n) **Designated Maturity:** [ ]
- (o) **Reset Date:** [ ]
- [If Screen Rate Determination applies, complete the following items]
- (p) **Relevant Screen Page:** [ ]
- (q) **Relevant Time:** [ ]
- (r) **Reference Rate:** [ ]
- (s) **Interest Determination Date:** [ ]
- 19 If the MTNs are not Fixed Rate or Floating Rate, is another rate or amount of interest payable?** Applicable: [Yes/No]

|    |   |  |
|----|---|--|
|    |   | <i>[specify full interest determination provisions, including Interest Commencement Date, rate or calculation basis for interest or actual amounts of interest payable, amount and dates for payment, minimum/maximum rates]</i> |
| 20 | <b>Accrual of interest:</b>   | [specify any change to Condition 11.6 of the MTN Terms and Conditions:] [       ]  |
| 21 | <b>Default Rate:</b>  | <i>[in the case of interest-bearing MTNs, specify rate of interest applying to overdue amounts:]</i> [       ]   |
| 22 | <b>Accrual Yield:</b>   | <i>[In the case of Zero Coupon MTNs, specify the Accrual Yield:]</i> [       ]/[Not Applicable]  |
| 23 | <b>Reference Price:</b>   | <i>[In the case of Zero Coupon MTNs, specify the Reference Price:]</i> [       ]/[Not Applicable]  |
| 24 | <b>Maturity Date:</b>   | <i>[In the case of an Instalment MTNs, insert the date on which the last instalment of principal is payable:]</i><br>[       ]   |
| 25 | <b>Instalment Amount:</b>   | [       ]  |
| 26 | <b>Instalment Date:</b>   | [       ]  |
| 27 | <b>Redemption Amount:</b>   | <i>[If Redemption Amount is not the Outstanding Principal Amount of the MTNs, insert amount or full calculation provisions:]</i> [       ]   |
| 28 | <b>Early redemption at the option of the Issuer (Issuer call):</b>  |  |
|    | (a) <b>Are the MTNs redeemable before their Maturity Date at the option of the Issuer under Condition 12.6?</b>   | Applicable: [Yes]/[No]   |
|    | (b) <b>If the amount payable on redemption is not the Redemption Amount together with any interest accrued on the MTNs, insert amount or full calculation provisions:</b> | [       ]  |
|    | (c) <b>Specify minimum notice period for the exercise of the call option:</b>   | [       ]  |
|    | (d) <b>Specify maximum notice period for the exercise of the call option:</b>   | [       ]  |
|    | (e) <b>Early Redemption Date (Call):</b>  | [       ]  |
|    | (f) <b>Specify any additional (or modifications to) conditions to exercise of option:</b>   | [       ]  |
|    | (g) <b>Specify whether redemption at Issuer's option is permitted in respect of some only of the MTNs and, if so, any minimum aggregate principal amount</b>              | [       ]  |

and the means by which MTNs will be selected for redemption:

- (h) Specify if MTN Holders are not to receive accrued interest on early redemption at the option of the Issuer: [ ]

**29** Early redemption at the option of MTN Holders (investor put):

- (a) Are the MTNs redeemable before their Maturity Date at the option of MTN Holders under Condition 12.5? Applicable: [Yes]/[No]

- (b) If the amount payable on redemption is not the Redemption Amount together with any interest accrued on the MTNs, insert amount or full calculation provisions: [ ]

- (c) Specify minimum notice period for exercise of put option: [ ]

- (d) Specify any relevant conditions to exercise of option: [ ]

- (e) Specify if MTN Holders are not to receive accrued interest on early redemption at their option: [ ]

- (f) Early Redemption Date (Put): [ ]

**30** Early redemption for taxation reasons:

- (a) If the amount payable on redemption is not the Redemption Amount together with accrued interest (if any) thereon of the MTNs, insert amount or full calculation provisions: [ ]

- (b) Specify if MTN Holders are not to receive accrued interest on early redemption for taxation reasons: [ ]

**31** Early Redemption of Subordinated MTNs for other taxation reasons:

- (a) Are the Subordinated MTNs redeemable before their Maturity Date at the option of the Issuer under Condition 12.3? Applicable: [Yes]/[No]

- (b) If the amount payable on redemption is not the Redemption Amount together with accrued interest (if any) thereon of the Subordinated MTNs, insert amount or full calculation provisions: [ ]

- (c) Specify if Subordinated MTN Holders are not to receive accrued interest on early redemption for loss of tax deductibility: [ ]

|           |  |  |
|-----------|--|--|
| <b>32</b> | <b>Early redemption of Subordinated MTNs for regulatory reasons:</b>   |  |
|           | (a) Are the Subordinated MTNs redeemable by the Issuer under Condition 12.4?   | Applicable: [Yes]/[No]   |
|           | (b) If the amount payable on redemption is not the Redemption Amount together with any interest accrued on the Subordinated MTNs, insert amount or full calculation provisions:  | [     ]  |
|           | (c) Specify minimum notice period for the exercise of this call option:  | [     ]  |
|           | (d) Specify maximum notice period for the exercise of this call option:  | [     ]  |
|           | (e) Specify whether redemption at Issuer's option is permitted in respect of some only of the Subordinated MTNs and, if so, any minimum aggregate principal amount and the means by which Subordinated MTNs will be selected for redemption: | [     ]  |
|           | (f) Specify if Subordinated MTN Holders are not to receive accrued interest on early redemption at the option of the Issuer:   | [     ]  |
| <b>33</b> | <b>Is the Write-Off option of the Subordinated MTNs applicable under Condition 13.11?</b>  | Applicable: [Yes]/[No]   |
| <b>34</b> | <b>Is the Conversion option of the Subordinated MTNs applicable under Condition 13.4?</b>  | Applicable: [Yes]/[No]   |
|           | (a) CD:  | [     ]  |
|           | (b) VWAP Period:   | [As specified in the Schedule to the MTN Terms and Conditions]/[Not Applicable]  |
|           | (c) Issue Date VWAP:   | [As specified in the Schedule to the MTN Terms and Conditions]/[Not Applicable]  |
| <b>35</b> | <b>Redemption of Zero Coupon MTNs:</b>   | <i>[Specify any change to Condition 12.6 of the MTN Terms and Conditions]</i>  |
| <b>36</b> | <b>Withholding tax exemptions:</b>   | <i>[Conditions 16.3(a) and (b) are applicable]/[specify any additional circumstances in which an exception to the gross up obligations is to apply pursuant to Condition 16.3(c) of the MTN Terms]</i> |
| <b>37</b> | <b>Alternate Currency:</b>   | <i>[specify]/[Not Applicable]</i>  |
| <b>38</b> | <b>Other relevant terms and conditions:</b>  | <i>[specify any Conditions to be altered, varied, deleted otherwise than as provided above and also any additional Conditions to be included:] [     ]</i>   |

- 39 **ISIN:** [ ]
- 40 **Common Code:** [ ]
- 41 **Common Depository:** [ ]
- 42 **U.S. selling restrictions:** Regulation S Compliance Category 2
- 43 **Other selling restrictions:** *[specify any variation to the selling restrictions in appendix to this pricing supplement]*
- 44 **Listing:** [ ]
- 45 **Additional (or modifications to) Events of Default:** *[specify any additional or (modifications to) Events of Default]*
- 46 **Additional or alternate newspapers:** *[specify any additional or alternate newspapers for the purposes of Condition 23.1(c) of the MTN Terms.] [ ]*
- 47 **I&P Agent (Offshore):** *[specify details of any appointed I&P Agent (Offshore) for the Series or Tranche of MTNs.] [ ]*
- 48 **Other amendments:** [ ]

**CONFIRMED**

**For and on behalf of  
National Australia Bank Limited**

By: .....  
[Name] Authorised Officer

Date: .....

## Form of TCD Pricing Supplement

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The Pricing Supplement that will be issued in respect of each Tranche of TCDs will be substantially in the form set out below.

**PRIPs Regulation / Prohibition of sales to EEA retail investors** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID2**”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID2; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.

**UK PRIPs Regulation / Prohibition of sales to UK retail investors** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 of the UK (“**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIPs Regulation.

**[MiFID2 product governance / Professional investors and eligible counterparties only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID2; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market.] Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[’s/s] target market assessment; however, a distributor subject to MiFID2 is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s] target market assessment) and determining appropriate distribution channels.]<sup>3</sup>

**[UK MiFIR product governance / Professional investors and eligible counterparties only target market** - Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the UK Financial Conduct Authority (“**FCA**”) Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market.] Any person subsequently offering, selling or recommending the Notes (a “**UK distributor**”) should take into consideration the manufacturer[’s/s] target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either

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<sup>3</sup> Legend to be included on front of the Pricing Supplement if transaction involves one or more manufacturer(s) subject to MiFID2 and if following the “ICMA 1” approach.

adopting or refining the manufacturer[s/s'] target market assessment) and determining appropriate distribution channels.]<sup>4</sup>

**SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION** – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”), the Issuer has determined, and hereby notifies all relevant persons (as defined in section 309A(1) of the SFA) that the Notes are “[prescribed capital markets products] / [capital markets products other than prescribed capital markets products]” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and [Excluded Investment Products]/[Specified Investment Products] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Series No.: [ ]

Tranche No.: [ ]

**National Australia Bank Limited**  
(ABN 12 004 044 937)

**Debt Issuance Programme**

Issue of  
**[Aggregate Principal Amount of Tranche] [Title of Transferable Certificates of Deposit (“TCDs”)]**

The date of this TCD Pricing Supplement is [ ].

This TCD Pricing Supplement (as referred to in the Information Memorandum in relation to the above Programme) relates to the Tranche of Transferable Certificates of Deposit referred to above. It is supplementary to, and should be read in conjunction with the TCD Deed Poll dated 12 March 2009 made by the Issuer as amended and restated as at 30 October 2019 and previously amended and restated as at 23 August 2011, 5 March 2014 and 31 August 2016.

This TCD Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the TCDs or the distribution of this TCD Pricing Supplement in any jurisdiction where such action is required.

**The Issuer does not make any representation as to whether the TCDs would or would not constitute a deposit liability of the Issuer for the purposes of the depositor protection provisions in Division 2 of Part II of the Banking Act.**

The particulars to be specified in relation to the Tranche of TCDs referred to above are as follows:

- |          |                                     |   |
|----------|-------------------------------------|---|
| <b>1</b> | <b>Issuer:</b>                      | National Australia Bank Limited   |
| <b>2</b> | <b>Type of Issue:</b>               | [Private]/[Syndicated] Issue  |
| <b>3</b> | <b>Public Offer Test Compliant:</b> | It [is]/[is not] the Issuer’s intention that this issue of TCDs will be issued in a manner which will seek to satisfy the Public Offer Test |
| <b>4</b> | <b>Dealer(s):</b>                   | [Name]  |
| <b>5</b> | <b>Lead Manager:</b>                | [Name(s)]   |

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<sup>4</sup> Legend to be included on front of the Pricing Supplement if transaction involves one or more manufacturer(s) subject to UK MiFIR and if following the “ICMA 1” approach.

|    |   |  |
|----|---|--|
| 6  | <b>Registrar:</b>   | [Austraclear Services Limited (ABN 28 003 284 419)]/[Specify]  |
| 7  | <b>Calculation Agent:</b>   | [Issuer]/[Specify]   |
| 8  | <b>If to form a single Series with an existing Series, specify date on which all TCDs of the Series become fungible, if not the Issue Date:</b> | [Specify]  |
| 9  | <b>Aggregate Principal Amount of Tranche:</b>   | [Specify]  |
| 10 | <b>Aggregate Principal Amount of Series (including the Tranche):</b>  | [Specify]  |
| 11 | <b>If interchangeable with existing Series:</b>   | [Specify]  |
| 12 | <b>Issue Date:</b>  | [Specify]  |
| 13 | <b>Issue Price:</b>   | [100] per cent. per Denomination   |
| 14 | <b>Denomination:</b>  | [\$1,000]/[Specify amount and currency]<br><br>The minimum aggregate consideration for offers or transfers of the [insert type] TCDs in Australia must be at least A\$500,000 (disregarding any moneys lent by the offeror, the transferor or their associates to the transferee), unless the offer or invitation resulting in the transfer does not otherwise require disclosure in accordance with the Part 6D.2 or Chapter 7 of the Corporations Act of Australia and is not an offer or invitation to a retail client for the purposes of section 761G of the Corporations Act of Australia. |
| 15 | <b>Type of TCDs:</b>  | [Fixed Rate]/[Floating Rate]/ [Instalment]   |
| 16 | <b>If TCDs are interest-bearing, specify whether they are:</b>  |  |
|    | (a) Fixed Rate:   | [Yes]/[No]   |
|    | (b) Floating Rate:  | [Yes]/[No]   |
|    | (c) Other TCDs:   | [Yes]/[No]   |
| 17 | <b>If the TCDs are Fixed Rate, specify:</b>   | Applicable: [Yes]/[No]   |
|    | (a) Fixed Coupon Amount:  | [     ]  |
|    | (b) Interest Rate:  | [     ]  |
|    | (c) Interest Commencement Date:   | [Issue Date]/[specify]   |
|    | (d) Interest Payment Dates:   | [     ]  |
|    | (e) Business Day Convention:  | [Following Business Day Convention]/[Modified Following Business Day Convention]/[Modified   |



- Business Day Convention]/[Preceding Business Day Convention]/[No Adjustment]
- (f) **Additional Business Centre(s):** [       ]
- (g) **Day Count Fraction:** [       ] (if none specified, the Day Count Fraction will be Actual/365 (Fixed) (as defined in the TCD Terms and Conditions))
- 18 If the TCDs are Floating Rate, specify:** Applicable: [Yes]/[No]
- (a) **Basis for determination of Base Rate:** [ISDA Determination]/[Screen Rate]/[Bank Bill Rate]
- (b) **Interest Commencement Date:** [Issue Date]/[specify]
- (c) **Interest Rate:** [       ]
- (d) **Interest Payment Dates:** [       ]
- (e) **Business Day Convention:** [Following Business Day Convention]/[ Modified Following Business Day Convention]/[Modified Business Day Convention]/[Preceding Business Day Convention]/[No Adjustment]
- (f) **Additional Business Centre(s):** [       ]/[Not Applicable]
- (g) **Margin:** [       ] (state if positive or negative)
- (h) **Minimum Interest Rate /Maximum Interest Rate:** [       ]/[Not Applicable]
- (i) **Day Count Fraction:** [       ] (if none specified, the Day Count Fraction will be Actual/365 (Fixed) (as defined in the TCD Terms and Conditions))
- (j) **Cut-Off Time:** [Specify any modification to definitions]/[Not Applicable]
- (k) **Specified Period:** [       ]/[Not Applicable]
- (l) **Linear Interpolation:** Applicable: [Yes]/[No]  
 [If ISDA Determination applies, complete the following items]
- (m) **Floating Rate Option:** [       ]
- (n) **Designated Maturity:** [       ]
- (o) **Reset Date:** [       ]  
 [If Screen Rate Determination applies, complete the following items]
- (p) **Relevant Screen Page:** [       ]
- (q) **Relevant Time:** [       ]
- (r) **Reference Rate:** [       ]

- (s) Interest Determination Date: [      ]
- 19 If the TCDs are not Fixed Rate or Floating Rate, is another rate or amount of interest payable? Applicable: [Yes/No]  
*[specify full interest determination provisions, including Interest Commencement Date, rate or calculation basis for interest or actual amounts of interest payable, amount and dates for payment, minimum/maximum rates]*
- 20 Accrual of interest: *[specify any change to Condition 11.6 of the TCD Terms and Conditions regarding accrual of interest:]* [      ]
- 21 Default Rate: *[in the case of interest-bearing TCDs, specify rate of interest applying to overdue amounts:]* [      ]
- 22 Maturity Date: *[In the case of an Instalment TCDs, insert the date on which the last instalment of principal is payable:]*  
[      ]
- 23 Instalment Amount: [      ]
- 24 Instalment Date: [      ]
- 25 Redemption Amount: *[If Redemption Amount is not the Outstanding Principal Amount of the TCDs, insert amount or full calculation provisions:]* [      ]
- 26 Early redemption at the option of the Issuer (Issuer call):
- (a) Are the TCDs redeemable before their Maturity Date at the option of the Issuer under Condition 12.4? Applicable: [Yes]/[No]
- (b) If the amount payable on redemption is not the Redemption Amount together with any interest accrued on the TCDs, insert amount or full calculation provisions: [      ]
- (c) Specify minimum notice period for the exercise of the call option: [      ]
- (d) Specify maximum notice period for the exercise of the call option: [      ]
- (e) Specify any relevant conditions to exercise of option: [      ]
- (f) Specify whether redemption at Issuer's option is permitted in respect of some only of the TCDs and, if so, any minimum aggregate principal amount and the means by which TCDs will be selected for redemption: [      ]
- (g) Specify if TCD Holders are not to receive accrued interest on early redemption at their option: [      ]

|    |   |   |
|----|---|---|
| 27 | <b>Early redemption at the option of TCD Holders (investor put):</b>  |   |
|    | (a) Are the TCDs redeemable before their Maturity Date at the option of TCD Holders under Condition 12.3?   | Applicable: [Yes]/[No]  |
|    | (b) If the amount payable on redemption is not the Redemption Amount together with any interest accrued on the TCDs, insert amount or full calculation provisions:              | [     ]   |
|    | (c) Specify minimum notice period for exercise of put option:   | [     ]   |
|    | (d) Specify any relevant conditions to exercise of option:  | [     ]   |
|    | (e) Specify if TCD Holders are not to receive accrued interest on early redemption at their option:   | [     ]   |
| 28 | <b>Early redemption for taxation reasons</b>  |   |
|    | (a) If the amount payable on redemption is not the Redemption Amount together with accrued interest (if any) thereon of the TCDs, insert amount or full calculation provisions: | [     ]   |
|    | (b) Specify if TCD Holders are not to receive accrued interest on early redemption for taxation reasons:  | [     ]   |
| 29 | <b>Taxation:</b>  | <i>[Specify the additional circumstances in which an exception to the gross up obligation are to apply pursuant to Condition 15.3(c) of the TCD Terms and Conditions]</i> |
| 30 | <b>Specified Currency:</b>  | <i>[specify]/[Not Applicable]</i>   |
| 31 | <b>Other relevant terms and conditions:</b>   | <i>[specify any Conditions to be altered, varied, deleted otherwise than as provided above and also any additional Conditions to be included:] [     ]</i>                |
| 32 | <b>ISIN:</b>  | [     ]   |
| 33 | <b>Common Code:</b>   | [     ]   |
| 34 | <b>Common Depository:</b>   | [     ]   |
| 35 | <b>U.S. selling restrictions:</b>   | Regulation S Compliance Category 2  |
| 36 | <b>Other selling restrictions:</b>  | <i>[specify any variation to the selling restrictions in appendix to this pricing supplement]</i>   |
| 37 | <b>Listing:</b>   | [     ]   |

- |           |  |   |
|-----------|--|---|
| <b>38</b> | <b>Additional (or modifications to) Events of Default:</b> | <i>[specify any additional or (modifications to) Events of Default]</i>   |
| <b>39</b> | <b>Additional or alternate newspapers:</b>                 | <i>[specify any additional or alternate newspapers for the purposes of Condition 22.1(c) of the TCD Terms and Conditions:] [            ]</i> |
| <b>40</b> | <b>I&amp;P Agent (Offshore):</b>                           | <i>[specify details of any appointed I&amp;P Agent (Offshore) for the Series or Tranche of TCDs:] [            ]</i>                          |
| <b>41</b> | <b>Other amendments:</b>                                   | <i>[            ]</i>   |

**CONFIRMED**

**For and on behalf of  
National Australia Bank Limited**

By: .....  
[Name] Authorised Officer

Date: .....

## Selling and Distribution Restrictions

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*The distribution and use of this Information Memorandum and any Pricing Supplement, including any advertisement or other offering material, and the offer or sale of Notes, may be restricted by law in certain jurisdictions and intending purchasers and other investors should inform themselves about those laws and observe any such restrictions. Persons into whose possession this Information Memorandum or any Notes come must inform themselves about, and observe, any such restrictions.*

*This Information Memorandum does not constitute an offer of Notes in any jurisdiction in which it would be unlawful. This Information Memorandum and any other offering materials may not be distributed to any person, and the Notes may not be offered or sold, in any jurisdiction except to the extent contemplated below or agreed with the Issuer and Dealers. In particular, no action has been taken by the Issuer or any of the Dealers which would permit a public offering of any Notes in any jurisdiction where action for that purpose is required.*

*A person may not (directly or indirectly) offer for subscription or purchase, or issue an invitation to subscribe for or buy Notes, nor distribute or publish this Information Memorandum or any other offering material or advertisement relating to the Notes, except if the offer or invitation, or distribution or publication, complies with all applicable laws, regulations and directives.*

*Pursuant to the Amended and Restated Dealer Agreement dated on or about [●] 2021 between the Issuer and the Dealers as amended and supplemented from time to time (“**Dealer Agreement**”), the Notes will be offered by the Issuer through the Dealers. The Issuer will have the sole right to accept any such offers to purchase Notes and may reject any such offer in whole or (subject to the terms of such offer) in part. Each Dealer has the right, in its discretion reasonably exercised, to reject any offer to purchase Notes made to it in whole or (subject to the terms of such offer) in part. The Issuer is entitled under the Dealer Agreement to appoint one or more Dealers as a dealer for a particular Tranche of Notes.*

*By its purchase and acceptance of Notes issued under the Dealer Agreement, each Dealer has agreed that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and it will not directly or indirectly offer, sell, resell, re-offer or deliver Notes or distribute the Information Memorandum, any Pricing Supplement, circular, advertisement or other offering material relating to the Notes in any country or jurisdiction except under circumstances that will result in compliance with all applicable laws and regulations.*

*Neither the Issuer, the Arranger nor any of the Dealers have represented that any Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.*

*The following selling restrictions apply.*

### **1 Australia**

Neither this Information Memorandum nor any other disclosure document (as defined in the Corporations Act 2001 of Australia (“**Corporations Act**”)) in relation to the Notes has been, or will be, lodged with the Australian Securities and Investments Commission (“**ASIC**”) or any other government agency. The Information Memorandum is not a prospectus or other disclosure document for the purposes of the Corporations Act. No action has been taken which would permit an offering of the Notes in circumstances that would require disclosure under Part 6D.2 or Chapter 7 of the Corporations Act.

Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that, unless the relevant Pricing Supplement otherwise provides, it:

- (a) has not made or invited, and will not make or invite, an offer of the Notes for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and

- (b) has not distributed or published, and will not distribute or publish, any Information Memorandum or any other offering material or advertisement relating to any Notes in Australia,

unless (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or its equivalent in an alternate currency) (disregarding moneys lent by the offeror or its associates) or the offer, distribution or publication otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act; (ii) such offer, distribution or publication is not made to a retail client within the meaning of section 761G of the Corporations Act; (iii) such action complies with applicable laws and directives; and (iv) such action does not require any document to be lodged with ASIC.

## 2 European Economic Area Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the STN Supplement, Pricing Supplement or TCD Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
- (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MIFID2**”); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID2; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation (where the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129); and
- (b) the expression “**an offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

## 3 The United Kingdom

### *United Kingdom Retail Investors*

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Information Memorandum as completed by the STN Supplement, Pricing Supplement or TCD Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
- (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
  - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 of the United Kingdom (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation (where the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA); and

- (b) the expression “**an offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

#### *Other regulatory restrictions*

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving, the United Kingdom.

#### **4 The United States of America**

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (“**Securities Act**”) or the securities laws of any state in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in the preceding sentence and the following two paragraphs have the meaning given to them by Regulation S under the Securities Act.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it nor its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts as that term is defined in Regulation S under the Securities Act; and it has not offered or sold the Notes of any identifiable tranche and will not offer or sell the Notes of such tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of such tranche as determined and certified by the Lead Manager of such tranche (or other person performing a similar function), except to non-U.S. persons in “offshore transactions” (as defined in Rule 902(h) of Regulation S) in accordance with Rule 903 of Regulation S under the Securities Act.

Each of the Dealers has further agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, at or prior to confirmation of a sale of the Notes, it will send to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases the Notes from it or through it during the Distribution Compliance Period (as defined below) a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the later of completion of the offering of Notes comprising any identifiable tranche or the date on which Notes were first offered to persons other than the Dealers (the “**Distribution Compliance Period**”), an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering of those Notes) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

#### **5 Hong Kong**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are “structured products” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (“**SFO**”)) other than (i) to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up

and Miscellaneous Provisions) Ordinance (Cap. 32) (the “**C(WUMP)O**”) of Hong Kong or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

## **6 Singapore**

Each Dealer acknowledges, and each further Dealer appointed under this Programme will be required to acknowledge that this Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that the Notes have not been offered or sold and will not be offered or sold or made the subject of an invitation for subscription or purchase nor will this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of, any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with, the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; or
- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law; or
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

## **7 Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”) and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of,



any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **8 New Zealand**

No action has been or will be taken by the Issuer or the Dealers which would permit a public or regulated offering of any Notes, or possession or distribution of any offering material in relation to the Notes, in New Zealand.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that: (1) it has not offered, sold or delivered and will not directly or indirectly offer, sell, or deliver any Notes; and (2) it will not distribute any offering circular or advertisement in relation to any offer of the Notes, in New Zealand other than to any or all of the following persons only:

- (a) "wholesale investors" as that term is defined in clauses 3(2)(a), (c) and (d) of Schedule 1 to the Financial Markets Conduct Act 2013 of New Zealand ("**FMC Act**"), being a person who is:
  - (i) an "investment business";
  - (ii) "large"; or
  - (iii) a "government agency",in each case as defined in Schedule 1 to the FMC Act; and
- (b) in other circumstances where there is no contravention of the FMC Act.

## **9 The People's Republic of China**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly in the People's Republic of China (for such purposes not including Hong Kong, Macau and Taiwan) (the "**PRC**") except as permitted by the applicable laws or regulations of the PRC.

## **10 General**

These selling restrictions may be modified by the Issuer from time to time. Any such modification will be set out in the relevant Subscription Agreement, if applicable, and in the STN Supplement, Pricing Supplement or TCD Pricing Supplement issued in respect of the Notes to which it relates or in a supplement to, and update of, the Information Memorandum.

## National Australia Bank Limited

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The Issuer is a public limited company incorporated on June 23, 1893 in the Commonwealth of Australia and it operates under Australian legislation including the Corporations Act and the Banking Act. The Issuer's registered office is at Level 1, 800 Bourke Street, Docklands, Victoria 3008, Australia.

The Issuer (together with its subsidiaries, the "**Group**") is a financial services organisation. The majority of the Group's financial services businesses operate in Australia and New Zealand with branches located in Asia, the United Kingdom and the United States.

More detailed information and financial statements, including the notes thereto, are contained in the most recently published Issuer's Annual Financial Report from time to time which is publicly available on the internet at [www.nab.com.au](http://www.nab.com.au).

## Description of Ordinary Shares

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The rights and liabilities that attach to Ordinary Shares are set out in the Issuer's Constitution. Investors who wish to inspect the Constitution may do so at the registered address of the Issuer. These rights and liabilities are also regulated by the Corporations Act, ASX Listing Rules ("**ASX Listing Rules**") and general law.

The following is a summary of the main rights attaching to Ordinary Shares:

- the right to one vote per fully paid Ordinary Share at general meetings of the Issuer (or a fraction of a vote in proportion to the amount paid up on that Ordinary Share);
- the right to transfer the Ordinary Shares, in accordance with the Constitution;
- subject to the rights of holders carrying preferred rights, the right to receive dividends in proportion to the amount paid up on that Ordinary Share, if and when the Directors determine to pay them;
- the right to receive information required to be distributed under the Corporations Act and the ASX Listing Rules; and
- subject to the rights of holders having preferred rights, the right to participate in a surplus of assets on a winding up of the Issuer.

NAB's ability to pay a dividend may be restricted by Australian law and by the terms of prior ranking securities.

# Australian Taxation

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*The following is a summary of the taxation treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, “**Australian Tax Act**”), at the date of this Information Memorandum, of payments of interest (as defined in the Australian Tax Act) on the Notes to be issued by the Issuer under the Programme and certain other matters. It is not exhaustive and, in particular, does not deal with the position of certain classes of holders of Notes (including, without limitation, dealers in securities, custodians or other third parties who hold Notes on behalf of any Note holders).*

*Prospective holders of Notes should also be aware that particular terms of issue of any Series of Notes may affect the tax treatment of that and other Series of Notes. The following is a general guide and should be treated with appropriate caution. Prospective holders of Notes who are in any doubt as to their tax position should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.*

## 1 Interest withholding tax

An exemption from Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act (“**IWT**”) is available, in respect of the Notes issued by the Issuer, under section 128F of the Australian Tax Act if the following conditions are met:

- (a) the Issuer is a resident of Australia when it issues Notes and when interest (as defined in section 128A(1AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts;
- (b) the Notes are debentures as defined for the purposes of section 128F (but not equity interests);
- (c) those Notes are issued in a manner which satisfies the public offer test set out in subsection 128F(3). There are five principal methods of satisfying the public offer test, only one of which needs to be satisfied. The purpose of the public offer test is to ensure that lenders in capital markets are aware that the Issuer is offering those Notes for issue. In summary, the five methods are:
  - offers to 10 or more unrelated persons carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets;
  - offers to 100 or more investors;
  - offers of listed Notes;
  - offers via publicly available information sources; and
  - offers to a dealer, manager or underwriter who offers to sell those Notes within 30 days by one of the preceding methods;
- (d) in addition, the issue of any of those Notes (whether in global form or otherwise) and the offering of interests in any of those Notes by one of these methods should satisfy the public offer test, provided the Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that those Notes or interests in those Notes were being, or would later be, acquired, directly or indirectly, by an “associate” of the Issuer (as defined in section 128F(9)), except as permitted by section 128F(5) of the Australian Tax Act; and
- (e) the exemption under section 128F also does not apply to interest paid in respect of a Note if, at the time of the payment of interest, the Issuer knows, or has reasonable grounds to suspect, that the payee is an “associate” of the Issuer (as defined in section 128F(9)), except as permitted by section 128F(6) of the Australian Tax Act.

## *Associates*

An “associate” of an Issuer for the purposes of section 128F of the Australian Tax Act includes (i) a person or entity which holds more than 50% of the voting shares of, or otherwise controls, the Issuer, (ii) an entity which is a subsidiary of, or otherwise controlled by, the Issuer, (iii) a trustee of a trust where the Issuer is capable of benefiting (whether directly or indirectly) under that trust, and (iv) a person or entity who is an “associate” of another person or company which is an “associate” of the Issuer under paragraph (i) above.

However, for the purposes of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (d) and (e) above), “associate” does not include:

- (A) onshore associates (ie Australian resident associates who do not hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who hold the Notes in the course of carrying on business at or through a permanent establishment in Australia); or
- (B) offshore associates (ie Australian resident associates that hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who do not hold the Notes in the course of carrying on business through a permanent establishment in Australia) who are acting in the capacity of:
  - (i) in the case of section 128F(5) only, a dealer, manager or underwriter in relation to the placement of the relevant Notes, or a clearing house, custodian, funds manager or responsible entity of a registered managed investment scheme (for the purposes of the Corporations Act); or
  - (ii) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered managed investment scheme (for the purposes of the Corporations Act).

## *Compliance with section 128F of the Australian Tax Act*

Unless otherwise specified in any relevant Pricing Supplement (or another relevant supplement to this Information Memorandum), the Issuer intends to issue the Notes in a manner which will satisfy the requirements of section 128F of the Australian Tax Act.

## *Exemptions under certain double tax conventions*

The Australian government has concluded double tax conventions (“**Specified Treaties**”) with foreign jurisdictions (each a “**Specified Country**”) that contain certain exemptions from Australian IWT. The Specified Treaties apply to interest derived by a resident of a Specified Country.

The Specified Treaties effectively prevent IWT applying to interest derived by:

- governments of the Specified Countries and certain governmental authorities and agencies in a Specified Country; and
- certain unrelated (1) banks, and (2) other financial institutions which substantially derive their profits by carrying on a business of raising and providing debt finance and which are dealing wholly independently of the Issuer (interest paid under a back-to-back loan or economically equivalent arrangement will not qualify for this exemption),

by reducing the IWT rate to zero.

The Specified Treaties are in force in a number of jurisdictions including, for example, the United States and the United Kingdom.

### *Payment of additional amounts*

As set out in more detail in the relevant Terms and Conditions for the Notes, and unless expressly provided to the contrary in the relevant Pricing Supplement (or another relevant supplement to this Information Memorandum), if an Issuer is at any time required by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia in respect of the Notes, the Issuer must, in respect of the MTNs and the TCDs, subject to certain exceptions, pay such additional amounts as may be necessary in order to ensure that the net amounts received by the holders of those Notes after such deduction or withholding are equal to the respective amounts which would have been received had no such deduction or withholding been required. If an Issuer is required by law in relation to the MTNs or the TCDs to deduct or withhold an amount in respect of any withholding taxes, the Issuer will in certain circumstances have the option to redeem those Notes in accordance with the relevant Terms and Conditions.

## **2 Other tax matters**

Under Australian laws as presently in effect:

- (a) *income tax - offshore Note holders* - assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, payment of principal and interest (as defined in section 128A(1AB) of the Australian Tax Act) to a holder of the Notes, who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes; and
- (b) *income tax - Australian Note holders* - Australian residents or non-Australian residents who hold the Notes in the course of carrying on business at or through a permanent establishment in Australia ("**Australian Holders**") will be assessable for Australian tax purposes on income either received or accrued to them in respect of the Notes. Whether income will be recognised on a cash receipts or accruals basis will depend upon the tax status of the particular Note holder and the terms and conditions of the Notes. Special rules apply to the taxation of Australian residents who hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia which vary depending on the country in which that permanent establishment is located; and
- (c) *gains on disposal or redemption of Notes - offshore Note Holders* - a holder of the Notes who is a non-Australian resident will not be subject to Australian income tax on gains realised during that year on the sale or redemption of the Notes, provided:
  - (i) if the non-Australian resident is not a resident of a country with which Australia has entered into a double tax treaty - such gains do not have an Australian source; or
  - (ii) if the non-Australian resident is a resident of a country with which Australia has entered into a double tax treaty and is entitled to the benefits under that treaty - the non-Australian resident does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia.

A gain arising on the sale of Notes by a non-Australian resident holder to another non-Australian resident where the Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not be regarded as having an Australian source; and

- (d) *gains on disposal or redemption of Notes - Australian Note holders* - Australian Holders will be required to include any gain or loss on disposal of the Notes in their taxable income. Special rules apply to the taxation of Australian residents who hold the Notes in the course of carrying on business at or through a permanent

establishment outside Australia which vary depending on the country in which that permanent establishment is located; and

- (e) *deemed interest* - there are specific rules that can apply to treat a portion of the purchase price of Notes as interest for withholding tax purposes when certain Notes originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in the course of carrying on business at or through a permanent establishment outside Australia) or a non-resident who acquires them in the course of carrying on business at or through a permanent establishment in Australia. These rules do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Australian Tax Act if the Notes had been held to maturity by a non-resident; and
- (f) *stamp duty and other taxes* - no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer, redemption or Conversion of any Notes, provided that:
- if all the shares in the Issuer are quoted on the Australian Securities Exchange at the time of Conversion, no person, either directly or when aggregated with interests held by associates of that person, obtains an interest in the Issuer of 90% or more; or
  - if not all the shares in the Issuer are quoted on the Australian Securities Exchange at the time of Conversion, no person, either directly or when aggregated with interests held by associates of that person, obtains an interest in the Issuer of 50% or more.

The stamp duty legislation generally requires the interests of associates to be added in working out whether the relevant threshold is reached. In some circumstances, the interests of unrelated entities can also be aggregated together in working out whether the relevant threshold is reached; and

- (g) *other withholding taxes on payments in respect of Notes* - section 12-140 of Schedule 1 to the Taxation Administration Act 1953 of Australia ("**Taxation Administration Act**") imposes a type of withholding tax on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number ("**TFN**"), (in certain circumstances) an Australian Business Number ("**ABN**") or proof of some other exception (as appropriate). A withholding rate of 47% currently applies. Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, then the requirements of section 12-140 do not apply to payments to a holder of Notes in registered form who is not a resident of Australia and not holding those Notes in the course of carrying on business at or through a permanent establishment in Australia. Payments to other classes of holders of Notes in registered form may be subject to a withholding where the holder of those Notes does not quote a TFN, ABN or provide proof of an appropriate exemption (as appropriate); and
- (h) *supply withholding tax* - payments in respect of the Notes can be made free and clear of the "supply withholding tax" imposed under section 12-190 of Schedule 1 to the Taxation Administration Act; and
- (i) *goods and services tax (GST)* - neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber that is a non-resident of Australia) a GST-free supply. Furthermore, neither the payment of principal or interest by the Issuer, nor the disposal, redemption or Conversion of the Notes, would give rise to any GST liability in Australia; and

- (j) *additional withholdings from certain payments to non-residents* - section 12-315 of Schedule 1 to the Taxation Administration Act gives the Governor-General power to make regulations requiring withholding from certain payments to non-residents. However section 12-315 expressly provides that the regulations will not apply to interest and other payments which are already subject to the current IWT rules or specifically exempt from those rules. Further, regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The regulations promulgated prior to the date of this Information Memorandum are not relevant to any payments in respect of the Notes. Any further regulations should also not apply to repayments of principal under the Notes, as in the absence of any issue discount such amounts will generally not be reasonably related to assessable income. The possible application of any regulations to the proceeds of any sale of the Notes will need to be monitored; and
- (k) *taxation of financial arrangements* – Division 230 of the Australian Tax Act contains tax timing rules for certain taxpayers to bring to account gains and losses from “financial arrangements”. The rules do not alter the rules relating to the imposition of IWT nor override the IWT exemption available under section 128F of the Australian Tax Act. A number of elective tax timing methods are available under Division 230. If none of the tax timing elections are made, the default accruals/realisation methods should apply to the taxpayer. Under the default methods, if the gains and losses from a financial arrangement are sufficiently certain, they should be brought to account for tax on an accruals basis. Otherwise, they should be brought to account for tax when they are realised.
- Division 230 does not apply to certain taxpayers or in respect of certain short term “financial arrangements”. Division 230 should not, for example, generally apply to holders of Notes which are individuals and certain other entities (e.g. certain superannuation entities and managed investment schemes) which do not meet various turnover or asset thresholds, unless they make an election that the rules apply to their “financial arrangements”. Potential holders should seek their own tax advice regarding their own personal circumstances as to whether such an election should be made; and
- (l) *Conversion* – the Conversion of Subordinated MTNs into Ordinary Shares should not give rise to any taxable gain or loss in Australia for Note holders. This is because any gain or loss on the Conversion should be generally disregarded under the Australian Tax Act. There are a range of tax consequences which may apply to holders of Ordinary Shares, or particular holders of Ordinary Shares, in holding, acquiring or disposing of Ordinary Shares. Holders should seek their own taxation advice if their Subordinated MTNs are Converted into Ordinary Shares.



# U.S. Foreign Account Tax Compliance Act and OECD Common Reporting Standard

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## FATCA

Under sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (“**FATCA**”), a 30% withholding (“**FATCA withholding**”) may be required if (i)(A) an investor does not provide information sufficient for the Issuer or any other non-U.S. financial institution (“**FFI**”) through which payments on the Notes are made to determine the holder’s status under FATCA, or (B) an FFI to or through which payments on the Notes are made is a “non-participating FFI”; and (ii) a payment is made either (A) in respect of Notes that are treated as debt for U.S. federal income tax purposes, and that are issued or modified after the date that is six months after the date on which final regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register, or (B) in respect of Notes that are treated as equity for U.S. federal income tax purposes (or Notes that do not have a fixed term), whenever issued.

In any case, FATCA withholding is not expected to apply on payments made before the date that is two years after the date on which final regulations defining the term “foreign passthru payment” are filed with the U.S. Federal Register.

Reporting Australian Financial Institutions (“**RAFI**s”) under the Australia–U.S. FATCA Intergovernmental Agreement dated 28 April 2014 (“**Australian IGA**”) must comply with specific due diligence procedures. In general, these procedures seek to identify account holders and provide the Australian Taxation Office (“**ATO**”) with information on financial accounts held by U.S. persons and recalcitrant account holders. The ATO is required to provide such information to the U.S. Internal Revenue Service. Consequently, holders of Notes may be requested to provide certain information and certifications to the Issuer and to any other financial institutions through which payments on the Notes are made. A RAFI that complies with its obligations under the Australian IGA will not be subject to FATCA withholding on amounts it receives, and will not be required to deduct FATCA withholding from payments it makes, other than in certain prescribed circumstances.

In the event that any amount is required to be withheld or deducted from a payment on the Notes as a result of FATCA, pursuant to the relevant Terms and Conditions of the Notes, no additional amounts will be paid by the Issuer as a result of the deduction or withholding.

## Common Reporting Standard

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (“**CRS**”) requires certain financial institutions to report information regarding certain accounts (which may include the Notes) to their local tax authority and follow related due diligence procedures. Holders of Notes may be requested to provide certain information and certifications to ensure compliance with the CRS. A jurisdiction that has signed a CRS Competent Authority Agreement may provide this information to other jurisdictions that have signed the CRS Competent Authority Agreement. The Australian Government has enacted legislation amending, among other things, the Taxation Administration Act 1953 of Australia to give effect to the CRS.

## Directory

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### Issuer

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Attention: Head of Group Funding

### Registrar

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Telephone: (61 2) 8298 8476  
Attention: Manager, Clearing and  
Settlement Operations

### Dealer

**National Australia Bank Limited**  
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Attention: Head of Debt Syndicate